

<p><b>OPERATING INCOME</b> MUR 5,734.4 million</p>	<p><b>PROFIT AFTER TAX</b> MUR 762.9 million</p>	<p><b>TOTAL ASSETS</b> MUR 325.1 billion</p>	<p><b>INVESTMENT SECURITIES</b> MUR 143.0 billion</p>
<p><b>CREDIT LOSS EXPENSE</b> MUR 1,162.1 million</p>	<p><b>EARNINGS PER SHARE</b> 29.5 cents</p>	<p><b>NET LOANS AND ADVANCES TO NON-BANK CUSTOMERS</b> MUR 123.7 billion</p>	<p><b>DEPOSITS FROM NON-BANK CUSTOMERS</b> MUR 263.9 billion</p>

SBM Holdings Ltd ("the Company") and its subsidiaries, here altogether ("the Group"), present the Group and Company interim unaudited condensed financial report for the period ended 30 June 2021.

The interim unaudited condensed financial report has been prepared in accordance with the Bank of Mauritius Guidelines on Public Disclosure of Information and 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 2020; the Group and the Company having adopted all new standards and interpretations which are effective as from 01 January 2021.

## REVIEW REPORT ON THE INTERIM UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2021

### Introduction

We have reviewed the accompanying interim unaudited condensed financial statements which comprise the interim unaudited condensed statements of financial position of SBM Holdings Ltd ("the Company") and of its subsidiaries ("the Group") as at 30 June 2021, and the related interim unaudited condensed statements of profit or loss and statements of other comprehensive income, interim unaudited condensed statements of changes in equity, interim unaudited condensed statements of cash flows and other explanatory notes for the quarter and six months then ended. The Board of directors and management are responsible for the preparation and presentation of these unaudited condensed interim financial statements in accordance with IAS 34 Interim Financial Reporting. Our responsibility is to express a conclusion on these unaudited condensed interim 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 August 2021

## INTERIM UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2021

	The Group			The Company		
	Unaudited 30 June 2021	Unaudited 30 June 2020	Audited 31 December 2020	Unaudited 30 June 2021	Unaudited 30 June 2020	Audited 31 December 2020
	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000
<b>ASSETS</b>						
Cash and cash equivalents	32,753,097	15,517,708	21,577,245	42,426	53,277	304,473
Mandatory balances with central bank	12,306,063	11,151,632	11,290,363	-	-	-
Loans to and placements with banks	1,941,829	4,747,772	3,130,387	-	-	-
Derivative financial instruments	795,804	1,140,412	809,379	-	-	-
Loans and advances to non-bank customers	123,669,349	118,652,418	120,239,361	-	-	-
Investment securities	142,985,705	120,103,258	121,053,397	6,912,317	7,404,438	7,005,132
Investment in subsidiaries	-	-	-	29,820,268	29,523,743	29,523,743
Property and equipment	3,291,539	3,283,349	3,207,034	1,710	2,779	2,194
Right of use assets	780,528	783,877	807,230	-	-	-
Goodwill and other intangible assets	1,961,087	2,523,777	2,296,694	746	1,020	883
Deferred tax assets	943,741	500,067	806,110	-	-	-
Other assets	3,667,353	3,578,371	3,204,894	113,300	163,374	49,719
<b>Total assets</b>	<b>325,096,095</b>	<b>281,982,641</b>	<b>288,422,094</b>	<b>36,414,701</b>	<b>37,445,156</b>	<b>36,886,144</b>
<b>LIABILITIES</b>						
Deposits from banks	1,726,566	846,759	1,403,315	-	-	-
Deposits from non-bank customers	263,935,693	207,187,607	226,862,221	-	-	-
Other borrowed funds	12,649,671	27,557,040	15,017,177	-	-	-
Derivative financial instruments	879,211	1,358,457	1,279,984	-	81,783	41,524
Lease liabilities	774,775	776,088	804,407	-	-	-
Current tax liabilities	150,930	194,852	260,225	-	-	-
Pension liability	744,206	240,694	743,807	6,768	1,148	6,914
Other liabilities	9,274,982	7,209,026	6,711,844	135,839	114,593	211,206
Subordinated debts	9,823,959	10,241,235	10,142,786	9,823,959	10,241,235	10,142,786
<b>Total liabilities</b>	<b>299,959,993</b>	<b>255,611,758</b>	<b>263,225,766</b>	<b>9,966,566</b>	<b>10,438,759</b>	<b>10,402,430</b>
<b>SHAREHOLDERS' EQUITY</b>						
Stated capital	32,500,204	32,500,204	32,500,204	32,500,204	32,500,204	32,500,204
Retained earnings	1,516,699	1,212,457	893,576	235,905	203,037	271,475
Other reserves	(4,005,770)	(2,466,747)	(3,322,421)	(1,412,943)	(821,813)	(1,412,934)
<b>Total equity attributable to equity holders of the parent</b>	<b>30,011,133</b>	<b>31,245,914</b>	<b>30,071,359</b>	<b>31,323,166</b>	<b>31,881,428</b>	<b>31,358,745</b>
Less: Treasury shares	(4,875,031)	(4,875,031)	(4,875,031)	(4,875,031)	(4,875,031)	(4,875,031)
<b>Total equity attributable to equity holders of the parent</b>	<b>25,136,102</b>	<b>26,370,883</b>	<b>25,196,328</b>	<b>26,448,135</b>	<b>27,006,397</b>	<b>26,483,714</b>
<b>Total equity and liabilities</b>	<b>325,096,095</b>	<b>281,982,641</b>	<b>288,422,094</b>	<b>36,414,701</b>	<b>37,445,156</b>	<b>36,886,144</b>
<b>Memorandum items</b>	<b>38,255,085</b>	<b>30,073,792</b>	<b>33,126,827</b>			

