

FOURTH QUARTER REPORT

OCTOBER – DECEMBER 2023





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

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

Highlights

Financial Highlights

Net Profit

MVR 361mn

Total Assets

MVR 45.4bn

New Loans to Individuals & Businesses

MVR 5bn

Operating Profit

MVR 635mn

Deposits

MVR 30.7bn

Net Loans

MVR 18.9bn

Capital Adequacy

52%

Provision Cover

100%

Non-Financial Highlights

40,000

ATM transactions per day

2mn+

Mobile Banking logins per day

14mn+

ATM Transactions

340,000+

Customers

40mn

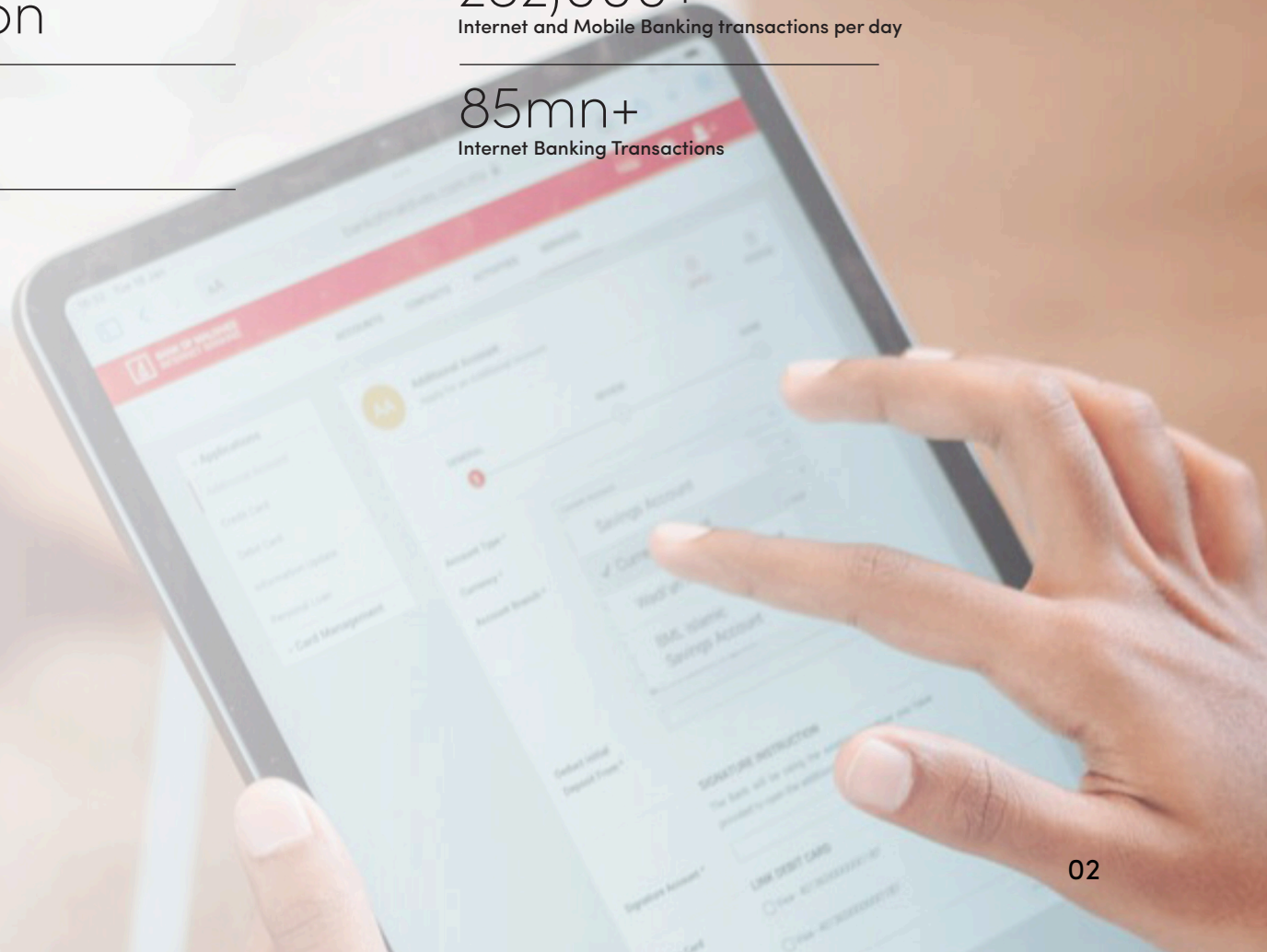
POS Transactions

232,000+

Internet and Mobile Banking transactions per day

85mn+

Internet Banking Transactions



Our Business Strengths



Leadership

Bank of Maldives has a skilled, gender balanced Management team with experience in various countries and banking markets, supported by an experienced Board of Directors.



Innovation

