



Housing Development Finance Corporation Plc.

FIRST QUARTER REPORT

JANUARY - MARCH 2023

HOUSING DEVELOPMENT FINANCE CORPORATION PLC.
WWW.HDFC.COM.MV





HDFC is the only specialized housing financing institution in the Maldives. Our core activities are to provide housing finance to the citizens of the Maldives via Conventional and Islamic financing models and develop Maldivian capital market by offering debt instruments.

We strive to serve as a trusted partner to our clients by responsibly providing finance that enable home ownership and economic prosperity. We have more than 18 years of experience helping our clients meet the world's toughest challenge and embrace their greatest dream of all times, "owning a home".

HDFC strives to always work with its stakeholders to develop markets and products and explore new business opportunities for the company. We welcome investors and business associates pursuing its mission of promoting housing finance.

HDFC has demonstrated resilience by growing strongly and consistently even during the challenging times. This feat would not have been possible but for the strong ethical business practices and guidance of the Board of Directors and the passion of the highly energetic employees.

We are proud of our most valuable asset our human capital and equally value our dedicated customers with whom our staff at all levels have created an unwavering bond of confidence in their excellent customer service which has driven the Company to a solid performance throughout the years.

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1. Summary

Housing Development Finance Corporation Plc. (HDFC) is a company incorporated as a state-owned enterprise on January 28, 2004 by a presidential Decree under the companies Act No. 10/96, registered as a public company on 9th February 2006 and privatized on 23rd July 2008 with International Shareholders represented by the International Finance Corporation (IFC of World Bank Group), Asian Development Bank and HDFC Investments Ltd. of India, jointly holding 51% of shares. HDFC is the only specialized housing finance institution in the Maldives.

Today the Company's loan portfolio (net) stands over MVR1.63 billion and assets worth over MVR 2.33 billion.

HDFC has generated a net profit of MVR 20.99 million during the Quarter 1 of 2023 which is a decrease of 0.05% compared to the Quarter 4 of 2022 where the company made a net profit of MVR 20.98 million.

2. Business Updates

- HDFC continued its efforts to attract additional business through one-to-one call and SMS in its efforts to find leads based on its products introduced recently.

The current end-user financing projects financed by HDFC are as follows: -

Project	Developer	Overall Progress	Expected Completion Date
The Gardens Exotic Elegance	JAAH Investments	95%	N/A
AIRA	Ensis Reality Subsidiary of Ensys Gp.	100%	February 2023 [Handed over]
One Central Park	Sandal Mauritius	84%	June 2023
Rain Coral Residence	Rainbow Mega Developer	44.33%	April 2024
The Creek View	SASe Glut JV Pvt. Ltd.	32%	March 2025
Blue Haven	RCC	35%	October 2023
Central Homes	Apollo Holding Pvt. Ltd.	20%	March 2025
Solitaire	Sandal Mauritius	27.53%	June 2024

Stepping into the third-year post pandemic, HDFC has come through well in successfully navigating the challenges brought in with changes to the global market and the economy as whole, driven with high inflations in the country. The increase of arrivals in tourism with opening of the markets across the globe has vastly assisted in stabilizing the economy. Though there are still delays identified in some of the end-user projects, generally projects have made progress while expecting more housing stock to be added to the market.

3. Management of Government Social Housing Programme

Under the Government Social Housing programme, a new scheme named "Gedhuroveriya" was launched in June 2021 with a budget of MVR175 million to cater for the people of outer atolls for new construction, renovation, and extensions. Based on the high demand received from the public an additional MVR100 million was added to continue the programme. HDFC conducted online sessions for all the Councils to educate them on the process involved at various stages. During Q1 2023, HDFC continued to evaluate the applications received through the online portal specially developed to simplify the submission of application process.

