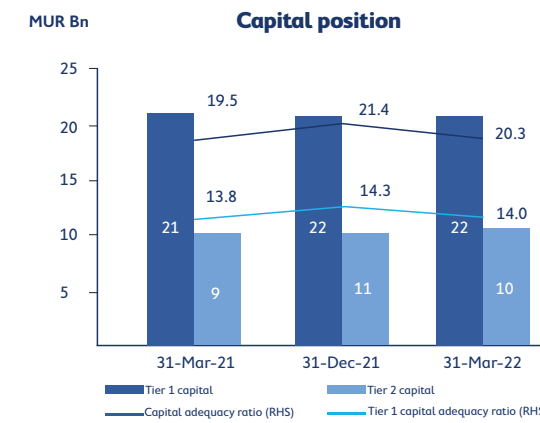
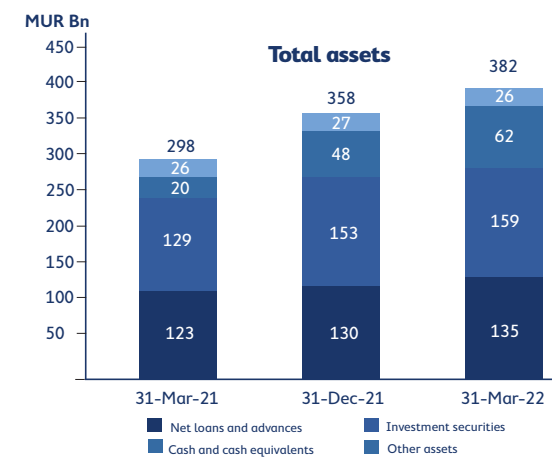
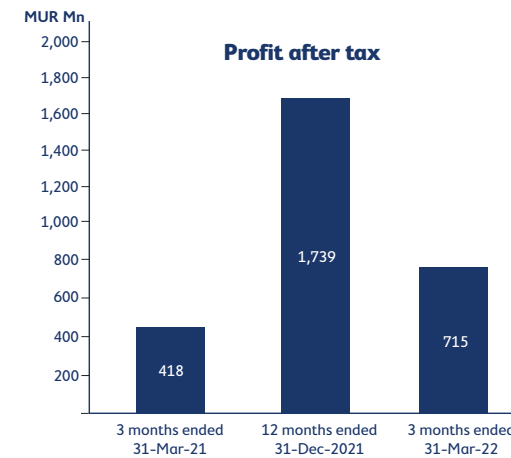


KEY HIGHLIGHTS

- Encouraging start to the new financial year as the organisation maintains its growth momentum
- Significant improvement in SBM Group's net profit
- Sound financial ratios upheld on multiple fronts



Performance

SBM Group has begun the financial year on a solid footing, as it continues to reap the benefits of ongoing initiatives aimed at further restructuring its operations, strengthening its business model and expanding its market reach.

Profit attributable to equity holders of the parent attained MUR 714.5 million for the quarter ended 31 March 2022, representing an increase of 71.0% when compared to the corresponding period of last year. This performance is very encouraging as it has been delivered against the backdrop of a highly challenging and uncertain economic context, with sustained pressures on market conditions.

Earnings per share from continuing operations stood at 27.7 cents for the quarter ended 31 March 2022, compared to 16.1 cents for the same quarter of the preceding year.

Group results were driven by a significant decline in credit loss expense on the back of strengthened risk stewardship and higher operating revenue. Despite the low interest environment and the still subdued demand for credit in some instances, net interest income grew by 15.5% to reach MUR 1,985.8 million in the wake of initiatives to accelerate business development across jurisdictions and business lines. This outcome contributed to operating income expanding to MUR 2,956.7 million for the quarter ended 31 March 2022, underpinned by an increase of 27.2% in net fee and commission income following market diversification initiatives. Operating expenses moved up amidst capacity-building measures, with a major focus area relating to the reinforcement of human capital.