The Bank is the pioneer of the banking industry with many firsts. The first to launch POS and mPOS services in Maldives, first to launch debit and credit cards, first to launch internet and mobile banking, first to launch cash and cheque deposit machines.



Governance

The Bank's governance framework is built on the highest standards of international best practice. We are committed to upholding the values and standards that our local and international stakeholders expect.



People

The Bank is the largest employer in the Maldives banking sector with over 1,000 employees. 99% of employees are locals with almost one third employed in the atolls.



Customer Base

We are dominant in the Maldives with over 340,000 customers, and market leaders in Retail, Corporate and SME segments. We are also the market leader in Self Service banking with the largest number of online and ATM users.



Financial Strength

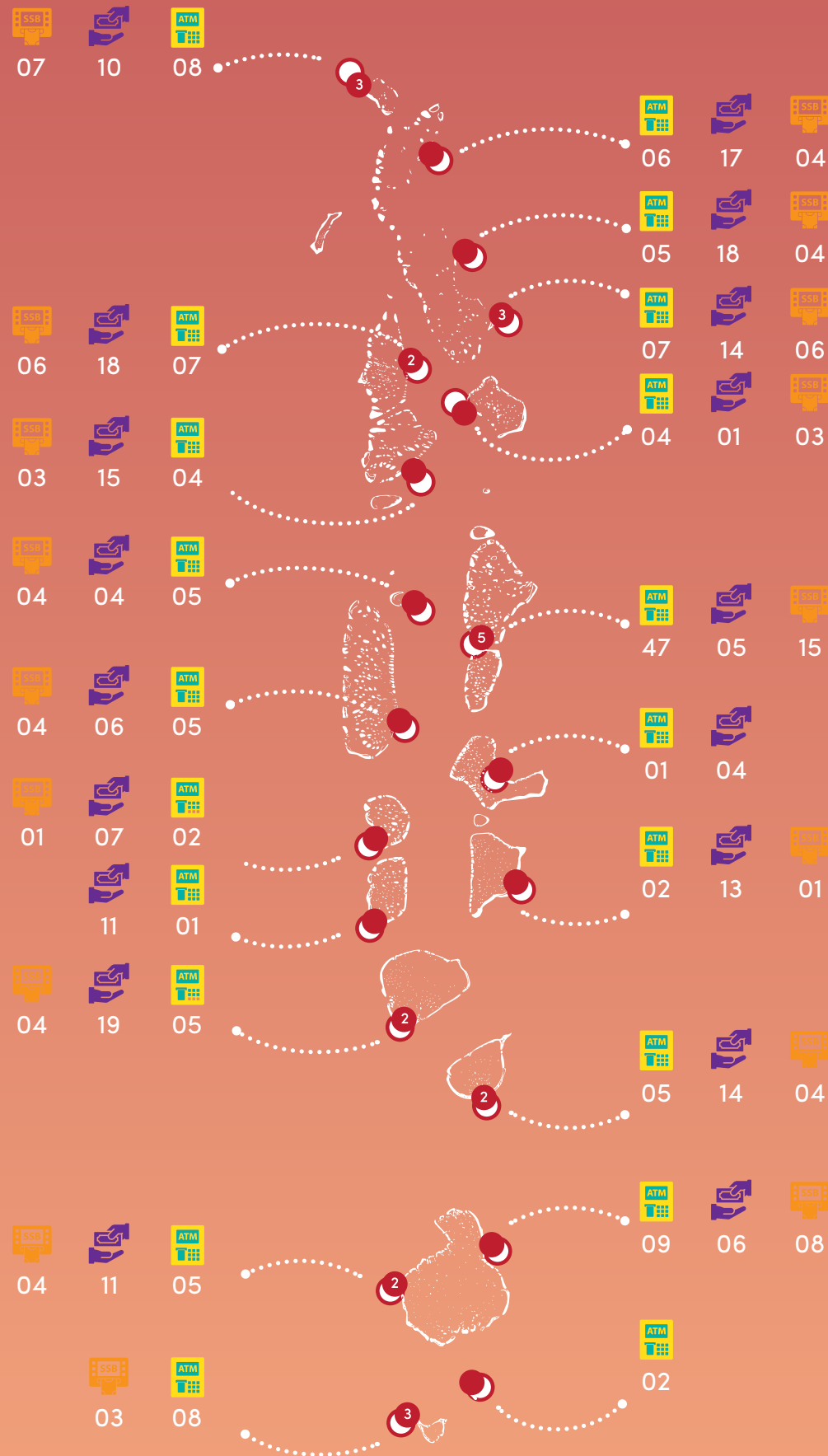
Bank of Maldives is a systemically important bank with Net Profit After Tax of MVR 1.6 billion, Total Assets of MVR 42 billion, a strong deposit base of MVR 29 billion and a strong capital position of 45% well above regulatory requirements.



