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THIRD QUARTER REPORT

FROM JULY TO SEPTEMBER 2023



MALDIVES ISLAMIC BANK

MALDIVES ISLAMIC BANK PLC.

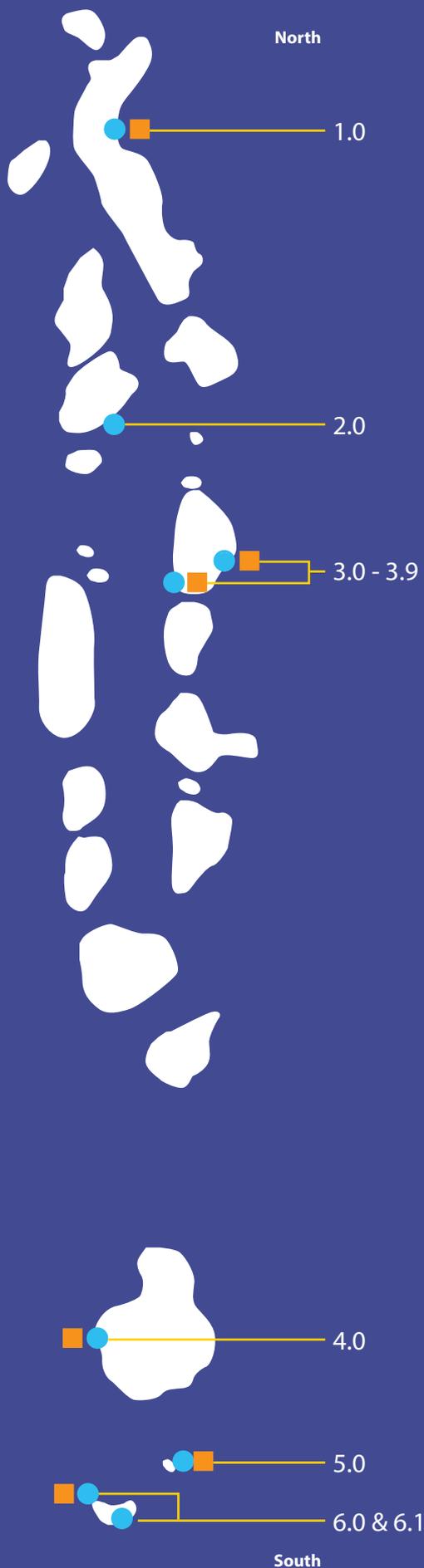
Maldives Islamic Bank PLC., the first and fully Shari'ah compliant bank in the Maldives is a collaboration between Islamic Corporation for the Development of the Private Sector (ICD), the private sector arm of the Islamic Development Bank Group (IsDB) and the Government of Maldives, represented by Ministry of Finance. The parties entered into an agreement on 04th October 2009 with a view to jointly develop and pioneer Islamic Banking services in the Maldives in line with principles of Shari'ah. We opened our doors to the public on the 7th of March 2011 with the opening of the main branch in Male', the capital of Maldives and quickly followed suit by expanding into all major population centres of the nation. We now operate with 6 branches in 5 atolls across the country. We have been listed on Maldives Stock Exchange as the only full-fledged Islamic bank in Maldives since November 2019. Today, 20% of our share capital is owned by the general public, in line with our principle of increasing public participation in the Bank's ownership.

Incorporated as a Private Limited Company, MIB was brought to inception with the intention of providing an alternative to the public and businesses who wish to avail themselves to banking transactions and dealings in strict compliance to Islamic banking principles. The primary goal was to offer the people of Maldives the opportunity to be a part of the fast-growing Islamic banking community worldwide. We are an active participant in the development and promotion of a viable Islamic economics and financial system in the Maldives which adheres to the highest ethical standards and values.

