



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

279,000 CUSTOMERS

37 BRANCHES IN ALL 20 ATOLLS

105 ATMs IN ALL 20 ATOLLS

277 CASH AGENTS ON 165 ISLANDS

5,400 POS MERCHANTS

43 SELF SERVICE BANKING CENTRES

2,000 DHONI BANKING TRIPS

MVR 12.5 BILLION LOANS TO INDIVIDUALS & BUSINESSES

MVR 17 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 25 billion
- Strong capital position well above regulatory requirement

Strong Customer Base

- 279,000 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

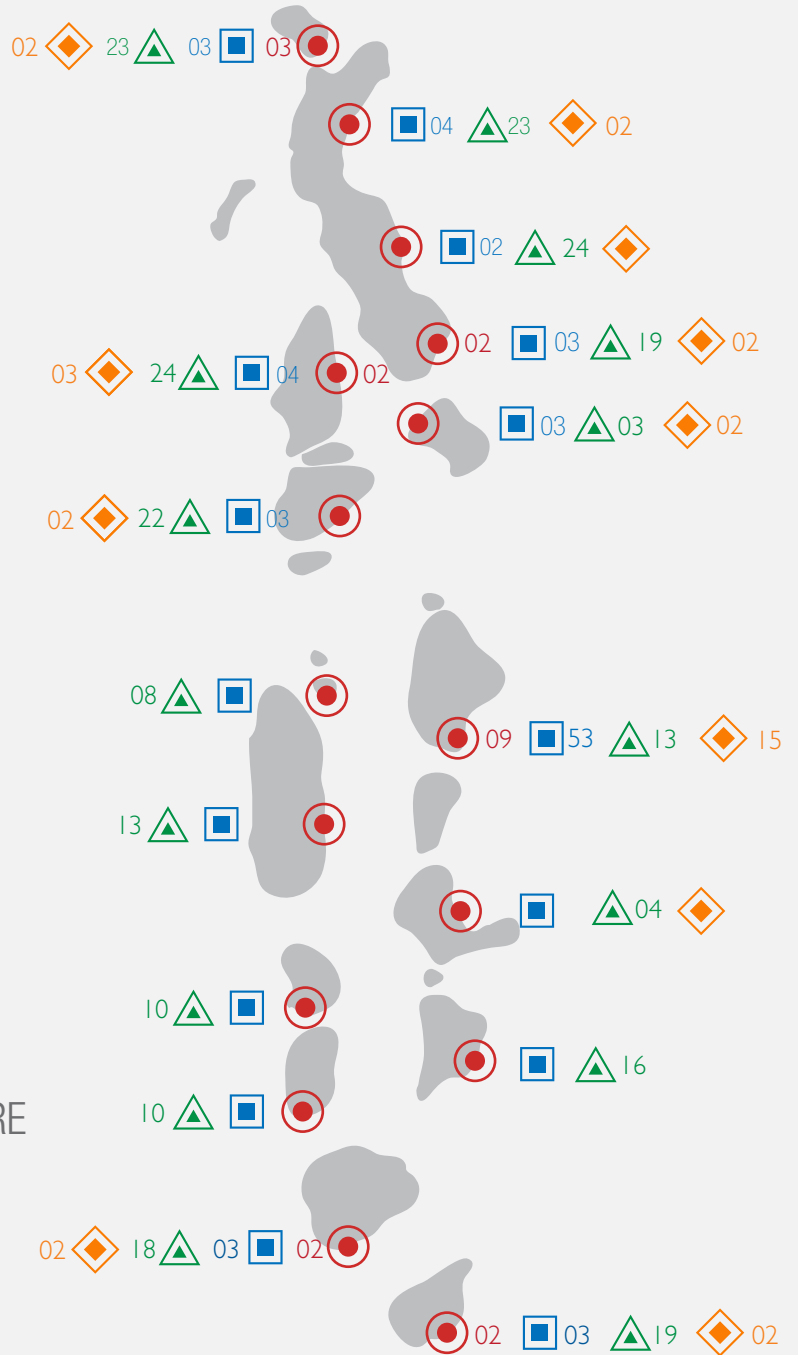
Leadership in Service Delivery

- 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

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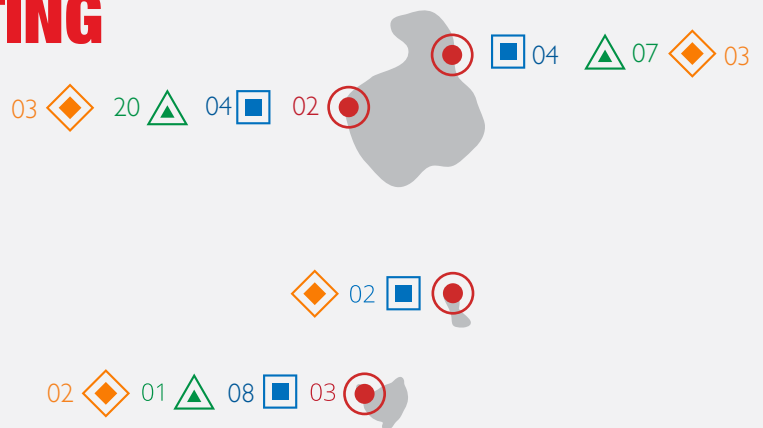


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1. SUMMARY

Bank of Maldives' financial performance continued to trend positively during the 2nd quarter resulting in Profit Before Tax of MVR 724 million for the first half of 2019, up 5% on the same period of last year despite higher funding costs (H1 2019 v H1 2018). Healthy business volumes across all key business segments together with a robust loan book saw this outturn beat expectations. Capital and liquidity ratios finished the period well above regulatory requirements.

2. BUSINESS DEVELOPMENTS

- We completed the first year of our Graduate Internship Program in April and announced plans to continue the program for the second year. The main focus of the program is to allow students to gain valuable on the job experience and a pathway to permanent employment within the Bank and financial institutions in the Maldives.
- As part of our financial inclusion and investment strategy, in April we opened the doors to a modern new branch premises and Self Service Banking Centre in Ungoofaaru, Raa Atoll. The new facilities will support local individuals and businesses to make deposits, payments and transfers on a 24/7 basis.
- Our annual Staff Awards were held in May during which employees and teams who excelled were recognized in 19 different categories. The Staff Awards represents one component of Bank of Maldives' focused human resources strategy. The Bank has received the prestigious "Asia's Best Employer Brand Award" for the second consecutive year affirming the organization's progress towards being one of the best and most professional places to work in the region.