Other social housing schemes managed by HDFC are as follows;

1. Ministry of Housing and Infrastructure - MHUD Conventional Fund
2. Ministry of Housing and Infrastructure - MHI Islamic Fund
3. Ministry of Housing and Infrastructure - GED Islamic Fund
4. Ministry of Housing and Infrastructure - 704 Conventional Fund
5. Ministry of Housing and Infrastructure - CMEC Conventional Fund
6. Ministry of Housing and Infrastructure – GED Conventional Fund

4. Evaluation Services (HDC – Vinares Programme)

HDFC under an Agreement signed with the Housing Development Corporation (HDC) continued to undertake the Financial Evaluation of the customers under the VINARES Project (Mixed Residential Housing Units under an Islamic Model). The project is a lease to own model where HDFC's role is purely restricted to Financial Screening based on the criterion developed by HDC and the list of customers identified by HDC. The initial agreement has been renewed to continue evaluation services for VINARES Project.

5. Human Capital

Employment Data

1 Jan 2023 – 31 March 2023	Local	Expatriate	Total
No. of staff at beginning	37	0	37
No. of staff resigned/terminated	2	0	2
No. of staff employed	4	0	4
Total	39		39

Staff Development & Training

At HDFC, we give utmost importance to maintain our focus on our employee's professional development and engagement.

Staff training is pitched towards enhancing the professional capacities of individual staff and the team, which is essential to deliver an effective output. Though on the job training is a regular fragment of daily functioning, further training is supplemented as a backing to nurture the knowledge base of their progression.

During the reporting quarter, the following training programs were initiated.

1. Conducted a Session on Organizational Change to all staff internally.
2. Participated in the 2nd International Conference on Islamic Economics 2023 conducted by Islamic University of Maldives.
3. Credit refresher training was conducted internally for Conventional and AMNA Credit Staff.
4. Attended a Cyber Security Training "Sophos SOC as a Service – Managed Detection and Response" conducted by the Systems Workshop Pvt. Ltd.
5. Attended a Session on Executive Enhancement & Enrichment Programme (Leadership & Growth Mindset) organized by Cabinet Office, of the President Office.
6. An internal training session was conducted for staff internally about reading and understanding Customer's Account sets.
7. Attended a workshop on Cyber Security, conducted A-Networks Private Limited
8. Facilitated induction session for new staffs.
9. Facilitated one Internship opportunity for 03 months.

Marketing and CSR

- HDFC continued to market its products through social media and on digital boards in Male' to create awareness among the public of its products.
- HDFC participated in the Vinares Open-day event organized by HDC/Urbanco in February 2023. A total of 115 visitors sat down with HDFC to discuss options to purchase Vinares Flats via end-user financing product.
- HDFC participated in the 2nd ICONIE 2023 open day exhibition held on 11th March 2023 at Islamic University of the Maldives. HDFC was also the silver sponsor of the ICONIE 2023 conference held from 8th – 9th March 2023.
- HDFC met with the registered developers and contractors during this month. A total of 10 contractors were met, focusing on future leads, concerns, and ways to move forward and collaborate were discussed during the meetings.
- A training program for SJ Construction sales staff were conducted to familiarize with the products and services provided by HDFC. A team of 10 staff from HDFC participated in the 1-hour session held at the SJ office in Hulhumale'.
- An information session on end user financing products of HDFC was conducted at STO for staff of STO who had made reservations to purchase apartments at STO Renuus flats. The session was conducted interactively where STO staff cleared queries on the application process and procedures from HDFC.

6. Shareholding

The company's shareholding as of March 31, 2023, was as follows:

Shareholding	%	Value of shares
Government of Maldives	49%	78,092,900
Asian Development Bank	18%	28,687,500
International Finance Corporation	18%	28,687,500
HDFC Investments India	15%	23,906,200
Initial Shareholders		900
	100%	159,375,000

Share split (1:10) was registered at the Registrar of Companies on 12 March 2023.

7. Material Transactions

During the reporting quarter there were no material transactions conducted with Directors or Shareholders other than that of during ordinary course of business.

8. Penalties imposed by the Regulator and Tax

- There are no penalties imposed by the regulator during the Quarter.
- The Company has no pending tax to MIRA as of 31st March 2023.