We provide full range of Shari'ah compliant deposit products and financing solutions catering to the general public, both individuals and businesses. From a humble beginning, we currently provide our services through a branch network of 06 and 27 ECRMs/ATMs across 10 island locations to meet the growing demand and to facilitate Islamic banking convenience throughout the country. In our continuous effort to provide better access and convenience to our customers, we have expanded our alternative distribution channels through Automated Teller Machines (ATM) network, Point of Sale (POS) terminals at various merchant outlets and via our online banking service, FaisaNet and FaisaMobile. We constantly strive to exceed customers' expectations by proactively developing long-term relationships and through constantly introducing modern banking services.



NETWORK CHART



Key:

BRANCH ATM

OUR BRANCH & ATM NETWORK

- 1.0 Haa Dhaalu Kulhudhuffushi
1 Branch & 1 Atm\ECRM
- 2.0 Baa Eydhafushi
1 Atm\ECRM
- 3.0 Male' Male' City
1 Branch & Head Office, 3 Atm\ECRM
- 3.1 Male' Male' City
IGMH, 1 Atm\ECRM
- 3.2 Male' Male' City
Faamudheyryige , 4 Atm\ECRM
- 3.3 Male' Male' City
Marine Dream, 1 Business Centre & 3 Atm\ECRM
- 3.4 Male' Male' City
Vilingilli, 1 Atm\ECRM
- 3.5 Male' Male' City,
Thilafushi, 1 Atm\ECRM
- 3.6 Hulhumale', Male' City
One Avenue, 1 Branch & 2 Atm\ECRM
- 3.7 Hulhumale', Male' City
Rashu Maarukeytu, 1 Atm\ECRM
- 3.8 Hulhumale', Male' City
Centro Mall, 1 Atm\ECRM
- 3.9 Hulhumale', Male' City
Phase 2, 1 Atm\ECRM
- 4.0 Gaafu Dhaalu Thinadhoo
1 Branch & 2 Atm\ECRM
- 5.0 Gnaviyani Fuvahmulah
1 Branch & 2 Atm\ECRM
- 6.0 Addu City Hithadhoo
1 Branch & 1 Atm\ECRM
- 6.1 Addu City Feydhoo
1 Atm\ECRM

TABLE OF CONTENTS

06

SUMMARY

06

STATEMENT OF
COMPLIANCE

07

BUSINESS
DEVELOPMENTS

09

MARKETING
ACTIVITIES

14

SHAREHOLDING
STRUCTURE

15

BOARD AND
GOVERNANCE

17

FINANCIAL
HIGHLIGHTS

18

FINANCIAL
STATEMENTS

21

INVESTOR
INFORMATION

22

SHARI'AH
COMPLIANCE
REVIEW

22

EXTERNAL
AUDITOR'S
LIMITED REVIEW

SUMMARY

Categorized by multiple market firsts, unique and innovative digital solutions, the Third Quarter of 2023 is momentous for the Bank on multiple fronts. Last quarter, the Bank's performance was driven majorly by the multiple new and unique digital innovations the Bank rolled out to the market. The results achieved by the Bank during Q3 of 2023 directly correspond with these investments and targeted business growth efforts. By the end of the quarter, our books reached new highs, whilst continuing to remain resilient. The Bank's business lines performed positively when compared with the budget.

By the end of the third quarter of 2023, the Bank's Total Assets reached MVR 7.83 billion, recording a growth of 12.12% compared to the previous quarter. This marks a growth of more than 38.62% in Assets when compared to the same quarter of the previous year. The positive growth trajectory of the Bank's financing portfolio continued as more than MVR 3.78 billion was recorded as Net Receivables from Financing Activities at the end of last quarter compared to MVR 3.26 billion recorded for Q2 of 2023. This is a growth of 16% in one quarter and 41.11% growth compared to the same quarter of the preceding year.