While the portfolio of investment securities has further broadened, revenue generated by the Group was underpinned by the sustained rise in gross loans and advances to non-bank customers, which attained MUR 150.3 billion as at 31 March 2022, as compared to MUR 145.1 billion as at 31 December 2021. Testifying to the Group's trustworthiness, deposits from non-bank customers increased by 8.2% during the quarter under review to attain MUR 323.1 billion.

Group results were enabled by broad-based foundations. While SBM Bank (Mauritius) Ltd led the way as the mainstay of the organisation, other banking entities and the Non-Banking Financial Cluster contributed positively to the overall profit level.

Alongside embarking on its strategic drive, the Group has kept a vigilant eye on its financial soundness metrics in support of future growth endeavours. The capital base of the Group stayed comfortable at MUR 32.3 billion as at 31 March 2022, thus leading to a capital adequacy ratio of 20.3%, which is well above regulatory thresholds. Notwithstanding the demanding landscape, the Group has preserved healthy asset quality, funding, liquidity and efficiency positions after capitalising on its robust fundamentals and prudent growth strategy.

Outlook

Whereas the ongoing economic recovery momentum was already unsteady, geopolitical disturbances have triggered a substantial drag on the world economy. Whilst uncertainty levels have accentuated across different markets, global economic growth is forecasted by the IMF to decline from 6.1% last year to 3.6% in 2022. As a key apprehension, inflation has witnessed a steep and sustained uptrend on a worldwide scale and across the Group's presence countries on account of higher commodity prices and the spill-over effects on other items.

Alongside prudently scrutinising and coping with the risks and challenges associated with this testing backdrop, SBM Group will continue to exercise caution when executing its strategic intents in the periods ahead, supported by a further strengthening of its risk management and governance set-up. In this spirit, the Board will conscientiously oversee the articulation and implementation of growth-enabling initiatives, mindful of the aim to further diversify the revenue streams and reinforce the financial resilience of the organisation. As it moves forward, an underlying objective of SBM Group remains to position itself as a reference banking and financial services player locally and regionally, alongside purposefully and dynamically partaking in the advancement of the societies and economies in which it operates.

Sattar HAJEE ABDOLLA
Chairman
12 May 2022

Dr. Subhas THECKA
Chairman, Audit Committee

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 2022.

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 2021; the Group and the Company having adopted all new standards and interpretations which are effective as from 01 January 2022.

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

Introduction

We have reviewed the accompanying interim unaudited condensed financial statements which comprise the consolidated and separate statements of financial position of SBM Holdings Ltd ("the Company") and of its subsidiaries ("the Group") as at 31 March 2022, 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 then 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.

Scope of 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. 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.

Conclusion

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.

Deloitte
Chartered Accountants

Date: 12 May 2022

INTERIM UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2022

	The Group		
	Unaudited Quarter ended 31 March 2022	Unaudited Quarter ended 31 March 2021	Audited Year ended 31 December 2021
	MUR' 000	MUR' 000	MUR' 000
ASSETS			
Cash and cash equivalents	61,620,222	20,280,270	47,636,821
Mandatory balances with central banks	13,608,368	11,342,494	13,645,545
Loans to and placements with banks	841,438	3,150,637	837,970
Derivative financial instruments	963,056	673,818	784,250
Loans and advances to non-bank customers	135,452,467	123,485,965	130,393,807
Investment securities	158,676,447	128,572,501	153,426,747
Property and equipment	3,602,558	3,182,674	3,585,755
Right of use assets	676,657	788,739	728,417
Intangible assets	1,897,372	2,116,349	1,963,123
Deferred tax assets	1,158,744	773,703	1,087,074
Other assets	3,398,354	3,403,143	3,578,472
Total assets	381,895,683	297,770,293	357,667,981
LIABILITIES			
Deposits from banks	3,527,340	1,402,251	2,770,002
Deposits from non-bank customers	323,056,872	234,702,338	298,580,858
Other borrowed funds	7,873,891	14,239,149	9,512,912
Derivative financial instruments	718,801	1,496,212	759,896
Lease liabilities	688,297	777,989	740,902
Current tax liabilities	440,671	323,865	314,671
Pension liability	410,641	743,913	410,183
Other liabilities	8,390,449	8,360,435	8,322,917
Subordinated debts	10,032,872	10,400,001	9,877,346
Total liabilities	355,139,834	272,446,153	331,289,687
SHAREHOLDERS' EQUITY			
Stated capital	32,500,204	32,500,204	32,500,204
Retained earnings	3,479,856	1,316,557	2,807,788
Other reserves	(4,349,180)	(3,617,590)	(4,054,667)
	31,630,880	30,199,171	31,253,325
Less: Treasury shares	(4,875,031)	(4,875,031)	(4,875,031)
Total equity attributable to equity holders of the parent	26,755,849	25,324,140	26,378,294
Total equity and liabilities	381,895,683	297,770,293	357,667,981
Memorandum items	51,531,754	35,216,347	44,523,675

