

INTERIM UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2023



- Encouraging start to the new financial year, in spite of the challenging operating context
- Continued execution of growth initiatives across market segments and jurisdictions
- Sound financial ratios upheld, thus supporting ongoing growth endeavours









CAPITAL ADEQUACY RATIO

Mar-23: 19.5%



SBM Holdings Ltd ("the Company") and its subsidiaries, here altogether ("the Group"), present the Group and Company interim unaudited condensed financial report for the quarter ended 31 March 2023.

The interim unaudited condensed financial report has 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 2022, except for the adoption of new standards and interpretations effective as from 01 January 2023.

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

consolidated and separate statements of financial position of SBM Holdings Ltd ("the Company") and of its subsidiaries ("the Group") as at 31 March 2023, and the related consolidated and separate statements of profit or loss and statements of other comprehensive income, consolidated and separate statements of changes in equity consolidated and separate statements of cash flows for the quarter ended and other explanatory notes. The Board of directors and management are responsible for the preparation and presentation of these interim unaudited condensed financial statements in accordance with 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." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

We have reviewed the accompanying interim unaudited condensed financial statements which comprise the 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.

13,654

31-Dec-22

3.823

31-Mar-23

Non-interest income

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.

Chartered Accountants

Date: 11 May 2023

INTERIM UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2023			
		The Group	
	Unaudited 31 March 2023	Unaudited 31 March 2022	Audited 31 December 2022
	MUR' 000	MUR' 000	MUR' 000
ASSETS			
Cash and cash equivalents	14,929,640	61,620,222	30,275,037
Mandatory balances with central banks	17,124,507	13,608,368	15,723,438
Loans to and placements with banks	1,021,677	841,438	1,221,415
Derivative financial instruments	897,292	963,056	1,205,168
Loans and advances to non-bank customers	150,062,596	135,452,467	149,994,543
Investment securities	171,756,030	158,676,447	151,977,933
Property and equipment	3,754,669	3,602,558	3,656,696
Right of use assets	820,863	676,657	867,749
Intangible assets	1,916,258	1,897,372	1,752,989
Deferred tax assets	1,264,892	1,158,744	1,265,176
Other assets	4,099,858	3,398,354	4,401,241
Total assets	367,648,282	381,895,683	362,341,385
LIABILITIES			
Deposits from banks	6,138,157	3,527,340	3,802,908
Deposits from			
non-bank customers	291,009,927	323,056,872	293,350,435
Other borrowed funds	17,580,133	7,873,891	15,489,470
Derivative financial instruments	694,352	718,801	905,317
Lease liabilities	842,499	688,297	888,617
Current tax liabilities	624,603	440,671	478,499
Pension liability	572,873	410,641	569,093
Other liabilities	10,566,024	8,390,449	9,070,915
Subordinated debts	10,915,849	10,032,872	10,616,492
Total liabilities	338,944,417	355,139,834	335,171,746
SHAREHOLDERS' EQUITY			
Stated capital	32,500,204	32,500,204	32,500,204
Retained earnings	6,590,669	3,479,856	5,909,389
Other reserves	(5,511,977)	(4,349,180)	(6,364,923)
	33,578,896	31,630,880	32,044,670
Less treasury shares	(4,875,031)	(4,875,031)	(4,875,031)
Total equity attributable to equity holders of the parent	28,703,865	26,755,849	27,169,639
Total equity and liabilities	367,648,282	381,895,683	362,341,385
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Approved by the Board of Directors and authorised for issue on 11 May 2023.

Mr. Abdul Sattar Adam Ali Mamode Hajee Abdould Dr. Subhas THECKA

55,363,371

INTERIM UNAUDITED CONDENSED STATEMENTS OF PROFIT OR LOSS FOR THE QUARTER ENDED 31 MARCH 2023

Quarter Quarter ended 31 Morch 2022 33	naudited Duarter ended 1 March 2022 UR' 000 3,112,212 19,362	Audited Year ended 31 December 2022 MUR' 000
Continuing operations Interest income using the effective interest method 4,786,657	3,112,212 19,362	
Interest income using the effective interest method 4,786,657	19,362	14,632,440
	19,362	14,632,440
Other interest income 51,946		
		186,826
Interest expense using the effective interest method (2,271,284)	(1,095,952)	(5,431,794
Other interest expense (39,637)	(49,824)	(465,252
Net interest income 2,527,682	1,985,798	8,922,220
Fee and commission income 680,654	536,588	2,395,955
Fee and commission expense (31,170)	(21,006)	(101,796
Net fee and commission income 649,484	515,582	2,294,161
Net trading income 642,693	448,191	2,083,870
Net (loss)/gain from financial assets at fair value through profit or loss (23,334)	(30,008)	8,629
Net (loss)/gain on derecognition of financial assets measured at amortised cost (13,060)	17,599	11,38
Net gain on derecognition of financial assets measured at 'air value through other comprehensive income 24,741	19,655	94,968
Other operating income/(loss) 14,619	(74)	238,594
Non-interest income 1,295,143	970,945	4,731,604
Operating income 3,822,825	2,956,743	13,653,82
Personnel expenses (1,061,435)	(937,517)	(3,862,272
Depreciation of property and equipment (79,788)	(70,080)	(322,017
Depreciation of right-of-use assets (66,345)	(54,641)	(237,472
Amortisation of intangible assets (131,214)	(123,666)	(495,319
Other expenses (1,112,589)	(700,662)	(3,219,963
Non-interest expense (2,451,371)	(1,886,566)	(8,137,043
Profit before credit loss expense 1,371,454	1,070,177	5,516,781
Credit loss expense on financial assets and (483,480)	(241,372)	(1,332,743
Profit before income tax 887,974	828,805	4,184,038
Tax expense (135,930)	(114,298)	(548,377
Profit for the period/year attributable to equity holders of he parent 752,044	714,507	3,635,66
Carnings per share:		
Basic (Cents)	27.7	140.8
Diluted (Cents)	27.7	140.8