Last quarter, Customer Deposits grew by 13.23%, from MVR 5.91 billion recorded for Q2 of 2023 to MVR 6.69 billion by the end of Q3 of 2023. The annual growth in the Deposit Portfolio of the Bank stood at 43.52% when compared to Q3 of 2022. Total Revenue figure continued its upward trend as it stood at MVR 123.55 million by the end of the quarter, compared to MVR 110.24 million recorded for the second quarter of 2023. This was a growth of 12.07%. Total Revenue for the same period last year stood at MVR 84.11 million, indicating a growth of more than 46.8% of our revenue lines in a single year

Net Profit for the quarter was recorded at MVR 53.14 million, compared to MVR 40.20 million recorded for Q2 of 2023. This is the highest Net Profit the Bank has earned in a single quarter during the year. The upwards trend remains consistent when compared to Q3 of 2022, as the Profit registered during Q3 of 2023 is 44.14% higher than Q3 of 2022.

STATEMENT OF COMPLIANCE

"This report has been prepared in accordance with the Capital Market Development Authority's Circular on Minimum Criteria for Periodic Reporting for Listed Companies (MCPR) dated 19th September 2019."

BUSINESS DEVELOPMENTS

OPENING OF BUSINESS CENTRE

As an integral part of MIB's investment in expanding banking services, the first dedicated Business Centre of MIB was opened on 16th July 2023 at H. Marine Dream, Boduthakurufaanu Magu. This new Business Centre is facilitated with a dedicated card and cheque book collection center and an ATM center which supports both USD and MVR deposits. The Business Centre comes equipped with a dedicated business lounge which will serve as a touch point for both personal and business banking customers for consultancy and non-transactional services.



FAVARA INSTANT PAYMENT SYSTEM

MIB is one of the first banks that have enabled Favara Instant Payment System across its internet banking platform. This revolutionary system allows customers to conduct seamless transactions between MIB, BML and SBI in a matter of seconds, providing unparalleled convenience and efficiency in conducting interbank financial transactions. This significant milestone marks a decisive step towards enhancing customer experience and contributing to the broader shift towards a more digital landscape. Favara transactions are available on both FaisaNet and FaisaMobile.



