



**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

**265,000 CUSTOMERS**

**37 BRANCHES IN ALL 20 ATOLLS**

**102 ATMs IN ALL 20 ATOLLS**

**277 CASH AGENTS ON 165 ISLANDS**

**5,400 POS MERCHANTS**

**42 SELF SERVICE BANKING CENTRES**

**2,000 DHONI BANKING TRIPS**

**MVR 12 BILLION LOANS TO INDIVIDUALS & BUSINESSES**

**MVR 16 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 16 billion
- Assets MVR 25 billion
- Strong capital position well above regulatory requirement

## Strong Customer Base

- 265,000 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

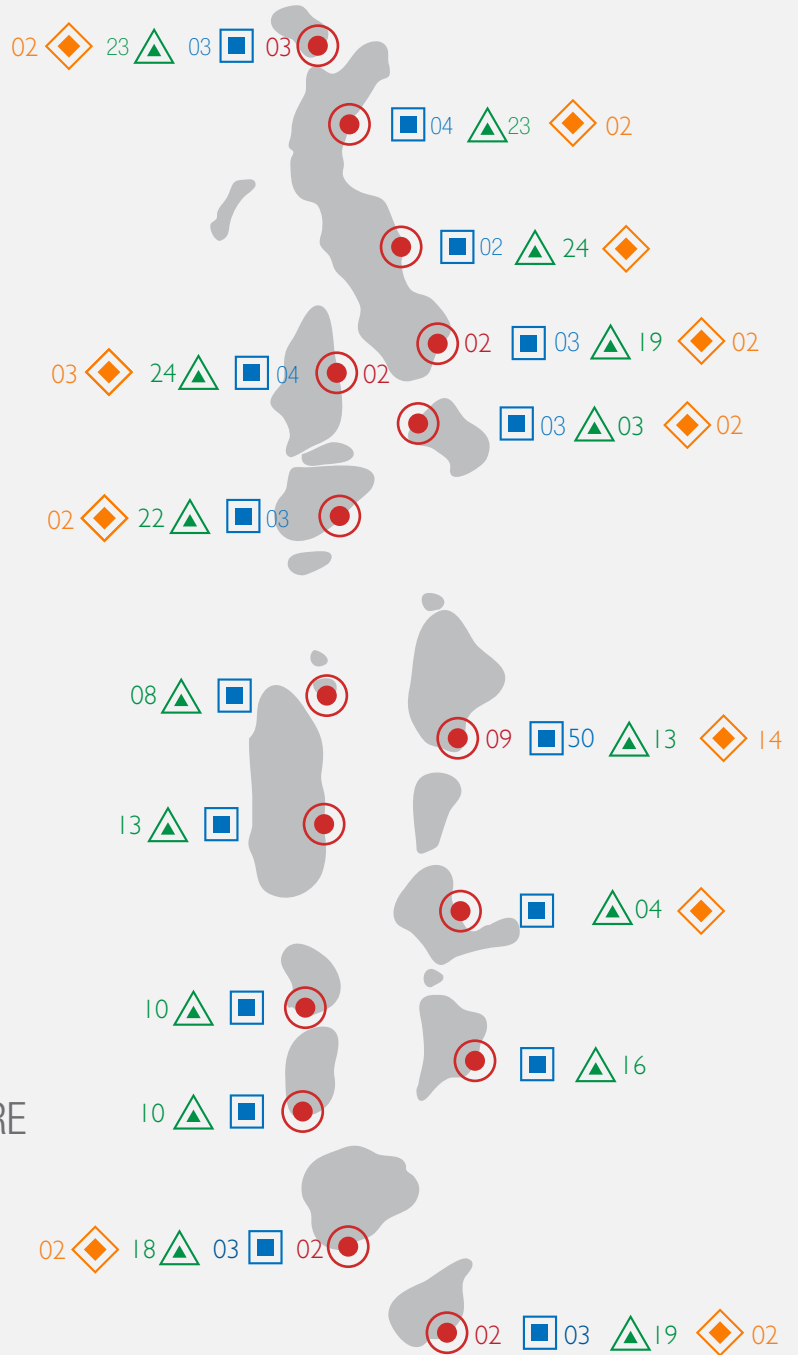
## Leadership in Service Delivery




- 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

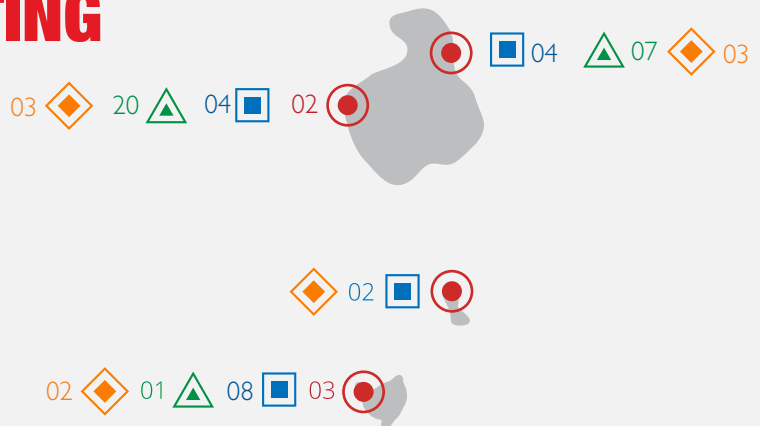
- Largest employer in the banking sector
- 99% of our employees are locals with almost one third employed in the atolls
- Strong executive leadership team with experience across many countries and banking markets

# OUR NETWORK



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

## ONE BANK IS INVESTING IN MALDIVES



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# 1. SUMMARY

Financials Results for the first quarter of 2019 were positive with Profit Before Tax (PBT) of MVR 379 million, up 6% on the same period last year despite higher funding costs. Operating profit was also up 4% versus Q1 2018. Total assets grew by almost MVR 2 billion as business volumes were healthy across key sectors and loan book quality was robust. Capital and liquidity ratios finished the quarter well in excess of regulatory requirements.

# 2. BUSINESS DEVELOPMENTS

- In January, we launched our new BML Islamic Savings and Investment Deposit Accounts. The products are based on the concept of Wakala where customers' savings are invested in Shari'ah compliant financing to create the best possible returns.
- In February, we announced positive changes to our Personal Loans portfolio to meet the growing demand of our customers. Changes were brought to Lui Express loan and the old Lui Loan was amended and introduced as the Lui Micro Loan. The existing BML Lifestyle Loan was also further enhanced.