- During May, our Islamic Banking arm, BML Islamic introduced the complete range of Shari'ah compliant business financing product as part of the Bank's ongoing support for business. This included Retailers' Financing, Business Development Financing, Letter of Credit and Bank Guarantee services as well as amendments to General Financing to enable working capital financing and Wakala based overdraft facilities. With these, BML Islamic now has Shari'ah-compliant alternatives to all of its conventional products.
- During the quarter, as part of our 'Ahareng Bank' program over 37 CSR activities were held. These include support for Beat Bullying Campaign through funds raised from the BML WOW Kidz Run, launching of the nationwide motorized wheelchair program and the launch of the Ahareng Bank Community Project.

3. KEY FINANCIAL INFORMATION

Income Statement (Unaudited) - Quarter ended 30 June 2019

(All amounts in MVR'000 unless otherwise stated)

	Q2 2019	Q1 2019	H1 2019	H1 2018
Gross Income	639,974	642,944	1,282,919	1,212,516
Interest Income and Similar Income	406,511	388,170	794,681	759,392
Interest Expense and Similar Charges	(36,766)	(36,132)	(72,989)	(65,466)
Net Interest Income	369,745	352,038	721,783	693,926
Fee and Commission Income	192,583	228,058	420,641	405,966
Fee and Commission Expense	(76,276)	(91,737)	(168,013)	(146,540)
Net Fee and Commission Income	116,307	136,321	252,628	259,425
Other Operating Income	40,880	26,716	67,596	47,158
Total Operating Income	562,932	515,075	1,042,007	1,000,510
Operating Expenses	(132,299)	(109,529)	(242,162)	(233,252)
Operating Profit (Profit before Provisions)	394,299	405,546	799,845	767,258
Provision for Bad and Doubtful Debts	(49,341)	(26,597)	(75,938)	(79,904)
Profit Before Tax	344,958	378,949	723,907	687,354
Income Tax Expense	(93,139)	(102,316)	(195,455)	(188,285)
Net Profit for Quarter	251,819	276,633	528,452	499,068
Basic Earnings Per Share (annualised)	187	206	196	185

Statement of Financial Position (Unaudited) - As at 30 June 2019

(All amounts in MVR'000 unless otherwise stated)