Experience Instant Account Opening with Maldives Islamic Bank

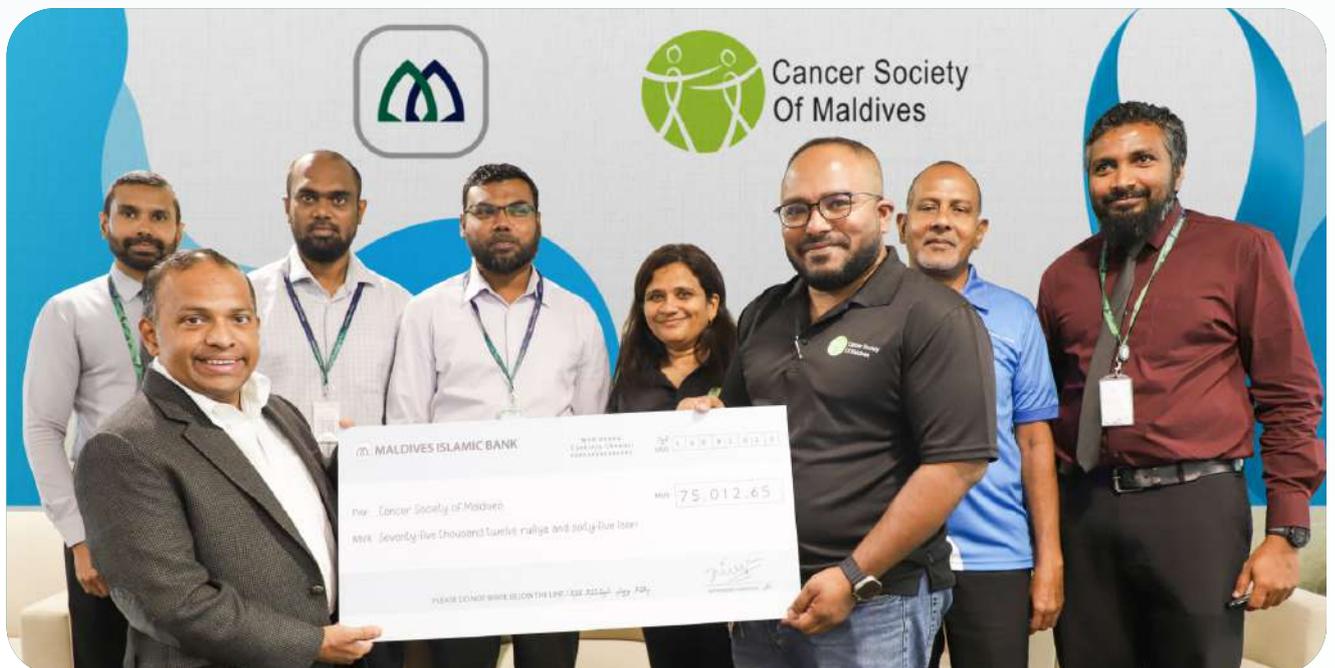


INSTANT ACCOUNT OPENING JOURNEY

During last quarter, MIB has launched Fully Digital Instant Account Opening journey. This online account opening service is a Market First which remains unique to MIB till date. Customers will be able to access the instant account opening platform via MIB's new and improved ApplyNow Portal, which has been re-engineered to provide seamless and expedited account opening experience. The portal facilitates real-time verification of customers via efaas, enabling instant approval. Customers can also activate the account instantly by depositing the minimum balance and acquire an instant card linked to the account.

CORPORATE SOCIAL RESPONSIBILITY

During the quarter, the Bank contributed financial assistance to the Cancer Society of Maldives in support of the Prostate Cancer Screening campaigns conducted by them. The Bank also conducted a similar camp for MIB staff during the quarter in collaboration with the Cancer Society.



MARKETING ACTIVITIES

During Q3 of 2023, MIB conducted the following marketing campaigns aimed towards increasing deposit and utilization.

SAVE WITH MIB 2023 PROMOTION

This year's Save with MIB campaign was launched during February 2023 and will run until the end of the year. This campaign is targeted towards customers who newly open their accounts with MIB and for customers who re-activate their accounts during the promotion period. Customers can open or re-activate Savings Account, GIA, Kids Account, Kaamiyaabu Kids Account and Hajj Savings Account to be eligible for the monthly prize. Maldivians who route a minimum of MVR 2,000 or USD equivalent to their newly opened accounts or re-activated accounts will be eligible for the lucky draw of that respective month.

Our annual "Save with MIB" campaign is a regular promotion that has gained popularity amongst the Bank's customer base.





22nd June to 10th August 2023

2 nights Full board stay at **Arena Beach**, Maafushi

2 nights Full Board stay at **OBLU Xperience Ailafushi Resort**

2 nights Full Boardstay at **Aasna Inn**, Thulusdhoo

everyday VISA VISA

CARDUN KANDAALAA BODUBANDHU PROMOTION

The Cardun Kandaalaa Bondubandhu Promotion is open for Visa Debit Card holders of the Bank. This promotion will run from 22nd June 2023 until 10th August 2023. Customers who make purchases using MIB Visa debit card will be eligible for attractive prizes including 2 nights stay at Aasna Inn, Thulusdhoo, and at Arena Beach, Maafushi. In addition to this, the grand prize of 2 nights stay at Ailaa Fushi Resort is up for grabs for the grand winner of this promotion. In order to be eligible for this promotion, customers must perform a minimum of 10 transactions on their MIB Visa cards.



Everyday Benefits

Enjoy Up To **%07** Discount Storewide

DeHome

Pay with your **VISA everyday card**

Valid till 31st December 2023

EVERYDAY BENEFITS

The Everyday Benefits is a scheme which gives exclusive discounts and special offers to MIB Card holders. MIB’s Everyday Benefits discount scheme offers exclusive discounts from affiliated partners for customers who pay from their MIB cards through MIB POS machines. With this scheme, customers are eligible for discounts of up to 25%.