9. Corporate Governance Compliance

	Provision	Compliance Status	Details
Effective Board	1.1	Complied	The Board composition is made up of 8 Directors (GOM-2, IFC 1, ADB 1, HDFC-I -1, Independent Directors-2 & MD), of which 7 are Non- Executive Directors with one Executive Director (with no voting power). During the reporting period 08 directors are holding office.
Composition of the BOD	1.2	Complied	There are four female Directors on HDFC PLC.'s Board. None of the Directors hold Directorship in more than 3 public Companies in the Maldives.
Nomination/re-election of Directors	1.3	Complied	GOM & ADB have appointed one Alternate Director each. GOM representations on the Board are informed by the Ministry of Finance and Treasury. There is no Public Director on the Board of HDFC PLC. Since HDFC's shares are not listed.
Separation of Chairman and MD	1.4	Complied	The Chairman and the Managing Director are two separate individuals in the Company.
Roles of the Chairman and MD	1.5	Complied	The roles of the Chairman and the Managing Director are separated. The Chairman is appointed for a period of 1 year on rotation. Current Chairman is Mr. Conrad D' Souza.
Duties of the Board	1.6	Complied	Board Directors roles are stated separately in the charter.
Training	1.7	Complied	Director & Company Secretary participates in trainings organized by CMDA. New local directors are provided the opportunity to attend CG orientations offered by reputed institutions and IFRS9 sessions were conducted for Board of Directors. Any updates to the regulatory frameworks are briefed by CS to the board of directors.

	Provision	Compliance Status	Details
Committees	1.8	Complied	Board Committees are: Audit Committee Nomination & Remuneration Committee Credit Risk Management Committee IPO Committee
Remuneration policy	2.1	Complied	The Company has a remuneration policy in place.
Evaluation of the BOD Performance	2.2	Complied	Evaluation of the Board is done by NRC.
Board remuneration Disclosure	2.3	Complied	HDFC does not pay a fixed remuneration to its non-executive directors. Total remuneration paid to Directors are disclosed in the Annual Report.
Board Member Remuneration Disclosure	2.4	Complied	There is no fixed remuneration given to the individual non-executive board directors. HDFC gives a sitting fee to each member who attends the Board and its Committees, which is disclosed as a total for the year in the Annual Report.
Management constituents	3.1	Complied	Members who comprise the management team are Managing Director, CFO, Head of IT, Head of Credit, Head of Admin and Company Secretary and Senior Manager – Islamic (AMNA)
Roles and Responsibilities of the Management	3.2	Complied	The HR department has drawn job descriptions for each employee of the Company. The Board provides the management constant advice and guidance. Further, the Board has given performance goals to the MD, which are cascaded down to the management along with KPI's.
Internal Audit	4.1	Complied	Internal Audit findings are reported directly to the Audit Committee. EY was the Internal Auditor for 2022. Auditors FY2023 will be appointed at the next AGM

	Provision	Compliance Status	Details
External Audit	4.2	Complied	The Audit Committee makes recommendations on selecting an External Auditor to the Company, which is taken to the AGM for the Shareholders approval. KPMG is the Statutory Auditor for the Year 2022. Auditors FY2023 will be appointed at the next AGM
Internal Controls	4.3	Complied	The Internal Auditors as well as the Risk Audit Manager review the internal controls set within the Company and reports directly to the Audit Committee of the Board.
Company Secretary	5	Complied	The Company Secretary maintains a schedule of the compliances signed by the responsible staff. The compliances are reported to the Board on a quarterly basis.
Shareholders	6.1	Complied	Shareholders rights are informed through quarterly reports, the Company's website, and the AGM.
Shareholder Communication	6.2	Complied	Shareholder communication is conveyed through notices, press releases, press conferences, weekly, monthly reports, quarterly reports, semi-annual reports, annual reports, and AGM.
General Meetings	6.3	Complied	The Company's AGM is held annually to inform the company's performance of the past year. AGM FY2021 was held on 16 May 2022.
Voting Rights	6.4	Complied	Shareholders are informed on their voting rights by email and letters. Shareholders are permitted to vote in-absentia through proxy voting.
Financial Statements	7.1	Complied	The Company's Financial Statements are prepared in accordance with the International Financial Reporting Standards (IFRS), Audited Balance Sheet and Profit and Loss statements are reviewed and signed by the Chairman of the Audit Committee, MD, and CFO. Monthly, Quarterly and Semi-annually reports are signed by Chairperson of the Audit Committee, MD, and CFO.