Service Delivery

We have the largest network of branches, Agents, ATMs and POS terminals in Maldives. We are the exclusive acquirer and issuer of American Express cards in Maldives. We are the principle member in the Maldives for Visa and Mastercard.

Our Network



BRANCH
 ATM
 SELF-SERVICE BANKING CENTRE
 CASH AGENT

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1. Summary

The financial performance of the Bank for the fourth quarter of the year was solid with an Operating Profit of MVR 635 million and a Net Profit of MVR 361 million. As expected, this is lower than the previous quarter as expenses tend to be relatively higher during the last quarter of the year due to year-end accruals and increase in provision for loan losses.

Unaudited results for 2023 show a Net Profit of MVR 1.9 billion, up 17% compared to 2022. Operating Profit stood at MVR 2.64 billion, up 6% from 2022. The Bank lent MVR 5.0 billion in new loans to individuals and businesses during the year. Provision cover remains strong at 100%. Further, capital and liquidity ratios remains solid and well above regulatory requirements.

2.

Business Development

- In October, we announced the 2 winning businesses for the BML Startup Grant 2023, targeted for emerging entrepreneurs to win funding of MVR 500,000 to start or grow a business in the Maldives. This follows the successful completion of the three inaugural BML Startup Grant projects completed in 2023.
- We also introduced our new range of cards in October, featuring designs inspired by the natural beauty of the Maldives and produced with recycled materials. The new designs were introduced for the Bank's Debit and Credit card range for Visa and Mastercard.
- The annual Pink Ribbon Run Walk was held in October through our support to the Cancer Society of Maldives. The run, which has been supported by the Bank since 2016, is part of the ongoing efforts to raise awareness about cancer across the country. In addition to the run, the Bank conducts annual cancer screening for its staff and supports cancer screening as well as awareness sessions in selected islands.
- During the same month, BML Islamic supported the National Junior Surfing Championships 2023 held in Male' as part of the Bank's support to development of sports in the country.
- A new promotion for American Express cardholders was launched in November for two lucky winners to win gift bundles worth of MVR 25,000. In December, a promotion was launched for Mastercard holders to spend and win iPhones.
- We made positive changes to its online Appointment Portal, introducing new and improved features to view and easily book appointments to visit its branches and service centres. The portal is available for personal customers to book appointments or meet our team and for business customers to open bank accounts, submit loan and financing applications or speak to the specialist teams about loan and financing options.
- The loyalty of our long serving employees were celebrated during the month of October where awards were presented to 64 staff. Fathimath Rasheeda (Head of Internal Audit) received a special commendation for serving the Bank for 40 years while Hussain Rasheed (Head of Branches and Service Centres), Aminath Hassan (Audit Manager) and Aminath Naseer (Deputy Senior Officer) who have all served the Bank for 35 years, also received special recognition at a special ceremony.
