



BANK OF MALDIVES



Bank of Maldives (BML) is the leading financial institution in Maldives. We are a full-service bank engaging across 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.

Our business is built on a clear and compelling strategy focused on 3 strategic pillars of Customer Service, Support for Business and Financial Inclusion. Our strategic foundations are People Excellence and Robust Risk Management.

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

ONE BANK IS INVESTING IN MALDIVES

285,000 CUSTOMERS

38 BRANCHES IN ALL 20 ATOLLS

115 ATMs IN ALL 20 ATOLLS

277 CASH AGENTS ON 165 ISLANDS

6,100 POS MERCHANTS

51 SELF SERVICE BANKING CENTRES

2,000 DHONI BANKING TRIPS

MVR 13.3 BILLION LOANS TO INDIVIDUALS & BUSINESSES

MVR 17.3 BILLION CUSTOMER DEPOSITS

MVR 1 BILLION GOVERNMENT LOAN SCHEMES

950 JOBS WITH 1/3 IN ATOLLS

99% OF STAFF ARE MALDIVIANS



THAT BANK IS BANK OF MALDIVES

Our Business Strengths

Solid Financial Platform

- Deposit base MVR 17 billion
- Assets MVR 26 billion
- Strong capital position well above regulatory requirement

Strong Customer Base

- 285,000 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

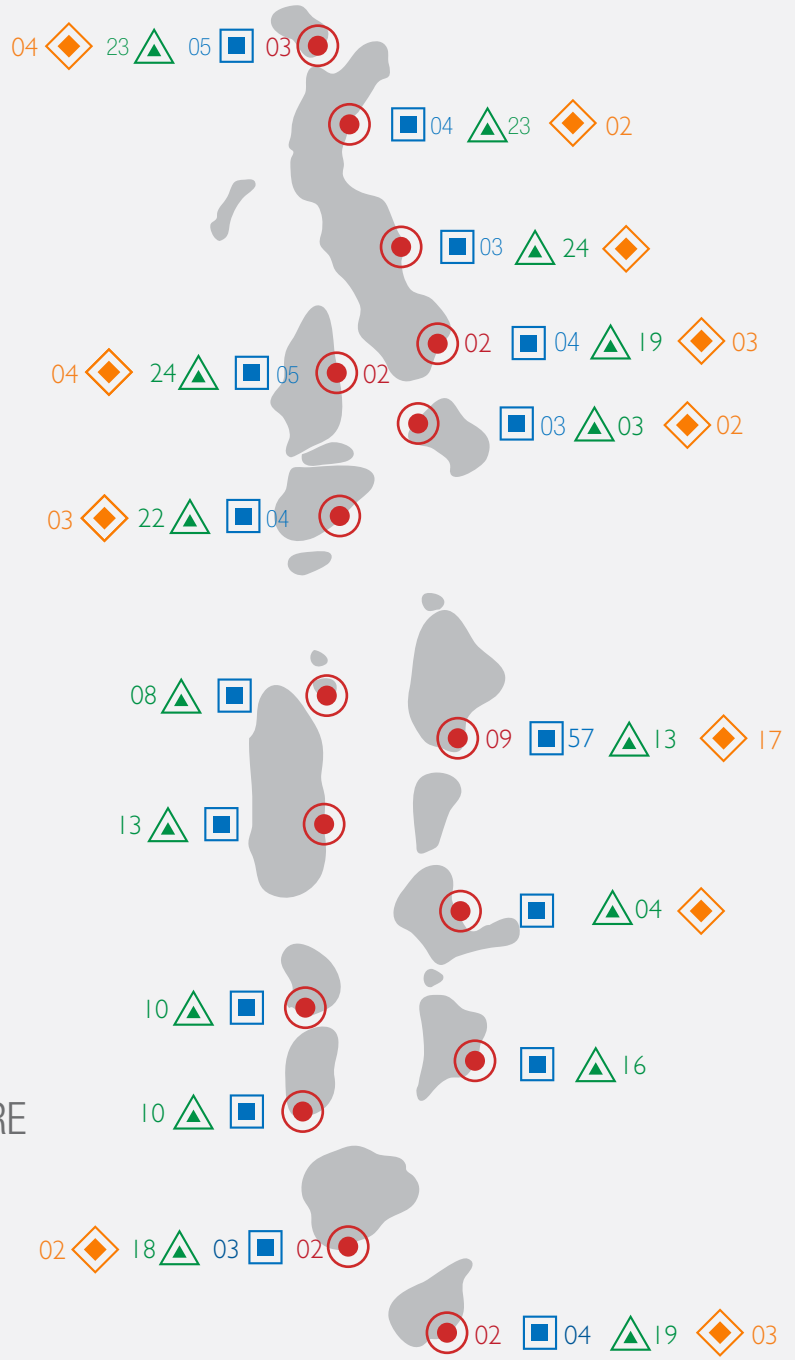
Leadership in Service Delivery

- 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

OUR NETWORK



- BRANCH
- ATM
- CASH AGENT
- SELF SERVICE BANKING CENTRE

ONE BANK IS INVESTING IN MALDIVES

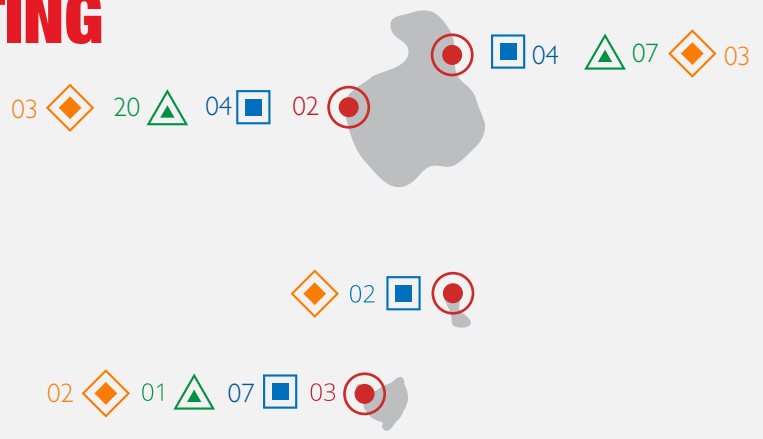


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1. SUMMARY

Bank of Maldives continued its growth during the final quarter of the year with a MVR 500 million increase in Total Assets. Total balance sheet grew by MVR 3 billion compared to 2018, including loans and customer deposits. While funding cost, investment and provision charge increased, solid business growth helped the Bank to post a PAT of MVR 209 million for the quarter and annual PAT of MVR 962 million which is a very satisfactory financial result. Capital and liquidity ratios finished the quarter well above regulatory requirements. Audited full year results of 2019 will be announced once these are available.

2. BUSINESS DEVELOPMENTS

- In October, we officially launched Mastercard in the Maldives where the complete range of Mastercard products were introduced including the Mastercard Business Debit Card and the premium Mastercard World Credit Card. The new cards and all existing Mastercard products are contactless enabled to support a faster, more secure and seamless payment experience.