	Provision	Compliance Status	Details
Non-Financial Statements	7.2	Complied	HDFC ensures the disclosure of current/potential conflicts of interests (if any) and interested third party transactions by the Directors and the Management annually and through its annual report.
Systems to raise concerns	8	Complied	The Board and Management ensure that appropriate processes are in place to enable employees and management to raise their concerns as communicated to the staff and disclosed in the annual report. Additionally, customers and other stakeholder concerns can be raised through the suggestion box placed at the information counter of HDFC's Office, and by writing to the Appeal and Grievance committee that comprises of two HOD's and the MD. A Whistle blower policy has been established and adopted.
Investor and Media Relationship	9.1	Complied	HDFC always maintains a close relationship with the media and investors and acts as a responsible Corporate Citizen.
Quarterly Newsletter	9.2	Complied	HDFC discloses its business and other undertakings and events through its quarterly reports.
Sustainability Reporting	10	Complied	HDFC publishes its Sustainability Statement as part of the Annual Report. Environmental Impact Assessment Reports are submitted Annually to ADB and other multilateral funding partners.

10. Governance

Frequency of Board Meetings

The number of meetings held by the Board of Directors and its sub-committees during the first quarter of 2023 were as follows:

	No. of meetings	Date of Meeting
Board of Directors	01 (One)	06 th March 2023
NRC Committee	01 (One)	08 th February 2023
Credit Risk Management Committee	Nil	Nil
Audit Committee	01 (One)	06 th March 2023
IPO Committee Meeting	Nil	Nil
HDFC Shariah Advisory Committee (AMNA)	01 (One)	05 th February 2023

Changes in the Members of the Board

- No changes were brought to the Board during the reporting period.

Major decisions made by the Board

- Approved the Audited Financials FY2022.
- Adopted the recommendations of key internal audit findings of Q3/2022.
- Adopted the Shariah Compliance Audit FY2022.
- Reviewed the progress of IPO.
- Reviewed and took note of the Q4 Internal Shariah review.
- Approved amendments proposed to Finance Manual.
- Reviewed and took note of the ERP Implementation update.
- Reviewed performance, liquidity, NPL and moratorium updates.
- Reviewed the periodic compliance.
- Approved the Ramadan Bonus FY2023.

Major decisions made by Audit Committee

- Reviewed the Financial Statements and Management Letter of the Financial Audit FY2022.
- Reviewed the Shariah Compliance Audit FY2022.
- Review the Q3/Q4/2022 Internal Audit Report.

- Reviewed the Internal Shariah Review Report of Q4/2022.

Major decisions made by N&R Committee

- Approved the renewal of the Managing Directors' Employment Contract.

Major decisions made by HDFC Shariah Advisory Committee.

- Approval of general cost appropriation basis to Amna financials
- Adjusting moratorium amount from rebate for early settlement of Istisna facilities
- Adjusting PEMI difference from rebate for early settlement of Istisna facilities

Board Composition

The Board composition as of March 31, 2023, was as follows.

Name	Position	Category	Respective Committee	Effective Date
Mr. Conrad D'Souza Nominee Director	Chairman	Non-Executive	AC, NRC, BCC, IPO	March 15, 2019
Mr. Hamid Sodique Nominee Director	Director	Non-Executive	AC, NRC (Chairman), BCC IPO	July 01, 2021
Ms. Kohe Noor Binte Mahmoodul Hasan Nominee Director	Director	Non-Executive	AC, NRC, IPO	August 09, 2019
Ms. Amena Arif Nominee Director	Director	Non-Executive	AC, BC	December 08, 2021
Mr. Khalid Sulaiman	Director	Non-Executive	Nil	September 01, 2022
Mr. Mohamed Ahmed Independent Director	Director	Non-Executive	AC (Chairman), IPO (Chairman) BCC	July 18, 2021
Ms. Aishath Shizna Independent Director	Director	Non-Executive	BCC (Chairperson)_ NRC	July 18, 2021
Ms. Raheema Saleem Managing Director	Director	Executive	-	February 28, 2017

