



WARWYCK

PRIVATE BANK



Unaudited Financial Statements

As at 30 September 2024

COMMENTS ON RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024

Warwyck Private Bank Ltd reported a profit of USD 2.00m for the nine months ended 30 September 2024 compared to a profit of USD 252k for the same period in 2023. For the quarter ended 30 September 2024, the Bank reported a profit of USD 418k as compared to a profit of USD 340k for the same quarter in 2023.

Net interest income:

Interest income comprised of interest on loans and advances, interest on interbank placements and other interest income (mainly on treasury bills). Interest income amounted to USD 3.33m for the period ended 30 September 2024 representing an increase of 90.0% compared to the same period in 2023; which can be attributable to the increase in placements of USD 77.96m and rise in interest rates. On a similar note, interest income for the third quarter of 2024 which amounted to USD 1.31m represented an increase of 68.8% compared to the same quarter in 2023; due to higher interest on interbank placements of USD 471k.

Interest expense for the nine months ended 30 September 2024 stood at USD 1.37m compared to USD 223k in the corresponding period in 2023 due to increase in fixed deposit amount and increase in interest rate. Likewise, for the third quarter of 2024, interest expense stood at USD 496k higher by USD 338k compared to the same quarter last year.

Consequently, the net interest income stood at USD 1.96m for the nine months ended 30 September 2024 as compared to USD 1.53m for the same period last year. For the third quarter ended 30 September 2024, the net interest income amounted to USD 817k compared to USD 620k for the third quarter of 2023.

Net fee and commission income:

Fee and commission income stood at USD 1.16m for the period ended 30 September 2024 indicating an increase of 56.3% when compared to same period in 2023 which stood at USD 743k. This rise was mainly due to more commission on means of payments and more account service fees. For the third quarter of 2024, fee and commission income amounted to USD 378k compared to USD 356k for the same quarter last year.

Fee and commission expense stood at USD 203k and USD 204k for the nine months ended 30 September 2024 and 30 September 2023 respectively. These expenses comprised of card expenses, administration fees and retrocession fees. Fee and commission expense amounted to USD 58k and USD 54k for the third quarter of 2024 and 2023 respectively.

As a result, the net fee and commission income reached USD 958k for the period ended 30 September 2024 which improved by 77.7% compared to the same period last year. Likewise, for the quarter ended 30 September 2024, the net fee and commission income was USD 321k, higher by 6.1% compared to the same quarter in 2023.

Other income:

Other income for the period ended 30 September 2024 stood at USD 1.69m, higher by 223.5% compared to the same period last year, due to the gains on investments. Similarly, other income which stood at USD 388k for the quarter ended 30 September 2024 was higher by 119.0% when compared to the same quarter last year.

Operating expense:

Operating expenses increased by 10.3% which stood at USD 2.57m for the nine months ended 30 September 2024 when compared to the same period in 2023. This overall rise can be explained by higher personnel expenses and bank charges. Operating expenses for the reporting quarter stood at USD 1.06m compared to USD 739k for the same quarter in 2023.

Assets:

Total assets as at 30 September 2024 stood at USD 185.00m which represented a slight increase of 1.7% over the 31 December 2023 figures (30 September 2023: USD 112.80m).

Loan and advances portfolio shrunk by 25.7% over the nine months of 2024 (30 September 2024: USD 14.98m and 31 December 2023: USD 20.16m and 30 September 2023: USD 20.31m) due to repayment of loans by customers.

The loan to deposit ratio was 9.1% as at 30 September 2024 (31 December 2023: 12.2% and 30 September 2023: 21.0%).

As at 30 September 2024, Warwyck Private Bank Ltd held placements with banks of USD 116.42m (31 December 2023: USD 42.87m and 30 September 2023: USD 38.45m). The short-term placements which stood at USD 91.39m as at 30 September 2024 was included under cash and cash equivalents (31 December 2023: USD 41.26m and 30 September 2023: USD 37.75m).

The disposal of investment in money market funds in 2024 led to the diminution of the investment in securities portfolio (30 September 2024: USD 27.86m and 31 December 2023: USD 82.14m and 30 September 2023: USD 26.00m).

Other assets which stood at USD 5.13m dropped by 21.7% since beginning of year 2024 (31 December 2023: USD 6.55m and 30 September 2023: USD 6.86m) mainly due to the fall in CRR balances and repayment of intercompany balances.

Liabilities:

Total liabilities amounted to USD 166.90m as at 30 September 2024 increased by 0.7% compared to 31 December 2023. This was mainly due to the increase in other liabilities from USD 405k as at 31 December 2023 to USD 2.03m as at 30 September 2024 (30 September 2023: USD 379k). Deposits from customers, on the other hand, slightly fell by 0.3% from USD 165.26m as at 31 December 2023 to reach USD 164.79m as at 30 September 2024.