BACK TO SCHOOL CAMPAIGN

MIB's Back to School campaign was run from 23rd July 2023 until 5th August 2023. Aimed towards increasing the utilization of MIB cards for transactions, this campaign offered a chance to win 5% cashback on purchases at partnering shops and outlets



INFORMATION SESSIONS & CUSTOMER ONBOARDING ACTIVITIES

During the quarter, special banking day events were conducted for multiple companies and the public. These sessions were oriented towards customer onboarding and awareness towards Islamic banking products. Account opening sessions were conducted at various islands and multiple SOEs including Maldives Airports Company Limited (MACL), Road Development Corporation (RDC), Fuel Supplies Maldives (FSM). In addition to this, special banking day sessions were conducted at CHSE, Eyecare group, SS Network, Avid College, Green Path and Islander Group.





SHAREHOLDING STRUCTURE

During the reporting period, the shareholding structure of the Bank remains unchanged compared to Quarter 02 of 2023. The current shareholding structure of the Bank is as follows.

	Q3- 2023		Q2- 2023	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Islamic Corporation for the Development of the Private Sector (ICD)	7,425,000	33.00%	7,425,000	33.00%
Government of Maldives	6,300,000	28.00%	6,300,000	28.00%
Amana Takaful (Maldives) PLC.	1,806,372	8.03%	1,806,372	8.03%
Maldives Pension Administration Office	2,369,370	10.53%	2,369,370	10.53%
Public Shareholders	4,599,265	20.44%	4,599,265	20.44%
Total	22,500,007	100.00%	22,500,007	100.00%

BOARD AND GOVERNANCE

COMPOSITION OF THE BOARD AND BOARD COMMITTEES

As per the Articles of Association of the Bank, the Board shall not be less than 9 (nine) Directors and shall include at least 4 (four) Nominee Directors, at least 1 (one) Elected Director, at least 2 (two) Independent Directors and at least 2 (two) Executive Directors.

The following are the Directors on the Board of the Bank as at 30th September 2023:

NAME	DESIGNATION	COMMITTEE*	DATE OF APPOINTMENT/ RE-APPOINTMENT
Mr. Kazi Abu Muhammad Majedur Rahman Independent Director	Chairman & Independent Non-Executive Director	-	28/10/2021
Mr. Nasser Mohammed Al-Thekair Nominee Director - ICD	Non-Executive Director	BRCC, BNRC	30/05/2022
Uz. Mohamed Naseem Ibrahim Nominee Director - GoM	Non-Executive Director	BRCC, BNRC	23/07/2023
Mr. Ahmed Ali Elected Director – Public	Independent Non-Executive Director	BAC, BIC	23/07/2023
Mr. Hassan Mohamed Nominee Director - GoM	Non-Executive Director	BAC, BRCC	31/05/2021
Mr. Rajiv Nandlal Dvivedi Independent Director	Independent Non-Executive Director	BNRC, BIC	28/10/2021
Mr. Moez Baccar Nominee Director - ICD	Non-Executive Director	BAC, BIC	30/05/2022
Mr. Osman Kassim Nominee Director – Amana Takaful	Non-Executive Director	BNRC, BIC	12/12/2022
Mr. Ahmed Shafeez Nominee Director - MPAO	Non-Executive Director	BAC, BRCC	24/05/2023
Mr. Mufaddal Idris Khumri Executive Director	Managing Director & CEO	-	12/12/2022
Mr. Ali Wasif Executive Director	CFO	-	27/06/2022

* Board Committees were re-constituted on 17th July 2023.

FREQUENCY OF MEETINGS

	Q3 – 2023	Q2 – 2023
Board of Directors	03 (Three)	03 (Three)
Board Risk and Compliance Committee (“BRCC”)	01 (One)	01 (One)
Board Audit Committee (“BAC”)	01 (One)	02 (One)
Board Nomination and Remuneration Committee (“BNRC”)	01 (One)	02 (Two)
Board Investment Committee (“BIC”)	NIL	04 (Four)

SIGNIFICANT BOARD DECISIONS

- Reviewed and approved the Bank’s Quarterly Report for the Second Quarter of 2023.
- Board of Directors reconstituted the Board sub-committees.
- Reviewed and approved the selection of an independent party to validate the Expected Credit Loss (ECL) model in line with IFRS 9 Financial Instruments.
- Reviewed and approved the amended Terms of Reference of Board Audit Committee.
- Reviewed and approved the Board of Directors Charter.
- Reviewed and approved the Procedure for Evaluation of Performance of Board of Directors.
- Reviewed and approved the Shari’ah Committee Charter.

