

INTERIM UNAUDITED CONDENSED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2021



OPERATING INCOME

CREDIT LOSS EXPENSE



PROFIT AFTER TAX

EARNINGS PER SHARE



TOTAL ASSETS MUR 325.1 billion

MUR 123.7 billion



INVESTMENT SECURITIES MUR 143 0 billion

NET LOANS AND ADVANCES TO

DEPOSITS FROM NON-BANK

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

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.

We conducted our review in accordance with International Standard on Review Engagements ("ISRE") 2410: "Review of Interim Financial International Standard on Review ("ISRE") 2410: "Review of Interim Financial International IInformation 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.

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

Date: 12 August 2021

AT 30 JUNE 2021									The Group					The Company	,	
		The Group		The Company	<u>'</u>											
	Unaudited 30 June 2021	Unaudited Audite 30 June 31 Decem 2020 2020			Audited 31 December 2020		Unaudited Quarter ended 30 June	Unaudited Quarter ended 30 June	Unaudited Six Months ended 30 June	Unaudited Six Months ended 30 June	Audited Year ended 31 December	Unaudited Quarter ended 30 June	Unaudited Quarter ended 30 June	Unaudited Six Months ended 30 June	Unaudited Six Months ended 30 June	Audited Year ended 31 Decembe
	MUR' 000	MUR'000 MUR'0	00 MUR' 000	MUR' 000	MUR' 000		2021	2020	2021	2020	2020	2021	2020	2021	2020	2020
ASSETS							MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000
Cash and cash equivalents	32,753,097	15,517,708 21,577,2	45 42,426	53,277	304,473	Continuing Operations Interest income using the effective										
Mandatory balances with central bank	12,306,063	11,151,632 11,290,3		-	-	interest method Other interest income	2,825,142	2,728,930	5,500,449	5,611,174	11,054,390 202.013	13,039	13,410	25,669	26,560	52,286
Loans to and placements with banks	1,941,829	4,747,772 3,130,3		-	-	Interest expense using the effective	41,715	59,016	123,094	122,560	202,013	-	-	-	-	-
Derivative financial instruments	795,804	1,140,412 809,3		-	-	interest method Other interest expense	(952,024) (99,726)	(984,074) (105,747)	(1,834,228) (254,477)	(2,080,007) (187,133)	(3,625,431) (434,831)	(108,068) (12,294)	(118,697) (10,490)	(213,321) (30,575)	(236,932) (17,619)	(444,508) (50,728)
Loans and advances to non-bank customers	123,669,349	118,652,418 120,239,3		-	-	Net interest income/(expense)	1,815,107	1,698,125	3,534,838	3,466,594	7,196,141	(107,323)	(115,777)	(218,227)	(227,991)	(442,950)
Investment securities	142,985,705	120,103,258 121,053,3		7,404,438		Fee and commission income	389,322	374,864	813,673	780,312	1,451,371					
Investment in subsidiaries	2 204 520	- 202240 22070	- 29,344,202			Fee and commission expense	(20,928)	(13,111)	(40,037)	(26,091)	(57,312)			(1)	(140)	(13)
Property and equipment	3,291,539	3,283,349 3,207,0		2,779	2,194	Net fee and commission income/(expense)	368,394	361,753	773,636	754,221	1,394,059	-	-	(1)	(140)	(13)
Right of use assets	780,528	783,877 807,2		1 020	883	Net trading income/(expense) Net (loss)/agin from financial assets at fair	470,424	247,447	919,933	539,560	1,049,474	-	-	-	(17)	-
Goodwill and other intangible assets Deferred tax assets	1,961,087 943,741	2,523,777 2,296,6 500,067 806,1		1,020	003	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
Other assets	3,667,353	3,578,371 3,204,8		163,374	49.719	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
Total assets	325,096,095	281,982,641 288,422,0				Net gain on derecognition of financial					,		-,		_,	-,
LIABILITIES	323,070,073	201,702,041 200,422,0	30,414,701	37,443,130	30,000,144	assets measured at fair value through other	528,174	515,339	555,515	805,672	1,245,740	-	-	-	-	-
Deposits from banks	1,726,566	846,759 1,403,3	15 -		_	comprehensive income Other operating (loss)/income	(10,846)	74,057	(10,846)	75,558	151,114	490,704	40,000	505,704	75,000	274,467
