

# INTERIM UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2024

## **KEY HIGHLIGHTS**



SBM Holdings Ltd (the "Company") and its subsidiaries, here altogether (the "Group"), present the Group's interim unaudited condensed financial statements for the six months ended 30 June 2024. These interim unaudited condensed financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The report has also been prepared based on those accounting policies applied in the preparation of the audited financial statements for the year ended 31 December 2023; except for the adoption of new standards and interpretations effective as from 01 January 2024.

### REPORT ON REVIEW OF THE INTERIM UNAUDITED CONDENSED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF SBM HOLDINGS LTD

unaudited condensed statements of financial position of SBM Holdings Ltd (the "Company") and of its subsidiaries (the "Group") as of 30 June 2024, and the related consolidated and separate interim unaudited condensed statements of profit or loss and interim unaudited condensed statements of other comprehensive income, consolidated and separate interim unaudited condensed statements of changes in equity and consolidated and separate interim unaudited condensed statements of cash flows for the quarter and six months then ended and other explanatory notes. The Board of Directors nternational Accounting Standard (IAS) 34 Interim Financial Reporting. Our responsibility is to express a conclusion on these interim unaudited condensed financial statements based on our review.

We conducted our review in accordance with International Standard on Review Engagements ("ISRE") 2410: "Review of Interim Financial Information Performed by the Independent Auditor of the Entity."

applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim unaudited condensed financial statements are not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting.

The Group

Chartered Accountant Date: 12 August 2024

# INTERIM UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2024	The Group					
	Unaudited 30 June 2024	Unaudited 30 June 2023	Audited 31 December 2023			
	MUR' 000	MUR' 000	MUR' 000			
ASSETS						
Cash and cash equivalents	40,608,858	11,837,455	23,827,701			
Mandatory balances with central banks	18,871,359	14,541,658	16,918,939			
Loans to and placements with banks	3,768,541	1,156,410	2,853,065			
Derivative financial instruments	1,334,848	903,915	679,073			
Loans and advances to non-bank customers	159,671,210	149,039,377	148,259,418			
Investment securities	166,446,533	173,301,621	157,532,715			
Property and equipment	4,306,219	3,788,126	4,140,212			
Right of use assets	790,605	763,892	724,545			
Intangible assets	1,745,030	1,959,777	1,851,623			
Deferred tax assets	1,333,578	1,126,975	1,390,569			
Other assets	5,205,149	4,195,707	4,075,455			
Total assets	404,081,930	362,614,913	362,253,315			
LIABILITIES						
Deposits from banks	5,322,741	6,637,666	2,662,028			
Deposits from non-bank customers	322,963,887	281,782,837	290,639,805			
Other borrowed funds	12,840,290	19,722,093	13,405,661			
Derivative financial instruments	1,512,858	863,647	782,595			
Lease liabilities	880,139	839,001	801,229			
Current tax liabilities	489,602	377,356	556,294			
Pension liabilities	463,487	578,655	450,863			
Other liabilities	15,662,955	10,527,355	10,039,834			
Subordinated debts	9,979,336	11,355,515	11,232,173			
Total liabilities	370,115,295	332,684,125	330,570,482			
SHAREHOLDERS' EQUITY						
Stated capital	32,500,204	32,500,204	32,500,204			
Retained earnings	10,804,103	7,687,017	9,511,081			
Other reserves	(4,462,641)	(5,381,402)	(5,453,421)			
	38,841,666	34,805,819	36,557,864			
Less: Treasury shares	(4,875,031)	(4,875,031)	(4,875,031)			
Total equity attributable to owners of the Company	33,966,635	29,930,788	31,682,833			
Total equity and liabilities	404,081,930	362,614,913	362,253,315			
Memorandum items	65,620,075	60,329,693	63,591,462			

Approved by the Board of Directors and authorised for issue on 12 August 2024.