- We held our 'Staff Charity Run' to raise funds to support the community. Over 100 employees and their children took part in the run held in early December. Following the run, a donation of MVR 50,000 was presented to the Maldives Association for Persons with Disabilities to support its Persons with Disabilities Health Camp programs.

- In November, we added local gift vouchers and miles exchange to the redemption options available on “BML Rewards”, the exclusive loyalty program for our credit card customers. In addition to hotels, flights and gift cards, BML Rewards customers will be able to exchange Rewards Points for airline frequent flyer miles on several airlines including Qatar Airways, Air Asia and Srilankan Airlines as well as vouchers from local retailers including Mango, Adidas, Miniso, Thai Wok, Cocoa Trees and Sonee Sports.
- We continued our annual wheelchair donation program targeted for people with mobility impairments across the Maldives with a donation of an additional 30 wheelchairs this year. With this donation, the program which began in 2017 has now seen the successful delivery of over 230 wheelchairs to over 90 islands. In addition to the motorized wheelchairs for individuals who are able to independently operate the chairs, we have this year added special manual wheelchairs to its donation for children and adults who are dependent on others to get around.
- In December, we announced this year’s 3 recipients of the BML Scholarship Fund. The Scholarship Fund is a fully funded merit-based international scholarship through which recipients can select any undergraduate program in a banking and finance related area from the top 200 universities in the world.

3.

Key Financial Information

Income Statement (Unaudited)

(All amounts in MVR '000 unless otherwise stated)

	Q4 2023	Q3 2023	Q2 2023	12 Months 2023	12 Months 2022 Audited
Gross Income	1,174,978	1,063,777	1,063,322	4,416,194	4,038,667
Interest Income and Similar Income	690,427	663,449	654,286	2,641,064	2,382,045
Interest Expense and Similar Charges	(49,764)	(64,554)	(44,997)	(206,503)	(192,245)
Net Interest Income	640,663	598,895	609,289	2,434,561	2,189,800
Fee and Commission Income	418,058	354,429	340,813	1,528,313	1,367,367
Fees and Commission Expense	(229,510)	(187,197)	(181,578)	(830,248)	(665,146)
Net Fee and Commission Income	188,548	167,232	159,235	698,065	702,221
Other Operating Income	66,493	45,899	68,223	246,817	289,255
Total Operating Income	895,704	812,026	836,747	3,379,443	3,181,276
Personnel Expenses	(129,546)	(72,991)	(72,469)	(361,463)	(361,773)
Marketing and CSR Expenses	(13,426)	(7,864)	(5,302)	(34,773)	(31,091)
Other Operational and Administration Expenses	(117,684)	(70,887)	(80,416)	(338,895)	(291,827)
Operating Expenses	(260,656)	(151,742)	(158,187)	(735,131)	(684,691)
Operating Profit (Profit before Provisions)	635,048	660,284	678,560	2,644,312	2,496,585
Provision for Bad and Doubtful Debts	(139,998)	(1,282)	77,136	(43,835)	(368,646)
Profit before Tax	495,050	659,002	755,696	2,600,477	2,127,939
Income Tax Expense	(133,663)	(177,931)	(204,038)	(702,129)	(499,877)
Net Profit for Quarter	361,387	481,071	551,658	1,898,348	1,628,062
Basic Earning Per Share (annualized)	269	358	410	353	303
Net Assets Per Share	2,221	2,154	2,065	2,221	1,909
Cash Flow Per Share	228	(65)	(33)	(143)	(193)

