



M. Kaneeru Villa 2nd Floor
Orchid Magu, Male' 20212
Republic of Maldives

27th January 2022

SME Development Finance Corporation Quarterly Report (Fourth Quarter)

Financial Highlights

Details	Amount	Percentage
Revenue		
Operating Profit		
Earnings per Share		
Net Profit		

Operational Highlights

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Market Highlights

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Board Activities

Directors Name	Designation	Board meeting	Audit committee	ALCO Committee	Remuneration Committee	Credit Committee
Shuhad Ibrahim	Chairman	11/11	0/0	0/0	0/0	7/8
Ahmed Zeenad	MD	11/11	0/0	0/0	0/0	7/8
Mohamed Shamy	NED	11/11	0/0	0/0	0/0	8/8
Fathimath Lamha	NED	10/11	0/0	0/0	0/0	3/4
Fathimath Muna	ED	8/8	0/0	0/0	0/0	0/0
Nazim Habeeb	ED	11/11	0/0	0/0	0/0	2/4

Meeting	Number of Meeting
Board meeting	11
Audit committee	0
ALCO Committee	0
Remuneration Committee	0
Credit Committee	8

Ongoing project details

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

Income Statement

	Note	Q4	Q3	Q2	Q1
Revenue	1	22,154,065	14,928,051	12,733,837	9,912,932
Cost of Sales	2	-	-	-	-
Gross Profit		22,154,065	14,928,051	12,733,837	9,912,932
Selling and Marketing costs	3	-	-	-	-
Depreciation	3a	280,410	236,940	180,382	135,107
Provisions for Loan Losses	3b	13,051,819	20,809,701	25,352,367	5,583,028
Administrative costs	4	4,703,040	4,444,753	3,465,466	2,500,004
Other operating expenses	5	3,363,443	2,452,693	1,618,865	1,315,300
Total Expenses		21,398,712	27,944,087	30,617,080	9,533,440
Finance Income	6	-	-	-	-
Finance cost	7	-	-	-	-
Profit/ (Loss) before tax		755,352	(13,016,036)	(17,883,243)	379,492
Business profit tax	8	-	-	-	-
Profit/ (Loss) after tax		755,352	(13,016,036)	(17,883,243)	379,492
Attributable to:					
Parent		755,352	(13,016,036)	(17,883,243)	379,492
Non-controlling interest		-	-	-	-
EPS		0.009	(0.174)	(0.277)	0.006

Statement of Financial Position

	Note	Q4	Q3	Q2	Q1
Assets					
Non-Current Assets					
Property plant and equipment	9	4,829,218	4,796,603	3,472,569	2,658,350
Investment in Subsidiaries	10	-	-	-	-
Investment in Associates	11	-	-	-	-
Investment in joint ventures	12	-	-	-	-
Available for sales financial Assets	13	-	-	-	-
Deferred Tax Assets	14	1,600,383	1,600,383	1,600,383	1,600,383
Intangible Assets	15	-	-	-	-
Total Noncurrent Assets		6,429,601	6,396,987	5,072,953	4,258,734
Current Assets					
Inventories	16	-	-	-	-
Trade and other receivables	17	11,350,524	10,066,187	6,460,441	50,787,605
Loans and Advances	17a	630,525,812	551,731,115	477,609,568	420,480,056
Cash and cash equivalent	18	94,369,203	143,235,702	134,615,095	91,658,011
Financial Assets Held to Maturity	18a	154,584,950	104,490,655	134,409,956	94,403,341
Other Assets	18b	6,557,420	7,147,267	5,933,432	4,597,866
Total current assets		897,387,909	816,670,926	759,028,492	661,926,879
Total Assets		903,817,510	823,067,913	764,101,445	666,185,613
Equity and Reserve					
Share capital	19	813,333,540	746,667,140	646,666,784	580,000,020
share premium	19	-	-	-	-
General reserve	20	-	-	-	-
Retained Earnings	21	(32,283,516)	(33,038,868)	(20,022,833)	(2,139,589)
Total Equity		781,050,024	713,628,272	626,643,951	577,860,431
Non-Current Liabilities					
Loans and borrowing	22	-	-	-	-
Current liabilities					
Current tax liabilities	23	-	-	-	-
Derivative financial instrument	24	-	-	-	-
Trade and other payables	25	122,767,486	109,439,641	137,457,494	88,325,182
Borrowing	26	-	-	-	-
Total current liabilities		122,767,486	109,439,641	137,457,494	88,325,182
Total liabilities		122,767,486	109,439,641	137,457,494	88,325,182
Total equity and liabilities		903,817,510	823,067,913	764,101,445	666,185,613