PENALTIES IMPOSED BY THE REGULATOR

There are no penalties imposed by the regulator during this quarter.

MATERIAL TRANSACTIONS WITH THE DIRECTORS/SUBSTANTIAL SHAREHOLDERS

There are no material transactions beyond the ordinary course of business with directors, significant shareholders or associates during this quarter.

FINANCIAL HIGHLIGHTS

(All amounts in MVR'000 unless otherwise stated)

Jul - Sep 2023

Total Revenue	Total Expenses	Net Profit	Earnings Per Share	Net Assets per Share	Cash Flow per Share
123,548	(52,698)	53,137	2.36	39.09	22.33

Apr - Jun 2023

Total Revenue	Total Expenses	Net Profit	Earnings Per Share	Net Assets per Share	Cash Flow per Share
110,241	(56,635)	40,204	1.79	36.72	32.74

Jul - Sep 2022

Total Revenue	Total Expenses	Net Profit	Earnings Per Share	Net Assets per Share	Cash Flow per Share
84,111	(34,959)	36,864	1.64	32.24	47.46

FINANCIAL STATEMENTS

Income Statement (Unaudited) - Quarter ended 30 September 2023

(All amounts in MVR'000 unless otherwise stated)

	Jul - Sep 2023	Apr – Jun 2023	Jul – Sep 2022
Gross Income			
Income from Financing and Similar Income	125,510	112,488	88,813
Profit Paid on Customer Accounts and Similar Charges	(19,932)	(16,966)	(13,058)
Net Fund based Income	105,578	95,522	75,755
Fee and Commission Income	21,283	16,711	10,063
Fee and Commission Expense	(3,339)	(2,117)	(1,806)
Net Fee and Commission Income	17,944	14,594	8,257
Other Operating Income	26	125	99
Total Operating Income	123,548	110,241	84,111
Loss on Fair Valuation of Financial Instruments Mandatorily Measured at FVTPL	-	-	-
Personnel Expenses	(27,131)	(29,208)	(18,847)
General and Administrative Expenses	(17,392)	(15,454)	(11,554)
Depreciation and Amortization	(9,451)	(9,092)	(7,446)
Total Operating Expenses excluding Provision	(53,974)	(53,754)	(37,847)
Operating Profit (Profit before Provisions)	69,574	56,487	46,264
Net Impairment Losses on Financial Assets	1,276	(2,881)	2,888
Profit / (Loss) Before Tax	70,850	53,606	49,152
Income Tax Expense	(17,713)	(13,402)	(12,288)
Net Profit	53,137	40,204	36,864
Basic Earnings Per Share	2.36	1.79	1.64

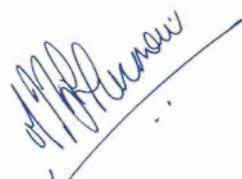
Statement of Financial Position (Unaudited) - As at 30 September 2023

(All amounts in MVR'000 unless otherwise stated)

	30-Sep-23	30-Jun-23	30-Sep-22
Assets			
Cash, Short Term Funds & Balances with MMA	502,338	736,653	1,067,885
Minimum Reserve Requirement with MMA	635,371	577,280	410,260
Investments in Equity Securities	102,100	102,100	53,100
Investments in Other Financial Instruments	2,379,729	1,952,126	1,157,765
Net Receivables from Financing Activities	3,777,282	3,256,327	2,676,926
Property, Plant and Equipment	85,872	78,635	70,002
Right-of-Use Assets	121,593	124,309	98,366
Other Assets	225,474	156,210	114,224
Total Assets	7,829,759	6,983,640	5,648,528
Liabilities			
Customers' Accounts	6,692,454	5,910,423	4,663,007
Lease Liabilities	96,330	97,775	93,768
Other liabilities	161,554	149,158	166,286
Total Liabilities	6,950,338	6,157,356	4,923,061
Equity			
Share Capital	337,500	337,500	337,500
Retained Earnings	320,406	276,460	190,863
Statutory Reserve	150,000	150,000	150,000
Other Reserves	71,515	62,324	47,104
Total Equity	879,421	826,284	725,467
Total Liabilities and Equity	7,829,759	6,983,640	5,648,528