Statement of Financial Position (Unaudited)

(All amounts in MVR '000 unless otherwise stated)

	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Dec 2022 Audited
Cash and Short Term Funds	10,906,449	9,877,758	10,585,271	10,947,088
Statutory Deposit with Maldives Monetary Authority	3,976,238	3,966,168	3,171,338	3,687,890
Loans and Advances	18,950,251	18,145,763	17,774,626	16,891,036
Financial Investments - FVOCI	234,109	234,109	234,109	234,109
Financial Investments - Amortized Cost	9,679,275	8,833,399	8,786,855	8,401,783
Property, Plant and Equipment	794,030	789,190	786,199	804,325
Right-of-use assets	143,800	147,678	151,123	157,514
Other Assets	753,360	995,322	1,031,000	747,966
Total Assets	45,437,512	42,989,387	42,520,521	41,871,711
Deposits	30,787,402	28,771,520	29,135,589	29,221,667
Borrowings	502,859	582,680	353,207	744,215
Lease Liabilities	140,431	141,895	143,900	147,531
Other Liabilities	2,051,834	1,899,693	1,775,297	1,486,383
Total Liabilities	33,482,526	31,395,788	31,407,993	31,599,796
Share Capital	269,096	269,096	269,096	269,096
Share Premium	93,000	93,000	93,000	93,000
Retained Earnings	3,314,653	2,953,266	2,472,195	1,631,582
Other Reserves	8,278,237	8,278,237	8,278,237	8,278,237
Total Shareholders' Equity	11,954,986	11,593,599	11,112,528	10,271,915
Total Equity and Liabilities	45,437,512	42,989,387	42,520,521	41,871,711



Nandana Senevirathne
Chief Financial Officer



Karl Stumke
CEO and Managing Director



Ahmed Mohamed
Audit Committee Chairperson

Statement of Changes in Equity (Unaudited)

	Share Capital	Retained Earnings	Reserves	Total
Balances as at 1 January 2023	362,096	1,631,582	8,278,237	10,271,915
(+) Net profit for the quarter	-	504,232	-	504,232
Balances as at 31 March 2023	362,096	2,135,814	8,278,237	10,776,147
(-) Dividend to equity holders		(215,277)		(215,277)
(+) Net profit for the quarter	-	551,658	-	551,658
Balances as at 30 June 2023	362,096	2,472,195	8,278,237	11,112,528
(+) Net profit for the quarter	-	481,071	-	481,071
Balances as at 30 September 2023	362,096	2,953,266	8,278,237	11,593,599
(+) Net profit for the quarter	-	361,387	-	361,387
Balances as at 31 December 2023	362,096	3,314,653	8,278,237	11,954,986

Statement of Cash Flows (Unaudited)

	Q4 2023	Q3 2023	Q2 2023	12 Months 2023	12 Months 2022 Audited
Cash Flows from Operating Activities	726,276	633,118	732,246	3,072,955	1,576,207
Changes in Operating Assets and Liabilities	1,456,326	(925,775)	173,173	(1,540,766)	(2,303,655)
Cash Flows from Investing Activities	(875,020)	(74,018)	(627,362)	(1,373,947)	(115,166)
Cash flows from Financing Activities	(79,821)	14,197	(454,103)	(930,241)	(198,280)
Net increase /(decrease) in Cash & Cash Equivalents	1,227,761	(352,478)	(176,046)	(771,999)	(1,040,894)
Cash & Cash Equivalents at beginning of the period	2,506,266	2,858,744	3,034,790	4,506,026	5,546,920
Cash & Cash equivalents at end of the period	3,734,027	2,506,266	2,858,744	3,734,027	4,506,026

4.