Capital position



The SBM Group has begun the year on a resilient note despite the challenging market As per the latest World Economic Outlook of the IMF, the global economic rec and the further strengthening of its capabilities.

On the back of this performance, earnings per share stood at 29.1 cents for the quarter ended 31 March 2023, compared to 27.7 cents for the same period of the preceding sentiment and the execution of key infrastructure-upgrading projects by the

grew by 27.3% during the period under review, while non-interest income expanded In this landscape, the SBM Group will pursue its growth agenda in a prudent manner. It

While the portfolio of investment securities has broadened, revenue generated by the while supporting business development ende SBM Group was also underpinned by net loans and advances to non-bank customers, The SBM Group remains on course to cement its position as an influential banking and which stood at MUR 150.1 billion as at 31 March 2023. Deposits from non-bank financial services player, along with further underpinning the welfare and advantage of the stood at MUR 150.1 billion as at 31 March 2023. Deposits from non-bank financial services player, along with further underpinning the welfare and advantage of the stood at MUR 150.1 billion as at 31 March 2023. Deposits from non-bank financial services player, along with further underpinning the welfare and advantage of the stood at MUR 150.1 billion as at 31 March 2023. Deposits from non-bank financial services player, along with further underpinning the welfare and advantage of the stood at MUR 150.1 billion as at 31 March 2023. Deposits from non-bank financial services player, along with further underpinning the welfare and advantage of the stood at MUR 150.1 billion as at 31 March 2023. Deposits from non-bank financial services player, along with further underpinning the welfare and advantage of the stood at 150 March 2023. Deposits from non-bank financial services player, along with further underpinning the welfare and advantage of the stood advantage of the stood at 150 March 2023. Deposits from non-bank financial services player, along with further underpinning the welfare and advantage of the stood at 150 March 2023. Deposits from non-bank financial services player, along with further underpinning the stood at 150 March 2023. Deposits from the sto ners reached MUR 291.0 billion as at 31 March 2023.

Alongside embarking on its strategic drive, the Group maintained sound finar in support of its growth endeavours. The capital base of the Group stayed comfortable at MUR 34.6 billion as at 31 March 2023, leading to a capital adequacy ratio of 19.5% which is well above regulatory thresholds. The Group also preserved healthy asset acv ratio of 19.5%. quality, funding, liquidity and efficiency positions.

environment, with profit attributable to equity holders of the parent increasing by 5.3% to attain MUR 752.0 million for the quarter ended 31 March 2023. The Group has continued to benefit from strategic initiatives being pursued across presence countries

The Group has continued to benefit from strategic initiatives being pursued across presence countries

GDP growth is anticipated to decline from 3.4% in 2022 to attain 2.8% in 2023, before slightly edging up to 3.0% in 2024.

> authorities. However, the operating environment remains challenging, especially given headwinds faced by the country's key export markets.

by 33.4% on account of higher net fee and commission income and net trading income.

Consequently, operating income rose by 29.3% to reach MUR 3.8 billion for the quarter ended 31 March 2023.

will continuously reinforce its capabilities in terms of people, process and technology, alongside ensuring that ongoing projects and initiatives are effectively executed. This should help to further enrich the quality of customer experiences across channels,

of the economies and societies in which it operates.

