

# MANAGING DIRECTOR/ CHIEF EXECUTIVE OFFICER'S STATEMENT



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## *Successful Year In Partnering For Success*

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As I look back on the successful and strong financial results we have achieved during 2019, I take great pride in being able to share the success with our customers, shareholders and stakeholders. The Bank's financial performance has been exceptional; Total Balance Sheet rose to MVR 3.8 billion while we maintained a robust growth pattern on our profitability. Our positive capital position has enabled us to continue enhancing our digital infrastructure, with a prime focus on delivering Islamic banking convenience across all segments. We were able to finish the year with strong financial results and healthy financial ratios.

The Bank reported as anticipated, a positive growth in the year 2019, with a profit before taxation up by 53.7% compared to 2018. Despite the increase in taxation, we were able to record a profit after tax of MVR 84 million for the year, an increase of 59.9% from 2018. The cash flow position of the Bank improved by more than 34%, largely backed up by the Bank's IPO, the success of which is unmatched in the recent capital market history of Maldives. I am told that this IPO was very different from all the recent IPOs that have taken place in Maldives. The key differences were that i) applications were received from all the inhabited islands in Maldives, ii) Over 16,000 individual applied for subscription in the IPO, and

iii) 54.60% plus subscription of the offer were taken up by the individuals in Maldives, making MIB truly a Bank for all Maldivians. We thank the CMDA & MSE with other regulators, who were very supportive during our IPO and guided us unerringly to ensure a successful public list in Maldives.

The Bank's performance exceeded all expectations with healthy growth in deposit and other business lines. Our liquidity reserve continued to be strong by the end of the financial year. We are confident that the prudent financial and operational strategies of the Bank will allow us to gain improved results going forward.

The Bank has always prioritized financial inclusion and access to Islamic finance across the country as a primary objective. I am pleased that 2019 saw us putting additional steps towards achieving that objective. We have opened a new flagship Head Office at the heart of the capital city Male', while a new dedicated customer service center was established as part of enhancing the customer experience and convenience. The Bank will continue to expand its alternative distribution channels through ATM network, Point of Sale (POS) terminals and online banking services during the current year to help fulfill the mandate of financial inclusion. We remain steadfastly focused on sustainable growth in line with the SDG Goals to make meaningful developmental impact in the communities where we serve and try to make a positive difference in their lives.

Digital banking and Fintech solutions are expected to be the key driver for the banking industry. We have been proactively investing in diverse set of digital banking initiatives, expanding the reach and accessibility of our services to a widely dispersed population of the Maldives. This has enabled us to further fulfill the mandate of financial inclusion. While we are committed to continue investing in technological enhancements for the benefit of our customers, we will implement new state-of-the-art technologies for payment processing within the year. This will bring card payment processing and other related e-banking platforms to a much quicker and secure platform. With it, the Bank can enable additional services, such as self-service banking, and paperless PIN and receipt services.

We persistently endeavor to exceed our customers' expectations by proactively developing long term relationships with both our individual and corporate clientele. Backed with the aim of positioning our Bank among the leading banks in the country, we have been able to provide better financial flexibility and convenience. Our capable and highly qualified team members continued to work round the clock to provide the best suited financial solutions to our customers last year

as well. Similarly, being an integral part of the community by giving back to the community we engage in and making an impactful change in their lives was never forgone during 2019.

It is my greatest honor to have served for a year, with a customer base whose loyalty and confidence is unmatched to any other. I wholeheartedly express my gratitude for your consistent trust in us. I assure you we will continue to work tirelessly to meet your expectations in terms of customer service excellence, product offerings and Islamic banking convenience.

I would also like to acknowledge the hard work, effort and loyalty of our dedicated Team and the entire Executive Management team for their strong leadership, drive and determination in taking the Bank forward during the year. I have no doubt that this determination and commitment has earned us recognition, both locally and globally. The success we attained in 2019 is indeed the result of the combined effort and perseverance we put together to make Maldives Islamic Bank carve out its deserved place in Maldives.

The Year 2019 indeed marked a successful year of partnered success for the Bank. The efficiency and transparency in our operations have allowed us to reach a new height of financial results. My team and I are committed to work with regulatory bodies and key stakeholders to support the Maldivian community in overcoming the adverse economic effects on this pandemic, by enhancing our service offerings throughout the year.

I would like to express our sincere thanks and gratitude to the Board of Directors for their strategic guidance and support in making the year 2019 a resounding success.

I sincerely thank MMA, CMDA, MSE and the other regulators along with the stakeholders for their support and confidence in MIB since its inception and look forward to partner with them in key initiatives as we move forward in the new decade of 2020!

I and Team MIB look forward to the continued support of valued customers, regulators and all stakeholders to make MIB to be the leading Islamic Bank not only in Maldives but in the region in not to a distant future.



**Mr. Abul Ehtesham Abdul Muhaimen**  
CEO & Managing Director