Investor Information

Highest Traded Price	MVR 800
Lowest Traded Price	MVR 770
Last Traded Price	MVR 800
Last Traded Date	27 December 2023
Number of Trades	13
Number of Shares Traded	1763
Value of Shares Traded	MVR 1,405,925
Weighted Average Traded Price	MVR 797.46
Market Capitalization	MVR 4,305,536,000
Dividend Yield	5.00%
Price Earning- Ratio	2.98

5.

Governance

5.1 Frequency of Board Meetings

The number of meetings held by the Board and Committees during the fourth quarter of 2023 were as follows

	No. of Meetings
Board of Directors	06 (Six)
Board Credit Committee	02 (Two)
Audit Committee	04 (Four)
Risk Committee	03 (Three)
Appointment, Nomination & Remuneration Committee	10 (Ten)
Corporate Governance Committee	03 (Three)

5.2 Key Activities carried out by the Board and Board Committees

- Reviewed and approved the Bank's Financial Statements for Quarter 3 2023.
- Reviewed Risk Management Report, Compliance Report, Non-Performing Assets and Loan Portfolio Report and Report on the activities of the Internal Audit function for Quarter 3 2023.
- Reviewed and approved the Bank's Strategic Plan 2024-2026.
- Reviewed and approved the Bank's Budget for the year 2024.
- Reviewed the monthly ANR, Audit, CG, BCC and Risk Committee Reports.
- Reviewed Correspondences with regulatory agencies for Q3 2023.
- Reviewed the Shari'ah Committee Minutes.
- Participated in the Asset Liability Management Training by INSEAD and underwent the Professional Board Training by Institute of Directors (IOD).
- Reviewed matters received via the Bank's Whistle Blowing System.
- Reviewed and approved to publish the minutes of the 40th Annual General Meeting for shareholders' comments.
- Reviewed the Bank's Net Open Position.
- Reviewed and approved changes to the Board Evaluation Forms.
- Reviewed and approved changes to Risk Appetite Limits of the Government Exposure for 2023.
- Reviewed and approved the list of charitable organizations for distribution of charity funds.
- Met with the Bank's External Auditors, Ernst and Young, and deliberated on the External Audit Plan for the year 2023.
- Reviewed and approved the Internal Audit Plan for 2024.
- Reviewed and approved changes to the Organisational Structure.

5.3 Changes in the Board of Directors

According to the Articles of Association of the Bank, the Board is to consist of 11 members, comprising eight Nominee Directors and three Public Elected Directors. The quarter began and ended with a total of 10 Directors, with one Nominee Director position remaining vacant. The following is the current composition of the Board of Directors.

Name of Director	Category	Designation	Date of Appointment	Respective Committee
Mr. Yooshau Saeed Nominee Director	Non-Executive & Independent	Chairperson	15th Jul 2021	BCC
Mr. Karl Stumke Nominee Director	Executive	CEO & MD	10th Jan 2023	BCC
Ms. Aishath Noordeen Nominee Director	Executive	Director	31st Aug 2020	BCC
Ms. Juwairiya Saeed Nominee Director	Non-Executive & Non-Independent	Director	30th Jul 2019	AC, RC & CG
Mr. Abdulla Hassan Nominee Director	Non-Executive & Independent	Director Chairperson of ANR Committee	31st Aug 2020	ANR, RC & AC
Mr. Abdulla Husam Shareef Nominee Director	Non-Executive & Non-Independent	Director	15th Jul 2021	RC, BCC & ANR
Ms. Aishath Sajny Nominee Director	Non-Executive & Independent	Director Chairperson of CG Committee	24th Oct 2021	CG, ANR & BCC
Mr. Ibrahim Mohamed Elected Director	Non-Executive & Non-Independent	Director	7th Aug 2009	AC, ANR, CG & BCC
Mr. Ahmed Mohamed Elected Director	Non-Executive & Independent	Director Chairperson of Audit Committee	30th Jul 2019	ANR, AC, RC & CG
Mr. Abdulla Naseem Elected Director	Non-Executive & Independent	Director Chairperson of Risk Committee	24th Oct 2021	RC, AC, CG & BCC