Approved by the Board of Directors and authorised for issue on 12 August 2021.

Sattar HAJEE ABDLOULA  
Chairman

Subhas THECKA  
Director

### KEY HIGHLIGHTS

The group's profit after tax amounted to MUR 762.9 million for the six months ended 30 June 2021. This represents a 70% increase compared to the corresponding semester last year, and demonstrates the initiatives undertaken by the Board of the SBM Group over the past 18 months while adjusting to a difficult and ever-evolving environment.

This performance is testament to the hard work and dedication of our teams across all the entities of the Group over the period under review, during which we have been duly and carefully implementing our strategy.

**Total assets** have increased by 12.7% to reach MUR 325.1 billion as at 30 June 2021, supported by a 16.3% growth in deposits from non-bank customers.

For the six months ended 30 June 2021, the group **operating income** increased by 2.1% to reach MUR 5.7 billion. **Net interest income** has increased by 2% despite the prevailing low interest environment to reach MUR 3.5 billion.

**Non-interest income** amounted to MUR 2.2 billion on account of a healthy increase in net trading income, whilst **non-interest expenses** have increased by MUR 378.6 million.

**Earnings per share** stood at 29.5 cents for the period ended 30 June 2021 as compared to 15.9 cents for the corresponding period last year.

**Shareholders' equity** stood at MUR 25.1 billion as at 30 June 2021. The capital base of the Group has increased from MUR 30.7 billion as at 31 December 2020 to MUR 31.6 billion as at 30 June 2021.

The **capital adequacy ratio** of the Group stood at 20.7% as at 30 June 2021, comfortably above the minimum regulatory requirements.

Operations of the **Banking Cluster** have all demonstrated positive contribution to the results of the Group, with the most significant contribution coming from SBM Bank (Mauritius) Ltd.

We are confident that the initiatives currently being undertaken with our Indian subsidiary to position itself as an agile digital bank will bear interesting results in the short to medium term.