Cash flow statement

	Q4	Q3	Q2	Q1
Profit before business profit tax	755,352	(13,016,036)	(17,883,243)	379,492
Adjustments for:				
Depreciation & amortization	280,410	236,940	180,382	135,107
Deferred Income Taxes	-	-	-	-
Interest expenses	-	-	-	-
Dividend income	-	-	-	-
Profit on disposal of proper, plant and equipment	-	-	-	-
Profit/loss on disposal of investment	-	-	-	-
Change in operating assets/ liabilities				
Inventories	-	-	-	-
Loans and Advances	(91,846,516)	(94,931,248)	(82,481,879)	(99,037,087)
Held to Maturity Investments	(50,094,295)	29,919,301	(40,006,615)	5,062,672
Trade and other receivables	11,567,465	17,203,955	22,850,097	2,939,745
Other Assets	789,865	(1,213,835)	(1,335,566)	383,155
Trade and other payables	13,327,845	(28,017,853)	95,961,746	4,757,617
	(115,219,874)	(89,818,776)	(22,715,078)	(85,379,299)
Cash flow from operating activities				
Interest paid	-	-	-	-
Business profit tax	-	-	-	-
Net cash generated from operating activities	-	-	-	-
Cash flow from investing activities				
Purchase of Property plant and equipment	(313,025)	(1,560,974)	(994,600)	(757,306)
Loan repayment received from related parties	-	-	-	-
Interest received	-	-	-	-
Dividend received	-	-	-	-
Net cash generated from investing activities	(313,025)	(1,560,974)	(994,600)	(757,306)
Cash flow from financing activities				
Proceeds from borrowing	-	-	-	-
Repayment of loan	-	-	-	-
Proceeds from share issuance	66,666,400	100,000,356	66,666,764	100,000,020
Net payment made from currency SWAP	-	-	-	-
Dividend paid to shareholders	-	-	-	-
Net cash generated from financing activities	66,666,400	100,000,356	66,666,764	100,000,020

Net increase/ decrease in cash and cash equivalent	(48,866,499)	8,620,607	42,957,084	13,863,415
Cash and cash equivalent at beginning of the quarter	143,235,702	134,615,095	91,658,011	77,794,596
Cash and cash equivalent at end of the quarter	94,369,203	143,235,702	134,615,095	91,658,011

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

	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Interest Income	14,225,037	11,709,242	10,230,534	7,752,042
Investment Income	1,125,226	1,393,366	993,549	800,067
Fees and Commission Income	6,803,802	1,825,443	1,509,754	1,360,823
	22,154,065	14,928,051	12,733,837	9,912,932

2 Cost of Sales

3 Selling and Marketing Costs

3a Depreciation

	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Balance at beginning of the period	1,049,158	812,218	631,836	496,729
Depreciation for the period	280,410	236,940	180,382	135,107
Accumulated Depreciation	1,329,568	1,049,158	812,218	631,836

3b Provisions for Loan Losses

	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Movement in General Provision				
Balance at beginning of the period	5,872,040	6,416,539	9,420,155	9,198,340
Loan provision during the quarter	(145,030)	(544,500)	(3,003,615)	221,815
Provision for loan impairment	5,727,009	5,872,040	6,416,539	9,420,155
Movement in Specific Provision				
Balance at beginning of the period	56,404,151	35,049,950	6,693,967	1,332,754
Loan provision during the quarter	13,196,850	21,354,201	28,355,983	5,361,213
Provision for loan impairment	69,601,001	56,404,151	35,049,950	6,693,967
Total Provisioning for the quarter ended	75,328,011	62,276,190	41,466,490	16,114,122

4 Administrative Costs

	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Staff Salaries, wages and other related	3,880,256	3,808,796	2,824,243	2,063,917
Allowances and Bonuses	-	-	144,000	-
Board Remunerations and Fees	472,021	305,906	243,133	243,633
Pension Contributions	350,763	330,051	254,090	192,454
	4,703,040	4,444,753	3,465,466	2,500,004

