



**BANK OF MALDIVES**

**BML**

34 BRANCHES  
100 ATMs  
5000 POS  
205 CASH AGENTS  
33 SELF SERVICE BANKING CENTRES  
MUR 12 BILLION LOANS  
INTERNET BANKING  
MOBILE BANKING

34  
100  
5000  
205  
33  
12  
33

34  
100  
5000  
205  
33

34  
100  
5000  
205  
33

**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

**260,000 CUSTOMERS**

**34 BRANCHES IN ALL 20 ATOLLS**

**95 ATMs IN ALL 20 ATOLLS**

**277 CASH AGENTS ON 165 ISLANDS**

**5,000 POS MERCHANTS**

**35 SELF SERVICE BANKING CENTRES**

**2,000 DHONI BANKING TRIPS**

**MVR 13 BILLION LOANS TO INDIVIDUALS & BUSINESSES**

**MVR 15 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 15 billion
- Assets MVR 23 billion
- Strong capital position well above regulatory requirement

## Strong Customer Base

- 260,000 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

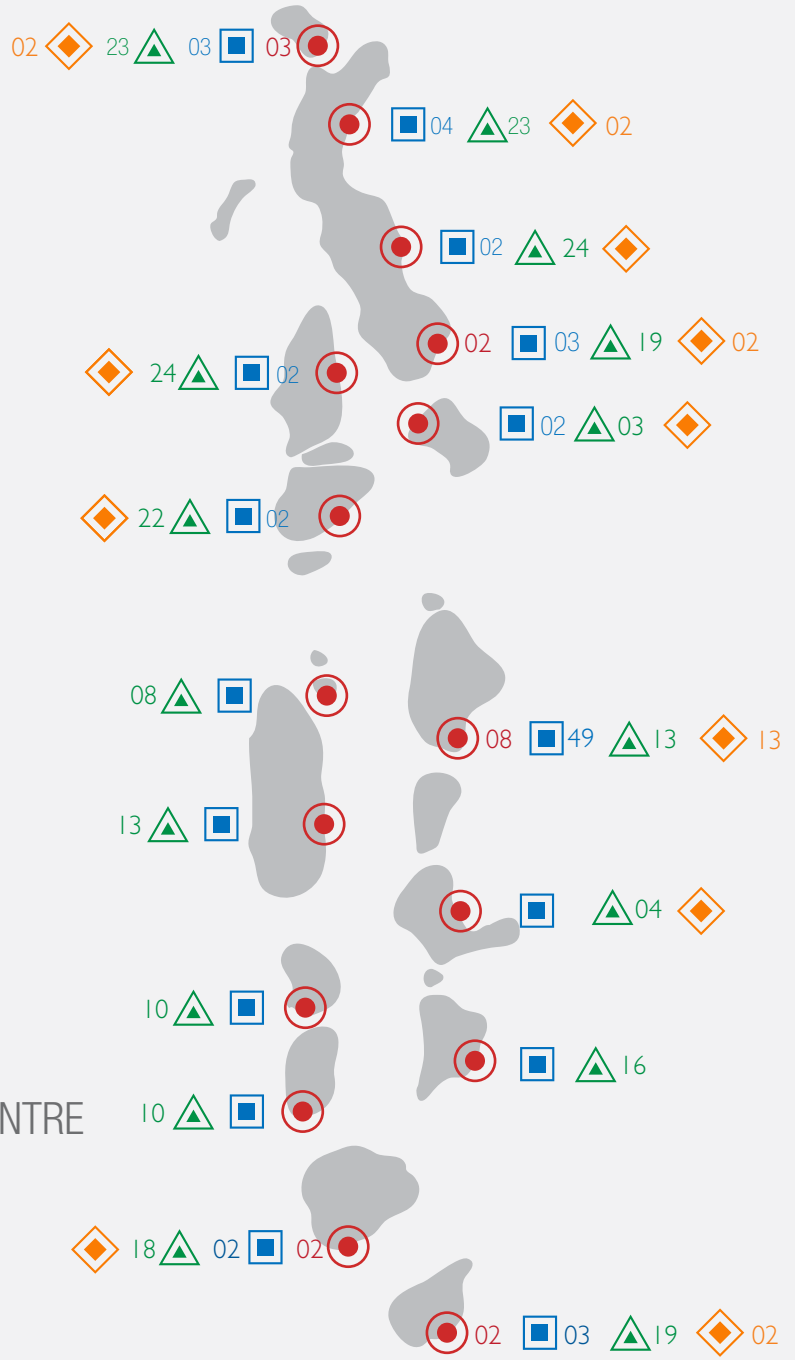
- Largest network of Branches, Agents, ATMs and POS terminals in Maldives
- Exclusive acquirer and issuer of American Express cards in Maldives
- Principal member in the Maldives for Visa and MasterCard