Mr. Abdul Sattar Adam Ali Mamode HAJEE ABDOULA Dr. Subbas THECK A Chairman Audit Committee INTERIM UNAUDITED CONDENSED STATEMENTS OF PROFIT OR LOSS FOR THE SIX MONTHS **ENDED 30 JUNE 2024** 

	Unaudited Quarter ended 30 June 2024	Unaudited Quarter ended 30 June 2023	Unaudited Six months ended 30 June 2024	Unaudited Six months ended 30 June 2023	Audited Year ended 31 December 2023
	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000
Interest income using the effective interest method	5,441,374	4,979,416	10,750,956	9,766,725	20,223,838
Other interest income	175,018	42,293	322,115	94,239	328,406
Interest expense using the effective interest method	(2,850,596)	(2,315,234)	(5,510,592)	(4,586,519)	(9,245,282)
Other interest expense	(97,894)	(41,470)	(200,072)	(81,107)	(664,631)
Net interest income	2,667,902	2,665,005	5,362,407	5,193,338	10,642,331
Fee and commission income	524,054	682,153	1,178,255	1,362,155	2,582,141
Fee and commission expense	(35,113)	(28,313)	(65,156)	(59,483)	(137,358)
Net fee and commission income	488,941	653,840	1,113,099	1,302,672	2,444,783
Other income					
Net trading income	695,238	424,768	1,128,672	1,067,461	2,180,663
Net gain/(loss) from financial assets measured at FVTPL	37,436	(19,735)	25,406	(43,069)	40,253
Net loss on derecognition of financial assets measured at amortised cost	-	(15,021)	(11,443)	(28,081)	(21,394)
Net gain on derecognition of financial assets measured at FVTOCI	11,661	23,325	29,637	48,066	44,962
Other operating income	462,776	281,756	476,938	296,374	299,249
Non-interest income	1,696,052	1,348,933	2,762,309	2,643,423	4,988,516
Operating income	4,363,954	4,013,938	8,124,716	7,836,761	15,630,847
Personnel expenses	(1,170,375)	(1,066,257)	(2,327,979)	(2,127,692)	(4,275,825)
Depreciation of property and equipment	(100,550)	(80,321)	(187,485)	(160,109)	(330,262)
Depreciation of right of use assets  Amortisation of intangible assets	(55,281) (160,424)	(63,517) (134,746)	(118,315) (313,807)	(129,863) (265,960)	(238,631) (531,095)
Other expenses	(1,210,184)	(824,612)	(2,317,258)	(1,937,201)	(4,228,071)
Non-interest expense	(2,696,814)	(2,169,453)	(5,264,844)	(4,620,825)	(9,603,884)
Profit before credit loss expense	1,667,140	1,844,485	2,859,872	3,215,936	6,026,963
Credit loss movement on financial assets and memorandum items	217,551	120,987	104,234	(362,494)	(1,047,247)
Profit before income tax	1,884,691	1,965,472	2,964,106	2,853,442	4,979,716
Tax expense	(350,891)	(299,225)	(656,950)	(435,155)	(662,779)
Profit for the quarter/period/year attributable to owners of the Company	1,533,800	1,666,247	2,307,156	2,418,287	4,316,937
Earnings per share:					-,,-21
	59.4	64.5	89.4	93.7	167.2
Basic and Diluted (Cents)	39.4	04.5	69.4	93.7	107.2

The SBM Group dem for the six months ended 30 June 2024, whilst profit after tax shows a marginal decrease due to changes in taxes and levies.

Net loans and advances to non-bank customers stood at MUR 159.7 billion as at 30 June 2024, an increase of MUR 11.4 billion compared to 31 December 2023. Along with a widened portfolio of investment securities and improved market yields, this contributed to the Group's net MUR 32.3 billion during the semester, reaching MUR 323.0 billion as at 30 June 2024.

The Group posted a year-on-year increase of 13.9% in non-interest expense for the period under review. This is attributable to its continued investment in human capital and technology, whilst also catering for inflationary pressures and the effect of the US dollar appreciation.

