

SME Development Finance Corporation

Quarterly Report

Financial Highlights

Details	Amount	Percentage
Revenue	1,464,970	+ 128%
Operating Profit	(450,456)	+ 40%
Earnings per Share	(0.05)	+ 38%
Net Profit	(450,456)	+ 40%

Operational Highlights

- Loan Portfolio at the end of the third quarter has reached MVR 33 million.
- Revenue, operating profit and net profit has increased from the last quarter
- Operational expenses maintained well below budgeted expenses.

Market Highlights

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Board Activities

Directors Name	Designation	Board meeting	Audit committee	Risk Committee	Remuneration Committee	Compliance Committee
-	Chairman	0/0	0/0	0/0	0/0	0/0
Ahmed Zeenad	MD	12/12	0/0	0/0	0/0	0/0
Yooshau Saeed	NED	8/12	1/1	0/0	0/0	0/0
Adheel Ismail	NED	8/12	0/0	0/0	0/0	0/0
Mohamed Shamy	NED	10/12	1/1	0/0	0/0	0/0
Firzul Firaz	NED	8/12	1/1	0/0	0/0	0/0
Mahfooz Saeed	NED	0/12	0/0	0/0	0/0	0/0

Meeting	Number of Meeting
Board meeting	12
Audit committee	1
Risk Committee	0
Remuneration Committee	0
Compliance Committee	0

Ongoing project details

#	Project Name	Project commencement date	Project completion date	Project value	Completed value	Project completion %
1						
2						
3						

Income Statement

	Note	Q4	Q3	Q2	Q1
Revenue	1		1,464,970	642,731	-
Cost of Sales	2		-	-	-
Gross Profit			1,464,970	642,731	-
Selling and Marketing costs	3				
Depreciation	3a		41,010	33,048	8,506
Provisions for Loan Losses	3b		311,442	22,173	-
Administrative costs	4		1,107,292	830,810	245,875
Other operating expenses	5		456,681	503,243	305,698
Total Expenses			1,916,425	1,389,274	560,079
Finance Income	6		-	-	-
Finance cost	7		-	-	-
Profit/ (Loss) before tax			(451,455)	(746,543)	(560,079)
Business profit tax	8		-	-	-
Profit/ (Loss) after tax			(451,455)	(746,543)	(560,079)
Attributable to:					
Parent			(451,455)	(746,543)	(560,079)
Non-controlling interest				-	-
EPS			(0.05)	(0.08)	(0.06)

Statement of Financial Position

	Note	Q4	Q3	Q2	Q1
Assets					
Non-Current Assets					
Property plant and equipment	9		948,853	782,000	592,818
Investment in Subsidiaries	10		-	-	-
Investment in Associates	11		-	-	-
Investment in joint ventures	12		-	-	-
Available for sales financial Assets	13				
Deferred Tax Assets	14		-	-	-
Intangible Assets	15		-	-	-
Total Noncurrent Assets			948,853	782,000	592,818
Current Assets					
Inventories	16		-	-	-
Trade and other receivables	17		278,170	182,000	183,000
Loans and Advances	17a		33,027,833	2,195,120	-
Cash and cash equivalent	18		54,409,844	26,161,481	14,730,829
Financial Assets Held to Maturity	18a		-	59,535,092	74,500,676
Total current assets			88,664,700	88,073,693	89,414,505
Total Assets			88,664,700	88,855,693	90,007,323
Equity and Reserve					
Share capital	19		90,000,000	90,000,000	90,000,000
share premium	19		-	-	-
General reserve	20		-	-	-
Retained Earnings	21		(1,758,077)	(1,306,622)	(560,079)
Total Equity			88,241,923	88,693,378	89,439,921

Non-Current Liabilities

Loans and borrowing	22	-	-	-
			-	-

Current liabilities

Current tax liabilities	23	-	-	-
Derivative financial instrument	24	-	-	-
Trade and other payables	25	422,777	162,315	567,402
Borrowing	26		-	-

Total current liabilities		422,777	162,315	567,402
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Total liabilities		422,777	162,315	567,402
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Total equity and liabilities		88,664,700	88,855,693	90,007,323
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Cash flow statement

	Q4	Q3	Q2	Q1
Profit before business profit tax		(451,455)	(746,543)	(560,079)
Adjustments for:				
Depreciation & amortization		41,010	33,048	8,506
Interest income		-	-	-
Interest expenses		-	-	-
Dividend income		-	-	-
Provision for impairment of receivables		311,442	22,173	-
Profit on disposal of proper, plant and equipment		-	-	-
Profit/loss on disposal of investment		-	-	-
Change in working capital				
Inventories		-	-	-
Loans and Advances		(31,144,153)	(2,217,294)	-
Held to Maturity Investments		59,535,091	14,965,584	(74,500,675)
Trade and other receivables		(96,170)	1,000	(183,000)
Trade and other payables		260,461	(405,086)	567,402
		28,456,226	11,652,882	(74,667,846)
Cash flow from operating activities				
Interest paid		-	-	-
Business profit tax paid		-	-	-
Net cash generated from operating activities				
Net cash generated from operating activities		-	-	-
Cash flow from investing activities				
Purchase of Property plant and equipment		(207,863)	(222,229)	(601,325)
Loan repayment received from related parties		-	-	-
Interest received		-	-	-
Dividend received		-	-	-
Net cash generated from investing activities		(207,863)	(222,229)	(601,325)
Cash flow from financing activities				
Proceeds from borrowing		-	-	-
Repayment of loan		-	-	-
Proceeds from share issuance		-	-	90,000,000
Net payment made from currency SWAP		-	-	-
Dividend paid to shareholders		-	-	-
Net cash generated from financing activities		-	-	90,000,000