	30 June 2019	31 Mar 2019
Cash, Short Term Funds & Balances with MMA	7,025,082	6,876,822
Loans and Advances	12,534,981	12,404,535
Financial Investments - FVOCI	144,526	144,526
Financial Investments - Amortized Cost	4,829,787	4,808,902
Property, Plant and Equipment	423,767	425,180
Other Assets	241,206	274,113
Total Assets	25,199,349	24,934,078
Deposits	16,893,840	16,903,491
Borrowings	753,891	797,453
Other Liabilities	1,175,990	1,109,325
Total Liabilities	18,823,721	18,810,269
Share Capital	269,096	269,096
Share Premium	93,000	93,000
Reserves	6,013,532	5,761,713
Total Shareholders' Equity	6,375,628	6,123,809
Total Equity and Liabilities	25,199,349	24,934,078



Nandana Senevirathne
Chief Financial Officer



Aishath Noordeen
In-charge of the Bank



Ibrahim Mohamed
Chairperson, Audit & Risk
Management Committee

Statement of Cash Flows (Unaudited) - Quarter ended 30 June 2019
(All amounts in MVR'000 unless otherwise stated)

	Q2 2019	Q1 2019
Cash Flows from Operating Activities	258,155	419,532
Changes in Operating Assets and Liabilities	(1,340,762)	874,740
Cash Flows from Investing Activities	(34,490)	(9,352)
Cash Flows from Financing Activities	(43,563)	(124,308)
Net increase/ (used) in Cash and Cash Equivalents	(1,160,659)	1,160,612
Cash and Cash Equivalents at beginning of Quarter	2,492,904	1,332,292
Cash and Cash Equivalents at end of Quarter	1,332,245	2,492,904

4. INVESTOR INFORMATION

Highest Traded Price	MVR 290
Lowest Traded Price	MVR 250
Weighted Average Traded Price	MVR 265.36
Market Capitalization	MVR 1,560,756,800
Price Earnings Ratio	1.55
Dividend Yield	7.6%

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 2019 were as follows:

	No. of Meetings
Board of Directors	09 (Nine)
Board Credit Committee	00 (Zero)
Audit & Risk Management Committee	10 (Ten)
Appointment, Nomination & Remuneration Committee	12 (Twelve)

5.2 Key Activities carried out by the Board & Board Committees

- Reviewed and approved the Bank's financial statements for Quarter 1 2019.
- Reviewed the Risk Management Report for Quarter 1 2019.
- Reviewed the Non-Performing Assets and Loan Portfolio Report for Quarter 1 2019.
- Reviewed the report on the activities of the Internal Audit function during Quarter 1 2019.
- Reviewed and approved the Bank's Policy on the Criteria of Independent Directors.
- Reconstituted the Composition of the ANR Committee.
- Reviewed ANR and ARM Committee Report for Q1 2019.
- Reviewed and Discussed Nominee Directors and Public Directorship Candidates.
- Reviewed the Management Letter 2018 presented by the Bank's External Auditors, PricewaterhouseCoopers.
- Reviewed the Custodian Compliance Report 2018.
- Reviewed and approved the Bank's HR Policy.

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. The quarter ended with the following changes with reconstitution of the ANR Committee.

	Name of Director	Category	Designation	Respective Committee
01	Ms. Saeeda Umar Nominee Director	Non-Executive & Independent	Chairperson	BCC
02	Mr. Mohamed Shareef Nominee Director	Executive & Non-Independent	Director	BCC
03	Mr. Ibrahim Mohamed Elected Director	Non-Executive & Independent	Director Chairperson of ARM Committee	*BCC & ARM
04	Mr. Mohamed Abdul Sattar Elected Director	Non-Executive & Independent	Director Chairperson of ANR Committee	BCC, ANR & ARM
05	Mr. Rabih Mohamed Nominee Director	Non-Executive & Non-Independent	Director	ARM
06	Mr. Abdul Haris Nominee Director	Non-Executive & Non-Independent	Director	ANR
07	Mr. Mohamed Luveiz Nominee Director	Non-Executive & Independent	Director	ANR & ARM
08	Ms. Ibthishama Ahmed Saeed Elected Director	Non-Executive & Independent	Director	*BCC
09	Ms. Aishath Arsha Nominee Director	Non-Executive & Independent	Director	**BCC, ANR & ARM
10	Ms. Hawwa Safna Nominee Director	Non-Executive & Non-Independent	Director	**ANR

BCC = Board Credit Committee; ANR = Appointment, Nomination & Remuneration Committee; ARM = Audit & Risk Management Committee

*Stepped down from ANR Committee

**New members to the ANR Committee

6. 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.

7. REPORTING COMPLIANCE

This report has been prepared taking into account the Capital Market Development Authority's Circular on Minimum Quarterly Reporting Requirements for Listed Companies.