Attendees to the Board meeting

- Mr. Conrad D'Souza (Chairman)
- Mr. Hamid Sodique (Director)¹
- Ms. Kohe Noor Binte Mahmoodul Hasan (Director)²
- Ms. Amena Arif (Director)
- Mr. Khalid Sulaiman (Director)
- Mr. Mohamed Ahmed (Independent Director)
- Ms. Aishath Shizna (Independent Director)
- Ms. Raheema Saleem (Managing Director)

^{1& 2} Participated Virtually

Attendees to the Audit Committee meeting

- Mr. Mohamed Ahmed - Chairman
- Mr. Conrad D'Souza - Member
- Mr. Hamid Sodique – Member ¹
- Ms. Amena Arif - Member
- Ms. Kohe Hasan - Member ²
- Ms. Raheema Saleem – Managing Director (By Invitation)

^{1&2} Participated virtually.

Attendees to the N&R Committee meeting

- Mr. Hamid Sodique -Chairman
- Mr. Conrad D'Souza -Member
- Ms. Kohe Hasan - Member
- Ms. Aishath Shizna - Member

*All the members participated virtually

Attendees to HDFC Shariah Advisory Committee (AMNA)

- Dr. Ibrahim Zakariyya Moosa (Chairman of the Committee)
- Prof. Rusni Hassan (Member)¹
- Dr. Ali Zahir (Member)
- Mr. Hassan Miras - Secretary to the Committee

¹⁻ Participated virtually.

11. Financial Highlights

Financial Highlights (Unaudited) for the Quarter Ended March 31, 2023

(all amounts are in MVR)

Performance	Quarter 1 2023	Quarter 4 2022 (Audited)
Total Revenue	45,583,690	44,544,259
Total Expenses	(20,085,847)	(18,706,257)
Net Profit	20,998,232	20,981,356
Earnings Per Share	13.18	13.16
Net Assets Per Share	1,462.47	1,515.85
Cash Flow Per Share	36.18	46.06

Financial Ratios	Quarter 1 2023	Quarter 4 2022 (Audited)
Asset Cover Ratio	2.12	2.16
Debt-Equity Ratio	1.39	1.51
Debt Service Coverage Ratio	0.03	0.03
Interest Service Coverage Ratio	2.19	2.31
Outstanding Redeemable Preference Shares	NA	NA
Capital Redemption Reserve	NA	NA
General Reserve	15,000,000	15,000,000

Notes on Issuers of Debt Securities

PREVIOUS DUE PAYMENT DATES FOR THE DEBT SECURITIES

Debt Securities	Date of Payment	Remarks
Bond Issue No - 2	31-Dec-22	Settled
Bond Issue No - 3	04-Dec-22	Settled
Sukuk Issue No - 1	27-Jan-23	Settled
Sukuk Issue No - 2	17-Apr-23	Settled
Sukuk Issue No - 3	04-Dec-22	Settled
Sukuk Issue No - 4	02-Dec-22	Settled

NEXT DUE PAYMENT DATES FOR THE DEBT SECURITIES

Debt Securities	Date of Payment	Remarks
Bond Issue No - 2	30-Jun-23	To be Settled
Bond Issue No - 3	04-Jun-23	To be Settled
Sukuk Issue No - 1	27-Jul-23	To be Settled
Sukuk Issue No - 2	17-Oct-23	To be Settled
Sukuk Issue No - 3	04-Jun-23	To be Settled
Sukuk Issue No - 4	02-Jun-23	To be Settled

12. Financial Statements

Income Statement (Unaudited) for the Quarter Ended March 31, 2023

	Quarter 1	Quarter 4 (Audited)
(all amounts are in MVR)	31-Mar-23	31-Dec-22
Gross income	45,583,690	44,544,259
Interest income	36,751,680	35,950,494
Interest expense	(11,661,518)	(11,206,527)
Net interest income	25,090,162	24,743,967
Net income on Shari'ah products	6,709,895	5,178,466
Fee income	1,004,754	1,109,491
Other income	1,117,360	2,305,808
	8,832,010	8,593,765
Operating income	33,922,172	33,337,732
Provision for Impairment loss on loans and advances (made)/ Reversal	(3,359,928)	(703,645)
Personnel expenses	(3,278,714)	(2,659,410)
Other operating expenses	(1,785,688)	(4,136,675)
Profit before tax	25,497,843	25,838,002
Tax expense	(4,499,611)	(4,856,646)
Profit for the period	20,998,232	20,981,356
Earnings Per Share - basic	1.32	1.32