Approved by the Board of Directors and authorised for issue on 12 May 2022.

Sattar HAJEE ABDOLLA
Chairman

Dr. Subhas THECKA
Chairman, Audit Committee

INTERIM UNAUDITED CONDENSED STATEMENTS OF PROFIT OR LOSS FOR THE QUARTER ENDED 31 MARCH 2022

	The Group		
	Unaudited Quarter ended 31 March 2022	Unaudited Quarter ended 31 March 2021	Audited Year ended 31 December 2021
	MUR' 000	MUR' 000	MUR' 000
Continuing operations			
Interest income using the effective interest method	3,112,212	2,675,307	11,722,105
Other interest income	19,362	81,379	135,483
Interest expense using the effective interest method	(1,095,952)	(882,205)	(3,921,301)
Other interest expense	(49,824)	(154,751)	(395,716)
Net interest income	1,985,798	1,719,730	7,540,571
Fee and commission income	536,588	424,352	1,763,384
Fee and commission expense	(21,006)	(19,109)	(79,610)
Net fee and commission income	515,582	405,243	1,683,774
Net trading income	448,191	449,509	1,491,013
Net (loss)/gain from financial assets at fair value through profit or loss	(30,008)	(15,694)	207,999
Net gain on derecognition of financial assets measured at amortised cost	17,599	288,229	5,890
Net gain on derecognition of financial assets measured at fair value through other comprehensive income	19,655	27,341	720,847
Other operating (loss)/income	(74)	-	145,056
Non-interest income	970,945	1,154,628	4,254,579
Operating income	2,956,743	2,874,358	11,795,150
Personnel expenses	(937,517)	(798,776)	(3,389,361)
Depreciation of property and equipment	(70,080)	(70,982)	(288,042)
Depreciation of right of use assets	(54,641)	(50,965)	(212,381)
Amortisation of intangible assets	(123,666)	(201,217)	(488,986)
Other expenses	(700,662)	(676,082)	(2,763,180)
Non-interest expense	(1,886,566)	(1,798,022)	(7,141,950)
Profit before credit loss expense	1,070,177	1,076,336	4,653,200
Credit loss expense on financial assets and memorandum items	(241,372)	(546,561)	(2,474,893)
Profit before income tax	828,805	529,775	2,178,307
Tax expense	(114,298)	(113,869)	(441,319)
Profit for the quarter/year from continuing operations	714,507	415,906	1,736,988
Discontinued operations			
Profit for the quarter/year from discontinued operations	-	1,881	1,881
Profit for the quarter/year attributable to equity holders of the parent	714,507	417,787	1,738,869
Earnings per share:			
From continuing operations			
Basic (Cents)	27.7	16.1	67.3
Diluted (Cents)	27.7	16.1	67.3
From continuing and discontinued operations			
Basic (Cents)	27.7	16.2	67.4
Diluted (Cents)	27.7	16.2	67.4

INTERIM UNAUDITED CONDENSED STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2022