Mr. Sattar Hajee Abdoula

Dr. Subhas THECK A Chairman, Audit Committee

11 May 2023

THE OUARTER ENDED 31 MARCH 2023

INTERIM UNAUDITED CONDENSED STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR INTERIM UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2023

		The Group							Net property		
	Unaudited Quarter	Unaudited Quarter	Audited Year		Stated capital	Treasury shares	Statutory reserve	Retained earnings	revaluation reserve	Other reserves*	Total equity
	ended 31 March	ended 31 March	ended 31 December	The Group	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000
	2023	2022	2022	At 01 January 2022	32,500,204	(4,875,031)	802,086	2,807,788	280,886	(5,137,639)	26,378,294
	MUR'000	MUR' 000	MUR' 000	Profit for the period Other comprehensive income/(loss) for	-	-	-	714,507	-	-	714,507
Profit for the period/year attributable to equity holders of the parent	752,044	714,507	3,635,661	the period	-	-	-	833	-	(337,785)	(336,952)
Other comprehensive income:				Total comprehensive income/(loss) for the period	-	-	-	715,340	-	(337,785)	377,555
Items that will not be reclassified				Revaluation surplus realised on depreciation	_	-	-	11,927	(11,927)	-	-
subsequently to profit or loss:				Transfer from retained earnings to other reserves	_	_	_	(55,199)	-	55,199	_
Gain on property revaluation	30,815	-	-	At 31 March 2022	32,500,204	(4,875,031)	802,086	3,479,856	268,959	(5,420,225)	26,755,849
Revaluation gains on equity instruments measured at FVTOCI	_	-	289,862	At 01 January 2022	32,500,204	(4,875,031)	802,086	2,807,788	280,886	(5,137,639)	26,378,294
Remeasurement of defined benefit				Profit for the year	-	-	-	3,635,661	-	-	3,635,661
pension plan	-	628	(20,693)	Other comprehensive loss for the year	-	-	-	(19,031)	-	(2,308,927)	(2,327,958)
Deferred tax on remeasurement of defined benefit pension plan	-	205	1,662	Total comprehensive income/(loss) for the year	-	-	-	3,616,630	-	(2,308,927)	1,307,703
	30,815	833	270,831	Reclassification between reserves	-	-	(100,408)	143,169	44,441	(87,202)	-
Items that may be reclassified subsequently to	·		,	Transfer from retained earnings to statutory reserve	-	-	33,582	(33,582)	-	-	-
profit or loss: Exchange differences on translation of foreign				Revaluation surplus realised on depreciation	-	-	-	51,468	(51,468)	-	-
operations	152,629	10,947	(598,644)	Transfer from retained earnings to other reserves	-	-	-	(159,726)	-	159,726	-
Investment securities measured at FVTOCI (debt instrument)				Dividend				(516,358)			(516,358)
Movement in fair value during the period/year	564,297	(287,222)	(1,872,049)	At 31 December 2022	32,500,204	(4,875,031)	735,260	5,909,389	273,859	(7,374,042)	27,169,639
Reclassification of gains included in profit or				At 01 January 2023	32,500,204	(4,875,031)	735,260	5,909,389	273,859	(7,374,042)	27,169,639
loss on derecognition	(24,741)	(19,655)	(94,968)	Profit for the period	-	-	-	752,044	-	-	752,044
Credit losses relating to debt instruments held at FVTOCI	59,182	(41,855)	(33,128)	Other comprehensive income for the period	-	-	-	-	30,815	751,367	782,182
	751,367	(337,785)	(2,598,789)	Total comprehensive income for the year	-	-	-	752,044	30,815	751,367	1,534,226
Total other comprehensive income/(loss)	782,182	(336,952)	(2,327,958)	Revaluation surplus realised on depreciation	_	_		12,649	(12,649)	_	
	·		,	Transfer from retained earnings to other reserves				(83,413)	. ,,	83,413	
Total comprehensive income attributable to equity holders of the parent	1,534,226	377,555	1,307,703	At 31 March 2023	32,500,204	(4,875,031)	735,260	6,590,669	292,025	(6,539,262)	26,703,865
·					02,000,204	(1,070,001)	7.55,200	0,5,0,007		(0,007,1202)	20,7 00,000

^{*} Other reserves include net unrealised investment fair value reserve, net translation reserve, other reserve, earnings reserve and

INTERIM UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE QUARTER ENDED 31 MARCH 2023

	Unaudited Quarter ended	Audited Year ended		
	31 March 2023	31 March 2022	31 December 2022	
	MUR'000	MUR'000	MUR'000	
cash (used in)/generated from operating activities	(16,927,725)	16,474,992	(22,762,016)	
cash generated from/(used in) financing activities	2,038,857	(2,345,768)	(536,208)	
cash (used in)/generated from investing activities	(441,423)	(144,745)	5,929,849	
change in cash and cash equivalents	(15,330,291)	13,984,479	(17,368,375)	
ected credit loss allowance on cash and cash equivalents	(15,106)	(1,078)	6,591	
h and cash equivalents at beginning of period/year	30,275,037	47,636,821	47,636,821	
h and cash equivalents at period/year end	14,929,640	61,620,222	30,275,037	

Cash

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: <u>www.sbmgroup.mu.</u>

The statement of direct and indirect interests of officers of the Company in the capital of the Company and ts 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 L1 May 2023

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 nformation contained in this Communiqué

The financial information, including the review report, has been extracted from the interim unaudited condensed inancial statements for the quarter ended 31 March 2023.