Ali Wasif
Chief Financial Officer



Mufaddal Idris Khumri
MD & CEO



Ahmed Ali
Chairman / BAC

Statement of changes in Equity (Unaudited) - Quarter ended 30 September 2023

(All amounts in MVR'000 unless otherwise stated)

	Share Capital	Retained Earnings	Statutory Reserve	Other Reserves	Total Equity
Balance as at 01 January 2023	337,500	230,560	150,000	65,100	783,160
Net profit for the quarter	-	42,295	-	-	42,295
Dividends to equity holders	-	-	-	-	-
Transferred to reserves	-	-	-	-	-
Transferred to Non-Distributable Capital Reserve	-	739	-	(739)	-
Issue of Shares	-	-	-	-	-
Balance as at 31 March 2023	337,500	273,594	150,000	64,361	825,455
Net profit for the quarter	-	40,204	-	-	40,204
Dividends to equity holders	-	(39,375)	-	-	(39,375)
Transferred to reserves	-	-	-	-	-
Transferred to Non-Distributable Capital Reserve	-	2,037	-	(2,037)	-
Issue of Shares	-	-	-	-	-
Balance as at 30 June 2023	337,500	276,460	150,000	62,324	826,284
Net profit for the quarter	-	53,137	-	-	53,137
Dividends to equity holders	-	-	-	-	-
Transferred to reserves	-	-	-	-	-
Transferred to Non-Distributable Capital Reserve	-	(9,191)	-	9,191	-
Issue of Shares	-	-	-	-	-
Balance as at 30 September 2023	337,500	320,406	150,000	71,515	879,421

Statement of Cash Flows (Unaudited) - Quarter ended 30 September 2023

(All amounts in MVR'000 unless otherwise stated)

	Jul – Sep 2023	Apr - Jun 2023	Jul – Sep 2022
Cash Flows from Operating Activities	56,105	46,952	43,006
Changes in Operating Assets and Liabilities	191,979	81,182	(341,778)
Cash Flows from Investing Activities	(479,463)	(139,492)	10,916
Cash Flows from Financing Activities	(2,936)	(36,271)	(5,961)
Net increase/ (used) in Cash and Cash Equivalents	(234,315)	(47,629)	(293,817)
Cash and Cash Equivalents at beginning of the period	736,653	784,282	1,361,702
Cash and Cash Equivalents at end of the period	502,338	736,653	1,067,885

INVESTOR INFORMATION

Highest Traded Price	MVR 200.00
Lowest Traded Price	MVR 69.00
Last Traded Price	MVR 150.00 (on 26th September 2023)
Weighted Average Traded Price	MVR 118.25
Number of Securities Traded	750
Number of Trades	30
Value of Securities Traded	MVR 88,690.00
Market Capitalization	MVR 2,660,625,827.75
Dividend Yield *	1.48%
Price Earnings Ratio *	14.71
Total No. of Shareholders at the end of Quarter	16,173

* annualised

SHARI'AH COMPLIANCE REVIEW

“Maldives Islamic Bank PLC. is the only full-fledged Shari’ah compliant bank in the Maldives. The business of the Bank remains Shari’ah compliant as per the regulation on Shari’ah Screening of Equity Securities of Capital Market Development Authority since its inception. The level of Shari’ah compliance during the quarter remains unchanged compared to Quarter 02 of 2023.”

EXTERNAL AUDITOR'S LIMITED REVIEW

“The financials stated above are management accounts (unaudited) and are subject to changes after full year audit by the External Auditor. ”

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