Net increase/ decrease in cash and cash equivalent

28,248,363 11,430,653 14,730,829

Cash and cash equivalent at beginning of the quarter

26,161,482 14,730,829 -

Cash and cash equivalent at end of the quarter

54,409,845 26,161,482 14,730,829

Segmental performance

Quarter	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5	Segment 6
Revenue						
Operating profit						
Finance income						
Profit/(loss) before tax						
Business profit tax						
Profit/(loss) after tax						

Notes to the financial statements

1 Revenue

	3rd Quarter	2nd Quarter	1st Quarter
Interest Income	286,103	16,039	-
Investment Income	572,018	593,045	-
Fees and Commission Income	606,849	33,646	-
	1,464,970	642,730	-

2 Cost of Sales

3 Selling and Marketing Costs

3a Depreciation

	3rd Quarter	2nd Quarter	1st Quarter
Balance at beginning of the period	41,554	8,506	-
Depreciation for the period	41,010	33,048	8,506
Accumulated Depreciation	82,564	41,554	8,506

3b Provisions for Loan Losses

	3rd Quarter	2nd Quarter	1st Quarter
Movement in General Provision			
Balance at beginning of the period	22,173	-	-
Loan provision during the month	311,442	22,173	-
Provision for loan impairment as at 30 June 2019	333,615	22,173	-

	3rd Quarter	2nd Quarter	1st Quarter
Movement in Specific Provision			
Provision for loan impairment at 1 January	-	-	-
Provision for impairment net of recovery	-	-	-
Provision for loan impairment as at 30 Jun 2019	-	-	-

Total Provisioning for the month ended	333,615	22,173	-
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4 Administrative Costs

	3rd Quarter	2nd Quarter	1st Quarter
Staff Salaries, wages and other related	870,136	574,677	89,762
Allowances and Bonuses	-	35,800	-
Board Remunerations and Fees	159,420	144,900	130,919
Pension Contributions	77,736	75,433	25,194
	1,107,292	830,810	245,875

5 Other Operating Expenses

	3rd Quarter	2nd Quarter	1st Quarter
Insurance Expenses	-	-	-
Cleaning Expenses	14,768	14,832	5,000
Marketing and Promotion Expense	13,100	73,155	124,184
Repairs and Maintenance Expense	424	276	-
Printing and Stationery	55,687	31,501	19,980
Rent Expense	270,000	270,000	90,000
Professional Fees	-	-	-
Annual License & Reg. Fees	21,995	52,197	50,000
Training and Staff Development	9,947	1,550	-
Electricity Expenses	32,180	23,607	5,787
Water Expenses	1,499	498	224
Communication Expenses	19,886	27,037	3,871
Sundry Expenses	16,015	7,855	6,232
Bank Charges and Fines	1,180	735	420
	456,681	503,243	305,698

6 Finance Income**7 Finance Expenses****8 Business Profit Tax****9 Property, Plant and Equipment**

	3rd Quarter	2nd Quarter	1st Quarter
Balance at beginning of the period	823,554	601,325	-
Additions during the period	207,863	222,229	601,325
Disposal during the period	-	-	-
Balance at the end of the period	1,031,417	823,554	601,325

10 Investment in Subsidiaries**11 Investment in Associates****12 Investment in Joint Ventures****13 Available for sale Financial Assets****14 Deferred Tax Assets****15 Intangible Assets****16 Inventories****17 Trade and other receivables**

	3rd Quarter	2nd Quarter	1st Quarter
Deposits paid	181,330	182,000	183,000

17a Loans and Advances

3rd Quarter	2nd Quarter	1st Quarter
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	Gross Loans before allowances	33,361,447	2,219,273	-
	Less: Allowance for impairment	(333,615)	(22,173)	-
	Less: Interest in suspense	-	-	-
	Net Loan and Advances	33,027,832	2,197,100	-
18	Cash and Cash Equivalent			
		3rd Quarter	2nd Quarter	1st Quarter
	Cash on Hand	5,000	4,841	883
	Balances at bank	54,404,845	26,156,640	14,729,946
		54,409,845	26,161,481	14,730,829
18a	Financial Assets Held to Maturity			
		3rd Quarter	2nd Quarter	1st Quarter
	Bonds	-	-	-
	Government Treasury Bills Investments	59,535,092	74,500,676	74,500,676
	Matured Investments	(59,535,092)	(14,965,584)	-
	Total Financial Assets Held to Maturity	-	59,535,092	74,500,676
19	Share Capital			
		3rd Quarter	2nd Quarter	1st Quarter
	Issued and fully paid shares of MVR 10 9,000,000 shares	90,000,000	90,000,000	90,000,000
19	Share Premium			
20	General Reserve			
21	Retained Earnings			
		3rd Quarter	2nd Quarter	1st Quarter
	Opening Balance	(1,306,622)	(560,079)	-
	Net Profit for the month ended	(451,455)	(746,543)	(560,079)
	Closing Balance	(1,758,077)	(1,306,622)	(560,079)
22	Loans and Borrowing			
23	Current Tax Liabilities			
24	Derivative Financial Instruments			
25	Trade and other Payables			
		3rd Quarter	2nd Quarter	1st Quarter
	Accounts Payable	114,287	-	507,750
	Accrued Expenses	50,153	45,147	59,652
	Other Liabilities	258,337	117,168	-
		422,777	162,315	567,402
26	Borrowing			