- Also in October, a new mobile Point-of-Sale (mPOS) payment solution was introduced that allows retailers to transform smartphones into payment terminals to accept electronic payments. Along with mPOS, also introduced was BML Merchant Portal, a service that can be accessed through desktops and allows merchants to send payment links, check transaction status and generate simplified reports.
- Our annual event to celebrate our longest serving employees was also held in October. Thirty employees received awards and one individual was recognized for having served the Bank for 35 years. We also signed an MOU with the Ministry of Higher Education for the Corporate Scholarship Scheme which provides opportunities for BML staff seeking higher studies locally and internationally.
- In November, we committed to approving all BML Islamic Personal Financing requests in one day, paving the way for customers to enjoy the benefits of this Shari'ah compliant financing more conveniently than ever.
- As part of our commitment and support for business, we opened Business Centres in Male' and Hulhumale' where a dedicated team provide advisory services to SME customers on range of business banking requirements including loan advisory services, identifying financial requirements and carrying out application processes conveniently.
- Also in November, we partnered with American Express for a second time for the global destination marketing campaign 'Experience Maldives'. This campaign aims to promote Maldives as an international tourist destination offering unique, authentic experiences for American Express card members across the globe. We also launched the American Express Platinum Credit Card in Maldives.
- To facilitate payments for Indians travelling to Maldives, we signed an MOU with the National Payment Corporation of India (NPCI) to introduce acceptance of RuPay cards in Maldives.
- As part of our financial inclusion and investment strategy, we opened a new branch in Noonu atoll Velidhoo in December. With this branch, the atoll now has banking services through three branches, three Self-Service Banking ATMs and cash agents in each inhabited island in the atoll.