Shareholders' Funds:

The share capital was USD 13.20m, statutory reserves were USD 2.21m and accumulated profits stood at USD 2.68m. Total equity increased by USD 2.00m since 31 December 2023, related to the profits earned during the period.

Capital Adequacy Ratio:

The capital adequacy ratio was well above the required minimum limit of 12.5% and stood at 32.03% as at 30 September 2024 (December 2023: 26.98% and September 2023: 32.86%). Total risk weighted assets stood at USD 48.97m as at 30 September 2024 (December 2023: USD 54.67m and September 2023: USD 44.31m).

Credit Quality:

The bank's credit portfolio comprises of loans and overdrafts backed by adequate collaterals and no impaired credits. All credit transactions are undertaken in accordance with the bank's credit risk management policy and credit facilities granted to related parties are tabled at the Conduct Review Committee.

Liquidity:

The bank is in a good liquidity position which is demonstrated by the Liquidity Coverage Ratio (LCR) of 3,084% as at 30 September 2024 (December 2023: 291% and September 2023: 141%) which is well above the required percentage of 100%. The bank's current High-Quality Liquid Assets (HQLA) portfolio includes foreign currency deposits at the Central Bank. The bank also relies on a strong liquidity management policy to maintain a strong liquidity position.

By order of the Board:

The abridged quarterly unaudited financial statements have been prepared in accordance with the same accounting policies as those set out in the audited financial statements for the year ended 31 December 2023 which are the International Financial Reporting Standards, the Mauritius Companies Act 2001, the Banking Act 2004 and guidelines issued by the Bank of Mauritius.

Statement of financial position as at 30 September 2024

	As at 30 September 2024	As at 30 September 2023	As at 31 December 2023
	USD	USD	USD
ASSETS			
Cash and cash equivalents	106,624,541	53,113,283	65,735,229
Placements with other banks	25,020,929	703,158	1,606,720
Loan and advances	14,977,026	20,307,968	20,160,840
Investment securities	27,864,744	25,995,028	82,143,816
Property, plant and equipment	4,848,905	4,874,833	4,797,866
Intangible assets	411,291	749,589	702,128
Deferred tax assets	92,612	179,671	135,947
Current tax assets	29,742	14,611	18,321
Other assets	5,126,216	6,862,620	6,545,291
Total assets	184,996,006	112,800,761	181,846,158
LIABILITIES			
Deposits from customers	164,785,279	96,768,113	165,258,351
Retirement benefit obligations	84,727	21,606	84,727
Other liabilities	2,032,397	379,127	405,392
Total liabilities	166,902,403	97,168,846	165,748,470
SHAREHOLDERS' EQUITY			
Stated capital	13,200,000	13,200,000	13,200,000
Statutory reserve	2,212,640	2,092,389	2,212,640
Retained earnings	2,680,963	339,526	685,048
Total equity	18,093,603	15,631,915	16,097,688
Total liabilities and equity	184,996,006	112,800,761	181,846,158



Loïc Chollet-Vergé
Chief Executive Officer and Director



Deenaraj Sooben
Director

WARWYCK PRIVATE BANK LTD

ABRIDGED UNAUDITED INTERIM FINANCIAL STATEMENTS

Statement of profit or loss and other comprehensive income for the nine months ended 30 September 2024

	3 months ended 30 September 2024 USD	3 months ended 30 September 2023 USD	9 months ended 30 September 2024 USD	9 months ended 30 September 2023 USD	Year ended 31 December 2023 USD
Interest income	1,313,231	777,859	3,333,728	1,754,270	2,591,564
Interest expense	(496,107)	(158,123)	(1,374,964)	(223,006)	(431,621)
Net interest income	817,124	619,736	1,958,764	1,531,264	2,159,943
Fee and commission income	378,271	356,167	1,160,872	742,735	863,368
Fee and commission expense	(57,622)	(53,868)	(203,019)	(203,613)	(280,901)
Net fee and commission income	320,649	302,299	957,853	539,122	582,467
Other income	387,956	177,143	1,691,481	522,864	1,234,969
Operating income	1,525,729	1,099,178	4,608,098	2,593,250	3,977,379
Personnel expenses	(380,598)	(263,126)	(1,024,593)	(881,578)	(1,218,091)
Other expenses	(519,998)	(404,767)	(1,377,709)	(1,234,191)	(1,668,049)
Depreciation and amortisation	(235,549)	(103,489)	(389,798)	(315,596)	(399,200)
Net impairment gains/(losses) on financial assets	1,435	5,552	13,573	6,116	11,229
Net foreign exchange gains/(losses)	69,950	26,545	209,679	96,504	158,852
Profit before tax	460,969	359,893	2,039,250	264,505	862,120
Income tax expense	(43,335)	(19,779)	(43,335)	(12,485)	(60,444)
Profit for the period/year	417,634	340,114	1,995,915	252,020	801,676
Other comprehensive income:					
<i>Items that will not be reclassified to profit and loss:</i>					
Remeasurements of post-employment benefit obligations	-	-	-	-	(88,118)
Deferred tax on remeasurements of post-employment benefit obligations	-	-	-	-	4,235
Other comprehensive loss for the period, net of tax	-	-	-	-	(83,883)
Total comprehensive income for the period/year	417,634	340,114	1,995,915	252,020	717,793

