

Audited Summarised Financial Results

For the Year Ended 31 December 2018

KEY HIGHLIGHTS

PERCENTAGE INCREASE

Net Interest Income	20.88%	Total Assets	49.03%	Total Operating Income	24.49%	Deposits From Customers	46.61%
Non Interest Income	31.70%	Loans and Advances	32.57%	Profit for the Year	39.70%	Total Equity	11.50%

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

IN BOTSWANA PULA

	2018	2017
Interest income	154,978,640	112,396,466
Interest expense	(56,695,730)	(31,093,039)
Net Interest Income	98,282,910	81,303,427
Fee income	4,203,009	4,376,134
Commission income	9,467,303	7,820,357
Trading income	27,972,942	17,215,092
Other operating income	11,967,130	11,295,068
Non-interest Income	53,610,384	40,706,651
Total Operating Income	151,893,294	122,010,078
Staff costs	44,795,797	40,155,589
Premises costs	6,912,099	4,723,368
Depreciation	6,175,476	5,277,000
Other operating costs	41,065,535	24,974,802
Total Operating Expenses	98,948,907	75,130,759
Profit Before Allowance For Loan Impairment	52,944,387	46,879,319
Allowance for loan impairment - Specific	(17,960,843)	(11,914,177)
Allowance for loan impairment - General	4,518,750	(2,879,956)
Profit Before Taxation	39,502,294	32,085,186
Taxation	(6,557,817)	(8,406,692)
Profit For The Year	32,944,477	23,678,494
Other Comprehensive Income		
Revaluation surplus on fixed assets	170,807	-
Deferred tax on revalued property	(37,578)	-
Total Other Comprehensive Income For The Year	133,229	-
Total Comprehensive Income For The Year	33,077,706	23,678,494
Basic earnings per share in Pula	0.4026	0.2894

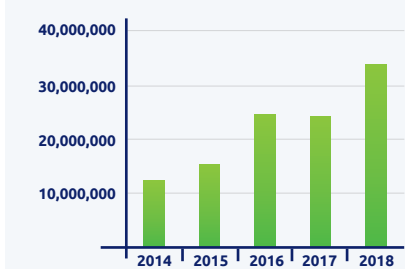
STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2018

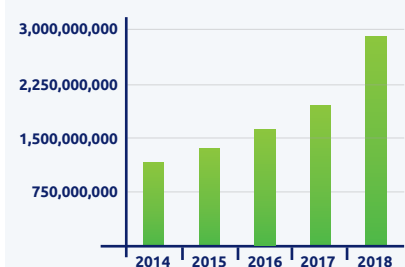
IN BOTSWANA PULA

	2018	2017
ASSETS		
Cash and cash equivalents	901,291,950	525,218,178
Investment securities	270,644,746	166,971,899
Loans and advances to customers	1,583,985,221	1,194,813,035
Property and equipment	83,179,681	31,508,356
Other assets	35,792,268	12,046,575
Deferred Tax Asset	1,854,029	-
Current tax asset	3,754,986	2,232,109
Total Assets	2,880,502,881	1,932,790,152
LIABILITIES		
Deposits from customers	2,482,246,360	1,693,096,736
Other liabilities	103,561,557	15,566,075
Current tax payable	-	-
Deferred tax liability	-	3,701,937
Subordinated debt	77,635,955	44,580,450
Preference shares	21,000,000	-
Total Liabilities	2,684,443,872	1,756,945,198
EQUITY		
Stated capital	90,000,000	90,000,000
Property revaluation reserve	133,229	-
Credit loss reserve	9,189,533	-
Retained earnings	96,736,247	85,844,954
Total Equity	196,059,009	175,844,954
Total Liabilities and Equity	2,880,502,881	1,932,790,152

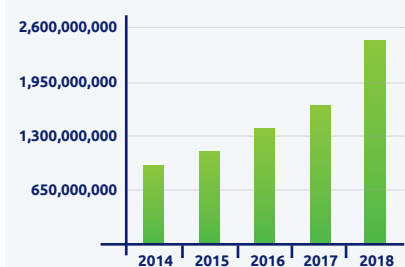
PROFIT AFTER TAX



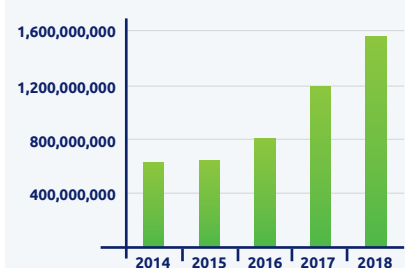
TOTAL ASSETS



CUSTOMER DEPOSITS



LOANS AND ADVANCES



STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

IN BOTSWANA PULA

	STATED CAPITAL	PROPERTY REVALUATION RESERVE	CREDIT LOSS RESERVE	RETAINED EARNINGS	TOTAL EQUITY
Balance at 1 January 2017	90,000,000	-	3,047,126	72,166,460	165,213,586
Total comprehensive income					
Profit for the year	-	-	-	23,678,494	23,678,494
Transactions with owners of the Bank					
Transfer to portfolio provisions	-	-	(3 047 126)	-	(3 047 126)
Dividend declared and paid	-	-	-	(10,000,000)	(10,000,000)
Balance at 31 December 2017	90,000,000	-	-	85 844,954	175,844,954
Adjustment on initial application of IFRS 9, net of tax	-	-	-	(12,863,651)	(12,863,651)
Restated balance at 1 January 2018	90,000,000	-	-	72,981,303	162,981,303
Total comprehensive income					
Profit for the year	-	-	-	32,944,477	32,944,477
Other comprehensive income					
Revaluation surplus on properties, net of tax	-	133,229	-	-	133,229
Transactions with owners of the Bank					
Transfer to credit loss reserve	-	-	9,189,533	(9,189,533)	-
Balance at 31 December 2018	90,000,000	133,229	9,189,533	96,736,247	196,059,009

STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018

IN BOTSWANA PULA

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest and fee income received	202,039,878	141,658,659
Interest paid	(53,076,113)	(26,237,371)
Cash paid to suppliers and employees	(82,759,282)	(71,377,585)
Tax paid	(9,791,000)	(10,873,857)
Net movement in loan balances	(399,671,400)	(393,284,043)
Net movement in deposit balances	785,530,007	274,869,446
Net cash (used) / from operating activities	442,282,090	(85,244,751)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net movement in security investments	(103,972,865)	(16,720,623)
Acquisition of property and equipment	(16,241,491)	(3,685,660)
Proceeds from disposal of property and equipment	16,038	47,174
Net cash (used in) / from investing activities	(120,198,318)	(20,359,109)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	-	(10,000,000)
Proceeds from issue of subordinated debt	33,000,000	15,000,000
Proceeds from issue of preference shares	21,000,000	-
Net cash from / (used in) financing activities	54,000,000	5,000,000
Net increase / (decrease) in cash and cash equivalents	376,073,772	(100,603,860)
Cash and cash equivalents at beginning of the year	525,218,178	625,822,038
Cash and cash equivalents at end of the year	901,291,950	525,218,178