## INTERIM UNAUDITED CONDENSED STATEMENTS OF PROFIT OR LOSS FOR THE SIX MONTHS ENDED 30 JUNE 2021

	The Group					The Company				
	Unaudited Quarter ended 30 June 2021	Unaudited Quarter ended 30 June 2020	Unaudited Six Months ended 30 June 2021	Unaudited Six Months ended 30 June 2020	Audited Year ended 31 December 2020	Unaudited Quarter ended 30 June 2021	Unaudited Quarter ended 30 June 2020	Unaudited Six Months ended 30 June 2021	Unaudited Six Months ended 30 June 2020	Audited Year ended 31 December 2020
	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000
<b>Continuing Operations</b>										
Interest income using the effective interest method	2,825,142	2,728,930	5,500,449	5,611,174	11,054,390	13,039	13,410	25,669	26,560	52,286
Other interest income	41,715	59,016	123,094	122,560	202,013	-	-	-	-	-
Interest expense using the effective interest method	(952,024)	(984,074)	(1,834,228)	(2,080,007)	(3,625,431)	(108,068)	(118,697)	(213,321)	(236,932)	(444,508)
Other interest expense	(99,726)	(105,747)	(254,477)	(187,133)	(434,831)	(12,294)	(10,490)	(30,575)	(17,619)	(50,728)
<b>Net interest income/(expense)</b>	<b>1,815,107</b>	<b>1,698,125</b>	<b>3,534,838</b>	<b>3,466,594</b>	<b>7,196,141</b>	<b>(107,323)</b>	<b>(115,777)</b>	<b>(218,227)</b>	<b>(227,991)</b>	<b>(442,950)</b>
Fee and commission income	389,322	374,864	813,673	780,312	1,451,371	-	-	-	-	-
Fee and commission expense	(20,928)	(13,111)	(40,037)	(26,091)	(57,312)	-	-	(1)	(140)	(13)
<b>Net fee and commission income/(expense)</b>	<b>368,394</b>	<b>361,753</b>	<b>773,636</b>	<b>754,221</b>	<b>1,394,059</b>	<b>(1)</b>	<b>(140)</b>	<b>(1)</b>	<b>(140)</b>	<b>(13)</b>
Net trading income/(expense)	470,424	247,447	919,933	539,560	1,049,474	-	-	-	(17)	-
Net (loss)/gain from financial assets at fair value through profit or loss	(29,343)	(19,913)	(45,036)	(89,936)	4,708	46,307	36,309	40,379	199,410	376,448
Net (loss)/gain on derecognition of financial assets measured at amortised cost	(281,905)	41,172	6,324	63,701	180,325	-	1,524	772	1,524	2,372
Net gain on derecognition of financial assets measured at fair value through other comprehensive income	528,174	515,339	555,515	805,672	1,245,740	-	-	-	-	-
Other operating (loss)/income	(10,846)	74,057	(10,846)	75,558	151,114	490,704	40,000	505,704	75,000	274,467
<b>Non-interest income</b>	<b>1,044,898</b>	<b>1,219,855</b>	<b>2,199,526</b>	<b>2,148,776</b>	<b>4,025,420</b>	<b>537,011</b>	<b>77,833</b>	<b>546,854</b>	<b>275,777</b>	<b>653,274</b>
<b>Operating income/(loss)</b>	<b>2,860,005</b>	<b>2,917,980</b>	<b>5,734,364</b>	<b>5,615,370</b>	<b>11,221,561</b>	<b>429,688</b>	<b>(37,944)</b>	<b>328,627</b>	<b>47,786</b>	<b>210,324</b>
Personnel expenses	(799,505)	(729,071)	(1,600,880)	(1,422,223)	(2,859,550)	(23,304)	(15,606)	(39,843)	(31,878)	(56,583)
Depreciation of property and equipment	(72,673)	(71,564)	(143,655)	(143,600)	(290,350)	(242)	(543)	(485)	(1,086)	(1,671)
Depreciation of right of use assets	(52,770)	(45,423)	(103,735)	(62,503)	(183,480)	-	-	-	-	-
Amortisation of intangible assets	(200,769)	(142,108)	(401,985)	(280,614)	(575,386)	(69)	(69)	(137)	(137)	(274)
Other expenses	(710,379)	(507,297)	(1,383,862)	(1,346,610)	(2,242,163)	(167,384)	(93,828)	(323,732)	(467,655)	(529,347)
Impairment of investment in subsidiaries	-	-	-	-	-	-	-	-	(124,000)	(124,000)
<b>Non-interest expense</b>	<b>(1,836,096)</b>	<b>(1,495,463)</b>	<b>(3,634,117)</b>	<b>(3,255,550)</b>	<b>(6,150,929)</b>	<b>(190,999)</b>	<b>(110,046)</b>	<b>(364,197)</b>	<b>(624,756)</b>	<b>(711,875)</b>
<b>Profit/(loss) before credit loss expense</b>	<b>1,023,909</b>	<b>1,422,517</b>	<b>2,100,247</b>	<b>2,359,820</b>	<b>5,070,632</b>	<b>238,689</b>	<b>(147,990)</b>	<b>(35,570)</b>	<b>(576,970)</b>	<b>(501,551)</b>
Credit loss expense on financial assets and memorandum items	(615,508)	(948,639)	(1,162,069)	(1,812,786)	(3,757,202)	-	-	-	(190)	(217)
<b>Profit/(loss) before income tax</b>	<b>408,401</b>	<b>473,878</b>	<b>938,178</b>	<b>547,034</b>	<b>1,313,230</b>	<b>238,689</b>	<b>(147,990)</b>	<b>(35,570)</b>	<b>(577,160)</b>	<b>(501,768)</b>
Tax (expense)/credit	(63,337)	(63,481)	(177,206)	(135,495)	(300,126)	-	-	-	-	336
<b>Profit/(loss) for the period/year from continuing operations</b>	<b>345,064</b>	<b>410,397</b>	<b>760,972</b>	<b>411,539</b>	<b>1,013,104</b>	<b>238,689</b>	<b>(147,990)</b>	<b>(35,570)</b>	<b>(577,160)</b>	<b>(501,432)</b>
<b>Discontinued operations</b>										
Profit for the period/year from discontinued operations	-	-	-	-	-	-	-	-	-	-
<b>Profit/(loss) for the period/year attributable to equity holders of the parent</b>	<b>345,064</b>	<b>410,397</b>	<b>760,972</b>	<b>411,539</b>	<b>1,013,104</b>	<b>238,689</b>	<b>(147,990)</b>	<b>(35,570)</b>	<b>(577,160)</b>	<b>(501,432)</b>
<b>Earnings per share:</b>										
From continuing operations										
Basic (Cents)	13.4	15.9	29.5	15.9	39.2	-	-	-	-	-
Diluted (Cents)	13.4	15.9	29.5	15.9	39.2	-	-	-	-	-
From continuing operations and discontinued operations										
Basic (Cents)	13.4	17.2	29.5	17.4	39.5	-	-	-	-	-
Diluted (Cents)	13.4	17.2	29.5	17.4	39.5	-	-	-	-	-