3. KEY FINANCIAL INFORMATION

Income Statement (Unaudited) - Quarter ended 31 December 2019

(All amounts in MVR'000 unless otherwise stated)

	Q4 2019	Q3 2019	Q2 2019	12 Months 2019	12 Months 2018 Audited
Gross Income	703,943	639,051	639,974	2,625,912	2,516,517
Interest Income and Similar Income	431,177	407,819	406,511	1,633,677	1,618,592
Interest Expense and Similar Charges	(42,821)	(36,148)	(36,766)	(151,867)	(142,400)
Net Interest Income	388,356	371,671	369,745	1,481,810	1,476,192
Fee and Commission Income	236,332	198,368	192,583	855,341	802,158
Fee and Commission Expense	(96,742)	(63,220)	(76,276)	(327,975)	(291,800)
Net Fee and Commission Income	139,590	135,148	116,307	527,366	510,358
Other Operating Income	36,434	32,864	40,880	136,894	95,768
Total Operating Income	564,380	539,683	562,932	2,146,070	2,082,318
Operating Expenses	(173,011)	(125,062)	(132,633)	(540,235)	(508,451)
Operating Profit (Profit before Provisions)	391,369	414,621	394,299	1,605,835	1,573,868
Provision for Bad and Doubtful Debts	(105,044)	(107,157)	(49,341)	(288,139)	28,031
Profit Before Tax	286,325	307,464	344,958	1,317,696	1,601,899
Income Tax Expense	(77,486)	(83,015)	(93,139)	(355,956)	(503,139)
Net Profit for Quarter	208,839	224,449	251,819	961,740	1,098,760
Basic Earnings Per Share (annualised)	155	167	187	179	204
Net Assets Per Share	1,241	1,202	1,185	1,241	1,086
Cash Flow Per Share	(50)	128	(216)	78	2

Statement of Financial Position (Unaudited) - As at 31 December 2019

(All amounts in MVR'000 unless otherwise stated)

	31 Dec 2019	30 Sep 2019	30 June 2019	31 Dec 2018 Audited
Cash, Short Term Funds & Balances with MMA	6,553,149	6,807,568	7,025,082	5,075,501
Loans and Advances	13,294,622	12,949,497	12,534,981	12,198,904
Financial Investments - FVOCI	144,526	144,526	144,526	144,526
Financial Investments - Amortized Cost	5,140,285	4,838,164	4,829,787	4,796,577
Property, Plant and Equipment	528,165	448,126	423,767	409,976
Other Assets	322,725	304,697	241,206	347,619
Total Assets	25,983,472	25,492,578	25,199,349	22,973,103
Deposits	17,302,473	16,969,972	16,893,840	15,280,223
Borrowings	975,349	1,018,898	753,891	921,761
Other Liabilities	1,025,900	1,032,797	1,175,990	923,942
Total Liabilities	19,303,722	19,021,667	18,823,721	17,125,926
Share Capital	269,096	269,096	269,096	269,096
Share Premium	93,000	93,000	93,000	93,000
Retained Earnings	1,934,854	1,726,015	1,630,732	1,102,281
Other Reserves	4,382,800	4,382,800	4,382,800	4,382,800
Total Shareholders' Equity	6,679,750	6,470,911	6,375,628	5,847,177
Total Equity and Liabilities	25,983,472	25,492,578	25,199,349	22,973,103



Nandana Senevirathne
Chief Financial Officer



Timothy Sawyer
CEO & Managing Director



Ibrahim Mohamed
Chairperson, Audit & Risk
Management Committee

Statement of Changes in Equity (Unaudited) - Quarter ended 31 December 2019

(All amounts in MVR'000 unless otherwise stated)

	Share Capital	Retained Earnings	Other Reserves	Total
Balances as at 1 January 2019	362,096	1,102,280	4,382,800	5,847,177
(+) Net profit for the quarter	-	276,633	-	276,633
Balances as at 31 March 2019	362,096	1,378,913	4,382,800	6,123,809
(+) Net profit for the quarter	-	251,819	-	251,819
Balances as at 30 June 2019	362,096	1,630,732	4,382,800	6,375,628
(+) Net profit for the quarter	-	224,449	-	224,449
(-) Dividends to equity holders (First and Final: 2018)	-	(129,166)	-	(129,166)
Balances as at 30 September 2019	362,096	1,726,015	4,382,800	6,470,911
(+) Net profit for the quarter	-	208,839	-	208,839
Balances as at 31 December 2019	362,096	1,934,854	4,382,800	6,679,750

Statement of Cash Flows (Unaudited) - Quarter ended 31 December 2019

(All amounts in MVR'000 unless otherwise stated)

	Q4 2019	Q3 2019	Q2 2019	12 Months 2019	12 Months 2018 Audited
Cash Flows from Operating Activities	399,295	117,300	258,155	1,194,283	858,304
Changes in Operating Assets and Liabilities	(225,293)	(87,469)	(1,340,762)	(203,846)	(386,596)
Cash Flows from Investing Activities	(398,872)	(50,060)	(34,490)	(492,774)	(476,748)
Cash Flows from Financing Activities	(43,549)	135,842	(43,563)	(75,578)	14,479
Net increase/ (used) in Cash and Cash Equivalents	(268,419)	690,551	(1,160,659)	422,085	9,439
Cash and Cash Equivalents at beginning of Quarter	2,022,796	1,332,245	2,492,904	1,332,292	1,322,853
Cash and Cash Equivalents at end of Quarter	1,754,377	2,022,796	1,332,245	1,754,377	1,332,292