## Experienced and Dedicated Team

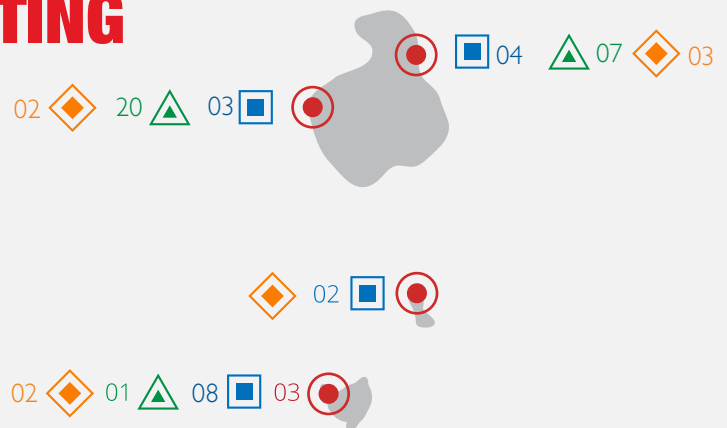
- Largest employer in the banking sector
- 99% of our employees are locals with almost one third employed in the atolls
- Strong executive leadership team with experience across many countries and banking markets

# 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' financial performance continued to trend positively during the quarter resulting in Profit Before Tax of MVR 687 million for the first half of 2018, up 16% on the same period last year (H1 2018 v H1 2017). Healthy business volumes across all key business segments together with low levels of non-performing loans saw this outturn beat expectations. Capital and liquidity ratios finished the period well above regulatory requirements.

# 2. BUSINESS DEVELOPMENTS

- At our 35th Annual General Meeting on 13th May, shareholders voted to approve a dividend pay-out of MVR 118.4 million (MVR 22 per share). This is an increase of 10% over the level paid last year and represents a record dividend payout.
- As part of our financial inclusion strategy, in April we opened the doors to a modern new branch premises and Self Service Banking Centre in Eydhafushi, Baa Atoll. The new facilities will support local individuals and businesses to make deposits, payments and transfers on a 24/7 basis.
- We added a new product to our Islamic banking product portfolio in May with the introduction of a Personal Financing facility for individuals looking to purchase consumer or home improvement goods up to MVR 100,000 in value. Applications for this facility will be processed within 7 days and customers can conveniently pay for their goods in monthly instalments.
- Our annual Staff Awards were held in May. Employees and teams who excelled were recognized in 18 different categories.
- In June we hosted Maldives' first ever dedicated banking event for resorts where we welcomed senior management from resorts across the country to Kurumba Maldives. At the event, we showcased our full suite of banking solutions for resorts including branch, card and online banking services. We also unveiled an exciting new online international money transfer service which will hugely simplify the challenge of sending money abroad that is currently faced by resort employees and others throughout the atolls.

### 3. KEY FINANCIAL INFORMATION

#### Income Statement (Unaudited) - Quarter ended 30 June 2018

(All amounts in MVR'000 unless otherwise stated)

	Q2 2018	Q1 2018	H1 2018	H1 2017
<b>Gross Income</b>	<b>600,988</b>	<b>615,734</b>	<b>1,216,722</b>	<b>1,102,411</b>
Interest Income and Similar Income	388,764	370,628	759,392	684,097
Interest Expense and Similar Charges	(35,541)	(29,925)	(65,466)	(40,256)
<b>Net Interest Income</b>	<b>353,223</b>	<b>340,703</b>	<b>693,926</b>	<b>643,841</b>
Fee and Commission Income	190,906	219,266	410,172	364,285
Fee and Commission Expense	(62,278)	(84,262)	(146,540)	(127,512)
<b>Net Fee and Commission Income</b>	<b>128,628</b>	<b>135,004</b>	<b>263,631</b>	<b>236,773</b>
Other Operating Income	21,318	25,840	47,158	54,029
<b>Total Operating Income</b>	<b>503,168</b>	<b>501,548</b>	<b>1,004,716</b>	<b>934,643</b>
Operating Expenses	(124,609)	(112,849)	(237,458)	(216,336)
<b>Operating Profit (Profit before Provisions)</b>	<b>378,559</b>	<b>388,699</b>	<b>767,258</b>	<b>718,307</b>
Provision for Bad and Doubtful Debts	(47,372)	(32,533)	(79,904)	(125,689)
<b>Profit Before Tax</b>	<b>331,187</b>	<b>356,166</b>	<b>687,353</b>	<b>592,618</b>
Income Tax Expense	(92,079)	(96,207)	(188,285)	(149,288)
<b>Net Profit for Quarter</b>	<b>239,108</b>	<b>259,960</b>	<b>499,068</b>	<b>443,330</b>
<b>Basic Earnings Per Share (annualised)</b>	<b>178</b>	<b>193</b>	<b>185</b>	<b>165</b>



**Statement of Financial Position (Unaudited) - As at 30 June 2018**

(All amounts in MVR'000 unless otherwise stated)