Operations in Kenya are stabilising, following the transition period that followed the acquisition of two institutions three years back. There are plans for rationalisation of the retail network, together with current initiatives to engage in digital banking that are also bearing positive outcome. A vivid example of this transformation is the recent success of the launch of SBM Kenya revamped digital platform, Mkuoni, which is progressively attracting new subscribers since its launch at the end of the semester under review.

Contribution of **Non-Banking Financial Cluster** to the Group's profitability is increasing year on year. The trading, asset management, corporate finance and e-business arms are all showing encouraging growth.

The Board is confident and determined that the Group will pursue 2021 with the implementation of its strategic roadmap as a priority. Consistent with its 'raison d'être', the Group will continue to support its customers during this volatile period through the growing use of digital technologies along with increased attention to its societal and environmental responsibilities.

Even though the world economic outlook seems somewhat positive, the Group remains cautious in its approach whilst being confident that all policy measures taken by governments and central banks will ensure financial stability in geographies where it operates.

As a leading financial institution in Mauritius, SBM Group has a major role to play in the economic recovery of the country. To fulfil its mission, the Board of Directors rely on all its stakeholders for their unflinching and continued support.

Sattar HAJEE ABDLOULA  
Chairman  
12 August 2021

Subhas THECKA  
Director

## INTERIM UNAUDITED CONDENSED STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2021