Statement Of Financial Position (Unaudited) For the Quarter Ended March 31, 2023

	Quarter 1	Quarter 4 (Audited)
(all amounts are in MVR)	31-Mar-23	31-Dec-22
ASSETS		
Cash and short term funds	57,665,827	73,412,577
Financial Assets Held to Maturity	620,099,048	680,029,548
Loans and Advances to Customers	1,626,883,960	1,636,354,254
Property, Plant and Equipment	2,768,524	2,883,632
Right-of-use assets	6,261,962	6,537,083
Intangible assets	0	6,385
Deferred tax asset	7,445,610	7,445,610
Other assets	9,692,973	9,209,482
TOTAL ASSETS	2,330,817,906	2,415,878,571
LIABILITIES		
Deposits from customers	81,552,636	81,401,050
Borrowings	1,096,859,424	1,158,297,823
Other liabilities	302,767,550	347,539,634
Dividends Payable	63,339,704	63,339,704
Total Liabilities	1,544,519,314	1,650,578,212
EQUITY		
Share capital	159,375,000	159,375,000
Retained earnings	611,923,591	590,925,359
General Reserve	15,000,000	15,000,000
Total shareholders' equity	786,298,591	765,300,359
TOTAL EQUITY AND LIABILITIES	2,330,817,906	2,415,878,571



Mohamed Shafeeq
Chief Financial Officer



Raheema Saleem
Managing Director



Mohamed Ahmed
Audit Committee Chairman

Cash Flow Statement (Unaudited) For the Quarter Ended March 31, 2023

(all amounts are in MVR)	Quarter 1 31-Mar-23	Quarter 4 (Audited) 31-Dec-22
Cash Flow from Operating Activities		
Operating Profit	20,998,232	20,981,356
Add:		
Increase/(Decrease) Impaired losses on loans and advances	3,359,928	703,645
Depreciation	467,943	434,811
Loss/(Profit) on Disposal		
Retained earnings adjustment due to moratorium	-	31,284
(Increase)/Decrease in loans and advances to customers	6,110,366	8,571,999
(Increase)/Decrease in Other assets	(483,491)	(226,590)
(Increase)/Decrease in Financial Assets held to maturity	59,930,499	(96,855,628)
Increase/(Decrease) in due to customers	151,586	(478,338)
Increase/(Decrease) in other liabilities	(44,772,084)	(4,731,348)
Net Cash Flow from Operating Activities	45,762,978	(71,631,377)
Cash Flow from Investing Activities		
(Purchase)/sale of Property, Plant and Equipment	(71,329)	(2,259,656)
(Purchase) of securities/Proceeds from sale and redemption of securities		
Proceeds on Disposal of Property, Plant and Equipment		
Net Cash Flow from Investing Activities	(71,329)	(2,259,656)
Cash Flow from Financing Activities		
Proceeds from borrowed funds and debt securities	(33,453,608)	(132,508,506)
Repayment of borrowed funds and debt securities	(27,984,791)	182,791,045
Issue of Ordinary Shares		
Dividends paid		
Net Cash flow Financing Activities	(61,438,399)	50,282,539
Net Increase in Cash and Cash Equivalent	(15,746,750)	(23,608,494)
Cash and Cash Equivalents at the beginning of the period	73,412,577	97,021,072
Cash and Cash Equivalents at the end of the period	57,665,827	73,412,577

Statement Of Changes in Equity (Unaudited) For the Quarter Ended March 31, 2023

(All amounts in Maldivian Rufiyaa)