- Also in February, we stepped up our support to businesses with the opening of the Business Centre in Addu City, the first in a series of dedicated Business Centres that will open throughout the country. Dedicated Relationship Managers at the Business Centre will provide support for SMEs on a range of business banking requirements. To small entrepreneurs and small businesses, we also removed the set-up fee and monthly maintenance fee for the BML Payment Gateway to facilitate the expansion of e-commerce in the country.
- As an initiative to further higher education in the banking and finance sector, we launched "BML Riveli" in February through which the Bank will launch a Diploma in Banking and Finance in association with Villa College. During the month, we also received the coveted "Excellence in Training and Development Award: An Overall Award for Best Results Based Training" from the World HRD Congress at the 6th Global Training and Development Leadership Awards, for establishing a culture of learning and implementing policies to develop and retain talent.
- As part of our investment program, we also opened a new branch with Self Service Banking Centre in Gaafu Dhaalu atoll Gadhhdoo. These new facilities will support local individuals and businesses to make deposits, payments and transfers on a 24/7 basis. Under the 'Aharenge Bank' program, we launched the Aharenge Bank Community Fund, a program to empower individuals to contribute to their communities through sustainable projects. We also began our nationwide program to deliver 60 motorized wheelchairs for mobility-impaired individuals, supported community organizations such as the Thalassemia Society, Women in Tech and Family Legal Clinic, and celebrated the Global Money Week to promote financial literacy across the country.
- One of the most prestigious events of the month was the launch of the Masveriyaa Card and Digital Wallet at a special ceremony held in Gaafu Alifu Kooddoo. The new product will allow fishermen to conveniently make transactions through a unique card linked to a digital wallet.
- In March, our Board of Directors resolved to propose for shareholder approval at the next Annual General Meeting a full year dividend of MVR 129,166,080 amounting to MVR 24 per share for the financial year 2018. This is an increase of 9% over the amount paid for the prior year and would represent the Bank's highest ever dividend payout.



## 3. KEY FINANCIAL INFORMATION

### Income Statement (Unaudited) - Quarter ended 31 March 2019

(All amounts in MVR'000 unless otherwise stated)