The Group's overall capital adequacy ratio stood at 19.9%, which is well above regulatory requirements, providing ample buffers to sustain its growth trajectory. The Group further improved its funding, liquidity and asset quality metrics on account of its strengthened risk ment setup, with its gross NPL ratio at 5.8% as at 30 June 2024. It is worth noting that the Group's credit loss movement shifted to a credit of MUR 104.2 million for the six months ended 30 June 2024, as compared to a loss of MUR 362.5 million posted for the same period of the preceding year

ustained performance for the semester – profit before tax increased from MUR 2.9 billion to MUR 3.0 billion As per the IMF, the world economy is expanding at a restrained pace, with risks to the outlook remaining balanced, whereas global inflation has embarked on a declining trend. In Mauritius, official figures show that the economy is pursuing its favourable growth momentum despite challenges faced. This has been corroborated by the recent Rating Action of Moody's, in which the latter affirmed the sovereign credit rating.

rest income reaching MUR 5.4 billion for the semester – a year-on-year increase of 3.3%. Deposits from non-bank customers grew by the jurisdictions in which it operates. High emphasis is being laid on the further reinforcement of the Group's inherent capabilities and risk

Concurrently, the SBM Group is committed to generating meaningful and sustainable value for all its stakeholders, while supporting the continuents of the continuenprogress of the Mauritian economy and society.

Dr. Subhas THECK A

12 August 2024

## INTERIM UNAUDITED CONDENSED STATEMENTS OF OTHER COMPREHENSIVE INCOME **FOR THE SIX MONTHS ENDED 30 JUNE 2024**

### INTERIM UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2024

	Unaudited	Unaudited	Unaudited	Unaudited	Audited		Stated capital	Treasury shares	Statutory reserve	Retained earnings	revaluation reserve	Other reserves*	Total equity
	Quarter ended 30 June	Quarter ended 30 June	Six months ended 30 June	Six months ended 30 June	Year ended 31 December	The Group	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000
	2024	2023	2024	2023	2023	At 01 January 2023	32,500,204	(4,875,031)	735,260	5,909,389	273,859	(7,374,042)	27,169,639
	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	Profit for the period	-	-	-	2,418,287	-	-	2,418,287
						Other comprehensive income for the period	-	-	-	-	30,815	828,405	859,220
Profit for the quarter/period/year attributable to owners of the Company	1,533,800	1,666,247	2,307,156	2,418,287	4,316,937	Total comprehensive income for the period			-	2,418,287	30,815	828,405	3,277,507
Other comprehensive income:						Appropriation of reserves	-	=	28,731	(150,045)	=	121,314	-
						Revaluation surplus realised on depreciation	-	-	-	25,744	(25,744)	-	-
Items that will not be reclassified subsequently to profit or loss:						Dividend	-	-	-	(516,358)	-	-	(516,358)
Gain on property revaluation	_			30,815	30,815	At 30 June 2023	32,500,204	(4,875,031)	763,991	7,687,017	278,930	(6,424,323)	29,930,788
Deferred tax arising following change in rate:				30,613	30,013								
- Revaluation of property	_	_	_	_	(70,482)	At 01 January 2023	32,500,204	(4,875,031)	735,260	5,909,389	273,859	(7,374,042)	27,169,639
- Defined benefit pension plans		_	_	_	(6,446)	Du Ci Coul				4,316,937			4 24 4 027
Remeasurement of defined benefit pension plan	_	_	_	_	(204,466)	Profit for the year Other comprehensive (loss)/income for the year	-	-	-	1 ' '	(39,667)	935,410	4,316,937 712,615
Deferred tax on remeasurement of defined benefit					, , ,		-	-	-	(183,128)	. , ,	· ·	
pension plan	-	-	-	-	27,784	Total comprehensive income/(loss) for the year	-	-	-	4,133,809	(39,667)	935,410	5,029,552
Net gain/(loss) on equity instruments designated at FVTOCI	553	14,879	(5,204)	14,879	77,347	Appropriation of reserves	-	-	28,731	(67,642)	_	38,911	-
111001	553	14,879	(5,204)	45,694	(145,448)	Revaluation surplus realised on depreciation	-	-	-	51,883	(51,883)	-	-
			(5)25 .)		(2.15, 1.15)	Dividend	-	=	-	(516,358)	=	-	(516,358)
Items that may be reclassified subsequently to profit or loss:						At 31 December 2023	32,500,204	(4,875,031)	763,991	9,511,081	182,309	(6,399,721)	31,682,833
Exchange differences on translation of foreign						At 01 January 2024	32,500,204	(4,875,031)	763,991	9,511,081	182,309	(6,399,721)	31,682,833
operations	172,809	(195,445)	972,300	(42,816)	(566,236)	•							
Debt securities measured at FVTOCI						Profit for the period	-	-	-	2,307,156	-	-	2,307,156
- Movement in fair value during the quarter/period/year	200,923	322,549	222,659	886,847	1,335,432	Other comprehensive income for the period	-	-	-	-	-	1,009,363	1,009,363
- Fair value gain reclassified to profit or loss on	(11 441)	(23,325)	(29,637)	(48,066)	(44,962)	Total comprehensive income for the period	-	-	-	2,307,156	-	1,009,363	3,316,519
derecognition - Credit loss movement relating to debt instruments	(11,661)	(23,323)	(29,037)	(48,000)	(44,962)	Revaluation surplus realised on depreciation	-	-	-	26,209	(26,209)	-	-
held at FVTOCI	(107,510)	(41,621)	(150,755)	17,561	133,829	Appropriation of reserves	-	-	4,503	(7,626)	-	3,123	-
	254,561	62,158	1,014,567	813,526	858,063	Dividend	-	-	-	(1,032,717)	-	-	(1,032,717)
Total other comprehensive income attributable to						A4 20 June 2024	32,500,204	(4,875,031)	768,494	10,804,103	156,100	(5,387,235)	33,966,635
owners of the Company	255,114	77,037	1,009,363	859,220	712,615	At 30 June 2024		, , , _,					
Total comprehensive income attributable to owners of the Company	1,788,914	1,743,284	3,316,519	3,277,507	5,029,552	*Other reserves include unrealised investmer	nt fair value resei	rve, translation r	eserve, prudenti	al provision resei	ve, earnings rese	erve and restruct	uring reserve.