	30 Jun 2018	31 Mar 2018
Cash, Short Term Funds & Balances with MMA	5,573,203	5,617,587
Loans and Advances	12,753,413	12,245,896
Financial Investments - Available for Sale	123,483	123,483
Financial Investments - Held to Maturity	4,424,676	4,362,658
Investments in Subsidiaries	-	10
Property, Plant and Equipment	413,931	414,867
Other Assets	202,320	261,933
<b>Total Assets</b>	<b>23,491,026</b>	<b>23,026,435</b>
Deposits	15,480,072	15,418,891
Borrowings	1,024,950	840,812
Other Liabilities	1,057,220	958,654
<b>Total Liabilities</b>	<b>17,562,242</b>	<b>17,218,357</b>
Share Capital	269,096	269,096
Share Premium	93,000	93,000
Reserves	5,566,688	5,445,982
<b>Total Shareholders' Equity</b>	<b>5,928,784</b>	<b>5,808,078</b>
<b>Total Equity and Liabilities</b>	<b>23,491,026</b>	<b>23,026,435</b>



**Nandana Senevirathne**  
Chief Financial Officer



**Andrew Healy**  
CEO & Managing Director



**Ibrahim Mohamed**  
Chairperson, Audit & Risk  
Management Committee

**Statement of Cash Flows (Unaudited)** - Quarter ended 30 June 2018  
(All amounts in MVR'000 unless otherwise stated)

	Q2 2018	Q1 2018
Cash Flows from Operating Activities	393,676	(3,774)
Changes in Operating Assets and Liabilities	(473,321)	(337,266)
Cash Flows from Investing Activities	(76,200)	(1,373)
Cash Flows from Financing Activities	65,736	51,933
<b>Net increase in Cash and Cash Equivalents</b>	<b>(90,108)</b>	<b>(290,479)</b>
Cash and Cash Equivalents at beginning of Quarter	1,032,374	1,322,853
<b>Cash and Cash Equivalents at end of Quarter</b>	<b>942,266</b>	<b>1,032,374</b>

## 4. INVESTOR INFORMATION

Highest Traded Price	MVR 255
Lowest Traded Price	MVR 160
Weighted Average Traded Price	MVR 254.53
Market Capitalization	MVR 861,107,200
Price Earnings Ratio	0.90
Dividend Yield	13.8%

## 5. GOVERNANCE

### 5.1 Frequency of Board Meetings

The number of meetings held by the Board of Directors and its sub-committees during the second quarter of 2018 were as follows:

	<b>No. of Meetings</b>
Board of Directors	03 (Three)
Board Credit Committee	00 (Nil)
Audit & Risk Management Committee	05 (Five)
Appointment, Nomination & Remuneration Committee	04 (Four)

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

- Reviewed Management Letter for 2017 presented by External Auditor, Ernst & Young.
- Reviewed the Custodian Compliance Report for 2017.
- Reviewed and approved the Bank's financial statements for Quarter 1 2018.
- Reviewed the Risk Management Report for Quarter 1 2018.
- Reviewed the report on the activities of the Internal Audit function during Quarter 1 2018.
- Re-appointed Ms. Saeeda Umar as Chairperson of the Board of Directors and CEO, Mr. Andrew Healy as Managing Director.
- Re-appointed Mr. Ibrahim Mohamed as Chairperson of the Audit and Risk Management Committee and Mr. Mohamed Abdul Sattar as Chairperson of the Appointment, Nomination and Remuneration Committee.

### 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 with a total of 10 Directors in the Board's composition with 01 Nominee Director position being vacant. The following were the 10 Directors on the Board until the 35th Annual General Meeting (AGM) held on 13th May 2018.

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

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

Following the 35th AGM, Ms. Hawwa Safna was appointed as a Government Nominee Director. The Board now consists of 11 Directors as below.

	Name of Director	Category	Designation	Respective Committee
01	<b>Ms. Saeeda Umar</b> Nominee Director	Non-Executive & Independent	Chairperson	BCC
02	<b>Mr. Andrew Healy</b> Nominee Director	Executive & Non-Independent	CEO & MD	BCC
03	<b>Mr. Mohamed Shareef</b> Nominee Director	Executive & Non-Independent	Director	BCC
04	<b>Mr. Ibrahim Mohamed</b> Elected Director	Non-Executive & Independent	Director Chairperson of ARM Committee	BCC, ANR & ARM
05	<b>Mr. Mohamed Abdul Sattar</b> Elected Director	Non-Executive & Independent	Director Chairperson of ANR Committee	BCC, ANR & ARM
06	<b>Mr. Rabih Mohamed</b> Nominee Director	Non-Executive & Non-Independent	Director	ARM
07	<b>Mr. Abdul Haris</b> Nominee Director	Non-Executive & Non-Independent	Director	ANR
08	<b>Mr. Mohamed Luveiz</b> Nominee Director	Non-Executive & Independent	Director	ANR & ARM
09	<b>Ms. Ibthishama Ahmed Saeed</b> Elected Director	Non-Executive & Independent	Director	BCC & ANR
10	<b>Ms. Aishath Arsha</b> Nominee Director	Non-Executive & Independent	Director	BCC & ARM
11	<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.