	Q1 2019	Q1 2018	Q4 2018
<b>Gross Income</b>	<b>642,944</b>	<b>613,584</b>	<b>696,184</b>
Interest Income and Similar Income	388,170	370,628	463,990
Interest Expense and Similar Charges	(36,132)	(29,925)	(42,587)
<b>Net Interest Income</b>	<b>352,038</b>	<b>340,703</b>	<b>421,403</b>
Fee and Commission Income	228,058	217,116	207,771
Fee and Commission Expense	(91,737)	(84,262)	(83,467)
<b>Net Fee and Commission Income</b>	<b>136,321</b>	<b>132,854</b>	<b>124,304</b>
Other Operating Income	26,716	25,840	24,423
<b>Total Operating Income</b>	<b>515,075</b>	<b>499,398</b>	<b>570,130</b>
Operating Expenses	(109,529)	(110,699)	(162,895)
<b>Operating Profit (Profit before Provisions)</b>	<b>405,546</b>	<b>388,699</b>	<b>407,235</b>
Provision for Bad and Doubtful Debts	(26,597)	(32,533)	142,052
<b>Profit Before Tax</b>	<b>378,949</b>	<b>356,166</b>	<b>549,287</b>
Income Tax Expense	(102,316)	(96,207)	(218,934)
<b>Net Profit for Quarter</b>	<b>276,633</b>	<b>259,960</b>	<b>330,353</b>
<b>Basic Earnings Per Share (annualised)</b>	<b>206</b>	<b>193</b>	<b>246</b>



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

(All amounts in MVR'000 unless otherwise stated)

	31 Mar 2019	31 Mar 2018	31 Dec 2018 Audited
Cash, Short Term Funds & Balances with MMA	6,876,822	5,617,587	5,075,501
Loans and Advances	12,404,535	12,245,896	12,198,904
Financial Investments - FVOCI	144,526	123,483	144,526
Financial Investments - Amortized Cost	4,808,902	4,362,658	4,796,577
Investments in Subsidiaries	-	10	-
Property, Plant and Equipment	425,180	414,867	409,976
Other Assets	274,113	261,934	347,619
<b>Total Assets</b>	<b>24,934,078</b>	<b>23,026,435</b>	<b>22,973,103</b>
Deposits	16,903,491	15,418,891	15,280,223
Borrowings	797,453	840,812	921,761
Other Liabilities	1,109,325	958,654	923,942
<b>Total Liabilities</b>	<b>18,810,269</b>	<b>17,218,357</b>	<b>17,125,926</b>
Share Capital	269,096	269,096	269,096
Share Premium	93,000	93,000	93,000
Reserves	5,761,713	5,445,982	5,485,081
<b>Total Shareholders' Equity</b>	<b>6,123,809</b>	<b>5,808,078</b>	<b>5,847,177</b>
<b>Total Equity and Liabilities</b>	<b>24,934,078</b>	<b>23,026,435</b>	<b>22,973,103</b>



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 31 March 2019  
(All amounts in MVR'000 unless otherwise stated)

	Q1 2019	Q1 2018	Q4 2018
Cash Flows from Operating Activities	419,532	(3,774)	364,446
Changes in Operating Assets and Liabilities	874,740	(337,266)	547,449
Cash Flows from Investing Activities	(9,352)	(1,373)	(230,604)
Cash Flows from Financing Activities	(124,308)	51,933	(132,795)
<b>Net increase in Cash and Cash Equivalents</b>	<b>1,160,612</b>	<b>(290,479)</b>	<b>548,496</b>
Cash and Cash Equivalents at beginning of Quarter	1,332,292	1,322,853	783,796
<b>Cash and Cash Equivalents at end of Quarter</b>	<b>2,492,904</b>	<b>1,032,374</b>	<b>1,332,292</b>

## 4. INVESTOR INFORMATION

Highest Traded Price	MVR 250
Lowest Traded Price	MVR 150
Weighted Average Traded Price	MVR 203.28
Market Capitalization	MVR 1,345,480,000
Price Earnings Ratio	1.22
Dividend Yield	8.8%

## 5. GOVERNANCE

### 5.1 Frequency of Board Meetings

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

	<b>No. of Meetings</b>
Board of Directors	03 (Three)
Board Credit Committee	00 (Zero)
Audit & Risk Management Committee	10 (Ten)
Appointment, Nomination & Remuneration Committee	37 (Thirty Seven)

### 5.2 Key Activities carried out by the Board & Board Committees

- Reviewed and approved the Bank's audited financial statements for the year ended 31st December 2018.
- Reviewed and approved the Bank's financial statements for Quarter 4 2018.
- Reviewed the Risk Management Report for Quarter 4 2018.
- Reviewed the Non-Performing Assets and Loan Portfolio Report for Quarter 4 2018.
- Reviewed the report on the activities of the Internal Audit function during Quarter 4 2018.
- Reviewed and approved the proposed final dividend for 2018.
- Reviewed ANR and ARM Committee Report for 2018.
- Reviewed the Procurement Committee Report for the second half of 2018.
- Reviewed and approved the Internal Audit Plan 2019.
- Reviewed and approved the Bank's HR Policy.
- Reviewed and approved Corporate (Staff) Health Insurance Scheme 2019.
- Carried out the recruitment process for one Executive Committee member.

### 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 began and ended with a total of 10 Directors in the Board composition with 01 Nominee Director position vacant at present.

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

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