BCC = Board Credit Committee; ANR = Appointment, Nomination & Remuneration Committee; AC = Audit Committee; RC = Risk Committee; CG = Corporate Governance Committee

6.

Shareholding Structure

The Bank's shareholding as at the end of the quarter was as follows:

Shareholders	Number of Shares	%
Government (Ministry of Finance)	2,733,868	50.80%
Maldives Pension Administration Office (MPAO)	394,380	7.33%
Maldives Transport and Contracting Company PLC (MTCC)	219,096	4.07%
Atoll/Island Councils	219,096	4.07%
General Public	1,815,480	33.73%
Balances as at 31 December 2023	5,381,920	100%

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

We are committed to running Bank of Maldives as a sustainable and responsible business, working to make a difference for our customers, communities and colleagues, whilst achieving sustainability through our operations and maintaining robust risk management and governance.

We continued to invest in community initiatives supporting the areas of education, sports, environment and community development. We aim to create opportunities for people and empower communities.

As part of our commitment to support the development of sports, we supported the BML Kids Swimming Festival and the BML Inter-School Swimming Competition kicked off with over 100 participants. The BML National Swimming Competition and Festival were held in November with close to 500 participants. We also partnered with Maldives Surfing Association to support the National Junior Surfing Championship.

The winners of the inaugural BML Startup Grant launched businesses during the quarter. Hawwan Cakes opened their first bakery, Aina's by Hawwan Cakes and Aishath Liusha launched the Smart Agricultural Practices project in Laamu Gan to promote sustainable farming. We also announced the two winners of the 2023 BML Startup Grant which provides emerging entrepreneurs an opportunity to win funding of MVR 500,000 to start or grow their business.

We supported the annual Pink Ribbon Run-Walk organized by Cancer Society of Maldives. This run provides the opportunity to raise awareness about breast cancer, honor those who fought the battle, and empower those who are going through their journey. Under this initiative, we also supported an awareness and screening trip to Noonu Atoll. We also held a Breast, Oral and Prostate Cancer screening session as well as an awareness session for our staff.

We continued our support to people with mobility impairments across the Maldives with a donation of 30 wheelchairs. This program which began in 2017 has now delivered over 230 wheelchairs, enhancing the quality of life for people living with physical disabilities. During December, we held our annual Staff Charity run, which was made extra special this year with a donation of MVR 50,000 to Maldives Association of Persons with Disabilities in their efforts for the betterment of persons with disabilities.

We supported the establishment of a therapy room for children with complex learning difficulties and disabilities in Imaduddin School. The therapy room is designed to positively impact learning and development in an inclusive environment and is equipped to provide services including speech and occupational therapy as well as sensory activities and counselling.

We facilitated a visit to the Bank for SKG students of Kangaroo Kids Preschool. During the visit, Male' Cluster staff gave 135 students a tour of the Bank's Main Branch and ATMs and the students learned about the services offered by the Bank.

We held our quarterly Blood Donation camp for our staff and family to meet the demands of blood transfusions required by patients at IGMH.

Under our partnership with sports associations, we held various introductory sports sessions for staff as well as their children. This included an introductory swimming session at the pool with talented national swimmers, a beginner surfing session in Hulhumale' with pro surfers as well as an introductory tennis lesson with experienced coaches.

9.

Corporate Governance Compliance

The Bank is committed to achieving high standards of corporate conduct and in this regard, recognises 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.



bankofmaldives

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