## INTERIM UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE 2024

	The Group					
	Unaudited Six months ended 30 June 2024	Unaudited Six months ended 30 June 2023	Audited Year ended 31 December 2023			
	MUR'000	MUR'000	MUR'000			
Net cash generated from/(used in) operating activities	19,503,148	(22,096,284)	(2,652,351)			
Net cash (used in)/generated from financing activities	(3,203,554)	3,640,642	(2,252,101)			
let cash used in investing activities	(560,705)	(733,182)	(1,227,496)			
let change in cash and cash equivalents	15,738,889	(19,188,824)	(6,131,948)			
ffect of foreign exchange rate changes	1,049,561	758,671	(309,149)			
expected credit loss allowance on cash and cash equivalents	(7,293)	(7,429)	(6,239)			
Cash and cash equivalents at beginning of period/year	23,827,701	30,275,037	30,275,037			
Cash and cash equivalents at end of period/year	40,608,858	11,837,455	23,827,701			

Copies of the interim unaudited condensed financial statements are available to the public free of charge at the registered office of the Company, SBM Tower, 1, Queen Elizabeth II Avenue, Place D'Armes, Port Louis and can be viewed on our website: www.sbmgroup.mu.

The statement of direct and indirect interests of officers of the Company in the capital of the Company and its subsidiaries may also be obtained free of charge upon request at the registered office of the Company.

By order of the Board

Mrs D. Ramjug Chumun Company Secretary

12 August 2024

The Communiqué is issued pursuant to Listing Rule 12.20 and Securities Act 2005.

The Board of Directors of SBM Holdings Ltd accepts full responsibility for the accuracy of the information contained in this Communiqué

The financial information has been extracted from the interim unaudited condensed financial statements for the six months ended 30 June 2024.