	The Group		
	Unaudited Quarter ended 31 March 2022	Unaudited Quarter ended 31 March 2021	Audited Year ended 31 December 2021
	MUR' 000	MUR' 000	MUR' 000
Profit for the quarter/year attributable to equity holders of the parent	714,507	417,787	1,738,869
Other comprehensive income:			
Revaluation gains on equity instruments measured at FVTOCI	-	-	367,885
Remeasurement of defined benefit pension plan	628	-	377,899
Deferred tax on remeasurement of defined benefit pension plan	205	-	(25,667)
	833	-	720,117
Items that will not be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	10,947	208,544	518,515
Reclassification of translation reserve to profit or loss on deconsolidation of subsidiary	-	-	(44,423)
Investment securities measured at FVTOCI	-	-	-
Movement in fair value during the quarter/year	(287,222)	(243,663)	(1,036,779)
Relocation of losses included in profit or loss on derecognition	(19,655)	(288,229)	(720,847)
Credit (loss)/allowance relating to debt instruments held at FVTOCI	(41,855)	33,373	6,514
Total other comprehensive loss	(336,952)	(289,975)	(556,903)
Total comprehensive income attributable to equity holders of the parent	377,555	127,812	1,181,966

INTERIM UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE QUARTER ENDED 31 MARCH 2022

	The Group		
	Unaudited Quarter ended 31 March 2022	Unaudited Quarter ended 31 March 2021	Audited Year ended 31 December 2021
	MUR' 000	MUR' 000	MUR' 000
Net cash generated from/(used in) operating activities	16,474,992	(401,614)	33,070,280
Net cash used in from financing activities	(2,345,768)	(828,595)	(6,343,388)
Net cash used in investing activities	(144,745)	(67,208)	(661,708)
Net change in cash and cash equivalents	13,984,479	(1,297,417)	26,065,184
Expected credit loss allowance on cash and cash equivalents	(1,078)	442	(5,608)
Cash and cash equivalents at beginning of quarter/year	47,636,821	21,577,245	21,577,245
Cash and cash equivalents at quarter/year end	61,620,222	20,280,270	47,636,821

INTERIM UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2022

	Stated capital	Treasury shares	Statutory reserve	Retained earnings	Net property revaluation reserve	Other reserves	Total equity
	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000
The Group							
At 01 January 2021	32,500,204	(4,875,031)	693,783	893,576	333,149	(4,349,353)	25,196,328
Profit for the quarter	-	-	-	417,787	-	-	417,787
Other comprehensive loss for the quarter	-	-	-	-	-	(289,975)	(289,975)
Total comprehensive income/(loss) for the quarter	-	-	-	417,787	-	(289,975)	127,812
Revaluation surplus realised on depreciation	-	-	-	12,866	(12,866)	-	-
Transfer from retained earnings to other reserves	-	-	-	(7,672)	-	7,672	-
At 31 March 2021	32,500,204	(4,875,031)	693,783	1,316,557	320,283	(4,631,656)	25,324,140
At 01 January 2021	32,500,204	(4,875,031)	693,783	893,576	333,149	(4,349,353)	25,196,328
Profit for the year	-	-	-	1,738,869	-	-	1,738,869
Other comprehensive income/(loss) for the year	-	-	-	352,232	-	(909,135)	(556,903)
Total comprehensive income/(loss) for the year	-	-	-	2,091,101	-	(909,135)	1,181,966
Reclassification between reserves	-	-	-	38	(303)	265	-
Transfer from retained earnings to statutory reserve	-	-	108,303	(108,303)	-	-	-
Revaluation surplus realised on depreciation	-	-	-	51,960	(51,960)	-	-
Transfer from retained earnings to other reserve	-	-	-	(120,584)	-	120,584	-
At 31 December 2021	32,500,204	(4,875,031)	802,086	2,807,788	280,886	(5,137,639)	26,378,294
At 01 January 2022	32,500,204	(4,875,031)	802,086	2,807,788	280,886	(5,137,639)	26,378,294
Profit for the quarter	-	-	-	714,507	-	-	714,507
Other comprehensive income/(loss) for the quarter	-	-	-	833	-	(337,785)	(336,952)
Total comprehensive income/(loss) for the quarter	-	-	-	715,340	-	(337,785)	377,555
Revaluation surplus realised on depreciation	-	-					