5 Other Operating Expenses

	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Insurance Expenses	-	-	2,453	-
Cleaning Expenses	51,940	44,838	38,796	21,200
Marketing and Promotion Expense	766,777	318,599	79,500	50,000
Repairs and Maintenance Expense	49,064	37,967	50,771	9,872
Printing and Stationery	137,235	91,555	26,320	71,867
Rent Expense	-	-	-	-
Professional Fees	369,447	-	-	-
Annual License & Reg. Fees	124,849	236,315	126,607	84,378
Training and Staff Development	247,502	45,249	30,000	-
Electricity Expenses	110,131	60,255	39,145	34,626
Water Expenses	8,667	8,194	2,544	2,998
Communication Expenses	106,441	112,320	100,044	81,527
Sundry Expenses	48,680	110,257	45,439	37,546
Bank Charges and Fines	11,887	11,278	20,422	6,757
Management Consultancy Fees	-	-	-	-
Credit Information Report Fees	96,300	91,050	77,100	65,700
Staff Travel	15,432	10,640	-	-
Call Center Outsourcing	206,250	206,250	206,250	153,125
Staff Recreation	6,647	54,998	39,750	17,328
Inspection Charges	41,490	30,820	36,350	172,922
Finance Charges and Depreciation of ROU Asset	964,704	982,107	697,373	505,455
	3,363,443	2,452,692	1,618,864	1,315,301

6	Finance Income	-	-	-	-
7	Finance Expenses	-	-	-	-
8	Business Profit Tax	-	-	-	-
9	Property, Plant and Equipment	-	-	-	-
		4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
	Balance at beginning of the period	5,845,761	4,284,787	3,290,187	3,351,592
	Additions during the period	313,025	1,560,974	994,600	533,511
	Disposal during the period	-	-	-	(594,916)
	Balance at the end of the period	6,158,786	5,845,761	4,284,787	3,290,187
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	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
	Deposits Receivable	849,730	629,730	429,730	429,730

	Accrued Interest Receivable	9,183,176	8,126,439	5,761,740	3,506,809
	Account Receivables	1,317,619	1,310,019	268,971	46,851,066
	Total Trade and other receivables	11,350,525	10,066,188	6,460,441	50,787,605
17a	Loans and Advances				
		4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
	Gross Loans before allowances	705,853,821	614,007,305	519,076,057	436,594,178
	Less: Allowance for impairment	(75,328,010)	(62,276,190)	(41,466,489)	(16,114,122)
	Net Loan and Advances	630,525,811	551,731,115	477,609,568	420,480,056
18	Cash and Cash Equivalent				
		4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
	Cash on Hand	8	663	2,829	906
	Balances at bank	94,369,195	143,235,039	134,612,267	91,657,105
		94,369,203	143,235,702	134,615,095	91,658,011
18a	Financial Assets Held to Maturity	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
	Bonds	-	-	-	-
	Government Treasury Bills Investments	460,360,790	403,687,332	422,661,324	316,539,991
	Matured Investments	(305,775,840)	(299,196,668)	(288,251,368)	(222,136,651)
	Total Financial Assets Held to Maturity	154,584,950	104,490,655	134,409,956	94,403,341
18b	Other Assets	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
	Right of Use Asset	6,357,402	7,147,267	5,933,432	4,597,866
19	Share Capital	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
	Issued and fully paid shares of MVR 10	813,333,540	746,667,140	646,666,784	580,000,020
19	Share Premium	-	-	-	-
20	General Reserve				
21	Retained Earnings	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
	Opening Balance	(33,038,868)	(20,022,833)	(2,139,589)	(2,519,081)
	Net Profit for the quarter ended	755,352	(13,016,036)	(17,883,243)	379,492
	Closing Balance	(32,283,516)	(33,038,868)	(20,022,833)	(2,139,589)
22	Loans and Borrowing	-	-	-	-
23	Current Tax Liabilities	-	-	-	-
24	Derivative Financial Instruments	-	-	-	-
25	Trade and other Payables				
		4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
	Accounts Payable	267,278	954,760	351,685	447,303
	Accrued Expenses	419,928	446,995	496,209	623,208
	Other Liabilities	6,987,698	8,230,429	7,382,720	6,028,864
	Administered Funds	115,092,582	99,807,457	129,226,880	81,225,807
		122,767,486	109,439,641	137,457,494	88,325,182
26	Borrowings				