WARWYCK PRIVATE BANK LTD

ABRIDGED UNAUDITED INTERIM FINANCIAL STATEMENTS

Statement of changes in equity for the nine months ended 30 September 2024

	Stated Capital	Statutory reserve	Retained earnings	Total
	USD	USD	USD	USD
At 01 January 2023	13,200,000	2,092,389	87,506	15,379,895
Profit for the period	-	-	252,020	252,020
Other comprehensive income / (loss)	-	-	-	-
Total comprehensive income for the period	-	-	252,020	252,020
At 30 September 2023	13,200,000	2,092,389	339,526	15,631,915
At 01 January 2023	13,200,000	2,092,389	87,506	15,379,895
Profit for the year	-	-	801,676	801,676
Other comprehensive loss	-	-	(83,883)	(83,883)
Total comprehensive income for the year	-	-	717,793	717,793
Transfer to statutory reserve	-	120,251	(120,251)	-
At 31 December 2023	13,200,000	2,212,640	685,048	16,097,688
At 01 January 2024	13,200,000	2,212,640	685,048	16,097,688
Profit for the period	-	-	1,995,915	1,995,915
Other comprehensive income / (loss)	-	-	-	-
Total comprehensive income for the period	-	-	1,995,915	1,995,915
At 30 September 2024	13,200,000	2,212,640	2,680,963	18,093,603

ABRIDGED UNAUDITED INTERIM FINANCIAL STATEMENTS
Statement of cash flows for the nine months ended 30 September 2024

	30 September 2024 USD	30 September 2023 USD	31 December 2023 USD
Cash flows from operating activities			
Profit before tax	2,039,250	264,505	862,120
Adjustments for:			
Depreciation of property, plant and equipment	98,962	159,658	195,801
Depreciation of right of use assets	-	5,564	5,564
Amortisation of intangible assets	290,837	150,374	197,835
Net loss on sale of property, plant and equipment	-	3,307	9,146
Net gains on disposal of investment in securities	(1,517,470)	(4,026)	(83,392)
Fair value losses/(gains) on investments	372,256	(142,715)	(460,099)
Net foreign exchange differences	1,602,206	-	-
Interest expense	1,374,964	222,956	431,571
Interest expense on lease liabilities	-	50	50
Interest on treasury bills	(144,606)	-	(2,842)
Other interest income	(3,189,122)	(1,754,270)	(2,588,722)
Provision for retirement benefit obligations	-	-	(24,997)
Total adjustments	(1,111,973)	(1,359,102)	(2,320,085)
Changes in operating assets and liabilities			
(Increase)/decrease in placement with other banks	(23,355,949)	1,204,217	330,942
Decrease in loans and advances	5,171,580	1,830,906	1,981,612
Decrease in other assets	1,407,654	205,988	519,610
(Decrease)/increase in deposits from customers	(656,666)	46,007,158	114,421,991
Increase/(decrease) in other liabilities	1,627,005	(13,563)	12,702
Interest paid	(1,191,370)	(173,423)	(306,583)
Interest received	3,143,096	1,704,661	2,505,248
Net cash (used in) / generated from operating activities	(12,927,373)	49,671,347	118,007,557
Cash flows from investing activities			
Acquisition of property, plant and equipment	(150,001)	(22,211)	(29,600)
Investment in securities	(102,523,117)	(29,452,030)	(88,629,200)
Investment in treasury bills	(1,925,994)	-	(7,372,121)
Proceeds from disposal of securities	158,677,526	3,603,743	14,403,838
Proceeds from disposal of property, plant and equipment	-	5,502	47,873
Net cash generated from / (used in) investing activities	54,078,414	(25,864,996)	(81,579,210)
Cash flows from financing activities			
Principal paid on lease liabilities	-	(5,949)	(5,999)
Interest paid on lease liabilities	-	(50)	(50)
Net cash used in financing activities	-	(5,999)	(6,049)
Net increase in cash and cash equivalents	41,151,041	23,800,352	36,422,298
Cash and cash equivalents at the beginning of the year	65,735,229	29,312,931	29,312,931
Effects of foreign exchange rates	(261,729)	-	-
Cash and cash equivalents at the end of period/year	106,624,541	53,113,283	65,735,229