4. INVESTOR INFORMATION

Highest Traded Price	MVR 250
Lowest Traded Price	MVR 200
Last Traded Price	MVR 250
Last Traded Date	29 December 2019
Number of Trades	17
Number of Shares Traded	952
Value of Shares Traded	MVR 210,530
Weighted Average Traded Price	MVR 221.14
Market Capitalization	MVR 1,190,157,788.80
Price Earnings Ratio	1.43
Dividend Yield	10.9%

5. GOVERNANCE

5.1 Frequency of Board Meetings

The number of meetings held by the Board of Directors and its sub-committees during the fourth quarter of 2019 were as follows:

	No. of Meetings
Board of Directors	03 (Three)
Board Credit Committee	03 (Three)
Audit & Risk Management Committee	06 (Six)
Appointment & Remuneration Committee	07 (Seven)
Nomination Committee	02 (Two)

5.2 Key Activities carried out by the Board & Board Committees

- Reviewed and approved the Bank's financial statements for Quarter 3 2019.
- Reviewed the Risk Management Report for Quarter 3 2019.
- Reviewed the Non-Performing Assets and Loan Portfolio Report for Quarter 3 2019.
- Reviewed the report on the activities of the Internal Audit function during Quarter 3 2019.
- Reviewed nominations of Government Directors.
- Reviewed, AR, NC & ARM Committee Reports for Quarter 3 2019.

- Reviewed changes to Bank's Articles of Association.
- Reviewed the Bank's Budget for the year 2020.
- Reviewed MMA Onsite Examination Report.
- Reviewed eligibility criteria of BML Islamic personal financing product.
- Reviewed and approved to enter into a partnership to undertake corporate scholarship scheme of Ministry of Higher Education

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 Elected Directors. Following the 36th AGM held on 30th July 2019, the newly appointed Board now consists of 09 Directors with 02 Nominee Director position being vacant.

	Name of Director	Category	Designation	Respective Committee
01	Mr. Timothy Sawyer Nominee Director	Executive & Non-Independent	CEO & MD	BCC
02	Ms. Sana Mansoor Nominee Director	Non-Executive & Independent	Director Chairperson of AR Committee	ARM, AR, BCC
03	Mr. Hawwa Safna Nominee Director	Non-Executive & Independent	Director Chairperson of NC Committee	AR, NC, & BCC
04	Ms. Juwairiya Saeed Nominee Director	Non-Executive & Non-Independent	Director	ARM, AR & NC
05	Mr. Najeem Ibrahim Zakariyya Nominee Director	Non-Executive & Independent	Director	ARM, NC & BCC
06	Mr. Hussain Thoufeeq Ali Nominee Director	Non-Executive & Non-Independent	Director	AR & NC
07	Mr. Ibrahim Mohamed Elected Director	Non-Executive & Independent	Director Chairperson of ARM Committee	ARM & BCC
08	Mr. Mohamed Abdul Sattar Elected Director	Non-Executive & Independent	Director	ARM, AR & BCC
09	Mr. Ahmed Mohamed Elected Director	Non-Executive & Independent	Director	NC & BCC

BCC = Board Credit Committee; AR = Appointment & Remuneration Committee; NC = Nomination Committee; ARM = Audit & Risk Management Committee
1-9 members were appointed to the Board on 30th July 2019

BCC, AR, ARM & NC members were appointed on 31st July 2019

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

- Under the 'Aharenge Bank' program, we continue to invest in community initiatives supporting the areas of education, sports, environment and community development.
- The Aharenge Bank Community Fund enables individuals and local organizations to contribute to their communities through sustainable projects. During the quarter, we awarded an additional ten projects at a value of MVR 500,000.
- During the quarter we also completed the donation of 60 motorized wheelchairs to individuals with disabilities across the country. To mark the International Day of Persons with Disabilities we supported Haa Alifu Atoll Education Centre to establish 9 wheelchair accessible ramps within the school. We invested over MVR 1.1 million to support people with disabilities over the quarter.
- As in previous years, we supported the annual Pink Ribbon Run-Walk organized by the Cancer Society of Maldives, hosting it across 28 islands in the Maldives. MVR 180,000 was invested in the campaign to raise funds to further the initiatives of Cancer Society. In addition, we invested MVR 437,140 this quarter for our swimming development program.

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.