	Share Capital	General Reserve	Retained Earnings	Total
Balance at 1 October 2022	159,375,000	15,000,000	612,975,253	787,350,253
Dividend Payable			(43,031,250)	(43,031,250)
Moratorium Interest Reversal			-	-
Profit for the period	-	-	20,981,356	20,981,356
Balance at 31 December 2022	<u>159,375,000</u>	<u>15,000,000</u>	<u>590,925,359</u>	<u>765,300,359</u>
Balance at 1 January 2023	159,375,000	15,000,000	590,925,359	765,300,359
Dividend Payable			-	-
Moratorium Interest Reversal			-	-
Profit for the period	-	-	20,998,232	20,998,232
Balance at 31 March 2023	<u>159,375,000</u>	<u>15,000,000</u>	<u>611,923,591</u>	<u>786,298,591</u>

Amna Statements – Islamic Window (Unaudited) For the Quarter Ended March 31, 2023

Income Statement (Unaudited)

For the Quarter ended 31 March 2023

	Quarter 1	Quarter 4 (Audited)
(all amounts are in MVR)	31-Mar-23	31-Dec-22
Gross income	17,524,299	17,654,333
Revenue	17,153,911	17,300,033
Investment Charges	(9,889,596)	(10,690,328)
Net investment income	7,264,314	6,609,705
Fees and commissions	370,388	354,300
Operating Income	7,634,703	6,964,005
Facility Loss Provision on Impaired Assets	(1,093,249)	(228,951)
Staff Costs	(194,888)	(148,867)
Administration & Operating Expenses	(403,181)	(2,136,909)
Bank Charges	(2,470)	(11,675)
Depreciation	(152,259)	(141,478)
Net Operating Expenses	(1,846,047)	(2,667,880)
Net Profit	5,788,655	4,296,125

Statement of Financial Position (Unaudited)

For the Quarter ended 31 March 2023

	Quarter 1	Quarter 4 (Audited)
(all amounts are in MVR)	31-Mar-23	31-Dec-22
Cash and Short term funds	258,746,512	292,229,541
Mortgage facilities	524,651,720	513,371,950
Non - Current Assets	2,938,328	3,067,377
Other Assets	166,829	313,200
Total Assets	786,503,388	808,982,068
Customer deposits	24,240,844	23,914,118
Wakalah Facilities	87,188,262	127,000,000
Sukuk	406,936,000	406,936,000
Other liabilities	35,545,940	24,328,263
	553,911,046	582,178,381
Equity	232,592,343	226,803,687
Total Equity and Liabilities	786,503,388	808,982,068

Statement Of Use of Proceeds for the Quarter Ended March 31, 2023

Statement of Use of Proceeds From Sale of Securities

No.	Security Name	Funds obtained	Funds utilised	Balance	Purpose
1	HDFC Sukuk 1	22,566,000	22,566,000	-	To fund shari'ah compliant mortgage housing finance
2	HDFC Sukuk 2	89,036,000	89,036,000	-	To fund shari'ah compliant mortgage housing finance
3	HDFC Sukuk 3	126,931,000	126,931,000	-	To fund shari'ah compliant mortgage housing finance
4	HDFC Sukuk 4	168,403,000	168,403,000	-	To fund shari'ah compliant mortgage housing finance
5	HDFC Bond 3	80,000,000	80,000,000	-	To fund mortgage housing finance
5	HDFC Bond 3	80,000,000	80,000,000	-	To fund mortgage housing finance

Statement For the Revised Entries For the Quarter Ended December 2022

1. Revision in decrease in gross interest income is due to the audit adjustments made on interest income, which reflects in the Income Statement.
2. Revision in increase in other operating expenses is due to the under accrual of professional fees and charges.
3. Revision in loans and advances to customers (increase in loan portfolio) is due to a reversal in general loan loss provision which reflects in net asset as well.
4. Revision in increase in borrowings and other liabilities are due to the adjustment on term loan accrued interest and social fund, which reflects in the Statement of Financial Position.
5. Revision in increase in other assets is due to the accrual of penal interest to the overdue customers., which reflects in the Statement of Financial Position.

13. Sharia Compliance

HDFC Amna (Islamic Window) operations for the quarter remains compliant with established principles of Sharia.

14. External Auditor's Limited Review

The financials Q1 of 2023 are unaudited management accounts, which are subject to changes after an audit by the External Auditor.

15. Statement of Compliance

This report is prepared in compliance with the Minimum Criteria for Periodic Reporting set in Capital Market Development Authority's (CMDA) circular for Listed Companies.