Deposits from non-bank customers	263,935,693	207,187,607 226,862,2		_	_	Non-interest income	1,044,898	1,219,855	2,199,526	2,148,776	4,025,420	537,011	77,833	546,854	275,777	653,274
Other borrowed funds	12,649,671	27,557,040 15,017,1		_	-	Operating income/(loss)	2,860,005	2,917,980	5,734,364	5,615,370	11,221,561	429,688	(37,944)	328,627	47,786	210,324
Derivative financial instruments	879,211	1,358,457 1,279,9		81,783	41,524	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)
Lease liabilities	774,775	776,088 804,4	07 -	-	-	Depreciation of property and equipment Depreciation of right of use assets	(72,673) (52,770)	(71,564) (45,423)	(143,655) (103,735)	(143,600) (62,503)	(290,350) (183,480)	(242)	(543)	(485)	(1,086)	(1,671)
Current tax liabilities	150,930	194,852 260,2	25 -	-	-	Amortisation of intangible assets Other expenses	(200,769) (710,379)	(142,108) (507,297)	(401,985) (1,383,862)	(280,614) (1,346,610)	(575,386) (2,242,163)	(69) (167,384)	(69) (93,828)	(137) (323,732)	(137) (467,655)	(274) (529,347)
Pension liability	744,206	240,694 743,8	07 6,768	1,148	6,914	Impairment of investment in subsidiaries	(/10,3/9)	(307,297)	(1,363,602)	(1,340,010)	(2,242,103)	(107,304)	(93,020)	(323,732)	(124,000)	(124,000)
Other liabilities	9,274,982	7,209,026 6,711,8	44 135,839	114,593	211,206	Non-interest expense	(1,836,096)	(1,495,463)	(3,634,117)	(3,255,550)	(6,150,929)	(190,999)	(110,046)	(364,197)	(624,756)	(711,875)
Subordinated debts	9,823,959	10,241,235 10,142,7	9,823,959	_10,241,235	10,142,786	Profit/(loss) before credit loss expense	1,023,909	1,422,517	2,100,247	2,359,820	5,070,632	238,689	(147,990)	(35,570)	(576,970)	(501,551)
Total liabilities	299,959,993	255,611,758 263,225,7	9,966,566	10,438,759	10,402,430		((45 500)	(0.40. (0.0)	(4.4.0.0.0)	(4.040.70()	(0.000.000				(4.00)	(045)
SHAREHOLDERS' EQUITY						memorandum items	(615,508)	(948,639)	(1,162,069)	(1,812,786)	(3,757,402)		(4.457.000)	(25 550)	(190)	(217)
Stated capital	32,500,204	32,500,204 32,500,2	04 32,500,204	32,500,204		Profit/(loss) before income tax	408,401	473,878	938,178	547,034	1,313,230	238,689	(147,990)	(35,570)	(577,160)	(501,768)
Retained earnings	1,516,699	1,212,457 893,5		203,037	,	Tax (expense)/credit Profit/(loss) for the period/year from	(63,337)	(63,481)	(177,206)	(135,495)	(300,126)					336
Other reserves	(4,005,770)	(2,466,747) (3,322,42	1) (1,412,943)	(821,813)	(1,412,934)	continuing operations	345,064	410,397	760,972	411,539	1,013,104	238,689	(147,990)	(35,570)	(577,160)	(501,432)
	30,011,133	31,245,914 30,071,3	59 31,323,166	31,881,428	31,358,745	Discontinued operations										
Less: Treasury shares	(4,875,031)	(4,875,031) (4,875,03	1) (4,875,031)	(4,875,031)	(4,875,031)	Profit for the period/year from discontinued										
Total equity attributable to equity						operations	-	32,850	1,881	37,434	7,906					
holders of the parent	25,136,102	26,370,883 25,196,3	28 26,448,135	27,006,397	26,483,714	Profit/(loss) for the period/year attributable to equity holders of the parent	345,064	443,247	762,853	448,973	1,021,010	238,689	(147,990)	(35,570)	(577,160)	(501,432)
Total equity and liabilities	325,096,095	281,982,641 288,422,0	94 36,414,701	37,445,156	36,886,144	Earnings per share:	,			= 112,175			(= :: 1: 70)	(,)		(, :52)
Memorandum items	38,255,085	30,073,792 33,126,8	27			From continuing operations										
	- 5/255/505		=			Basic (Cents)	13.4	15.9	29.5	15.9	39.2					
Approved by the Board of Directors an	d authorised	for issue on 12 August :	2021.			Diluted (Cents) From continuing operations and	13.4	15.9	29.5	15.9	39.2					
						discontinued operations										
Sattar HAJEE ABDOULA		Subhas Ti	IECKA			Basic (Cents)	13.4	17.2	29.5	17.4	39.5					
Chairman		Director				Diluted (Cents)	13.4	17.2	29.5	17.4	39.5					

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 strateg

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

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.

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.

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, Mkufoni, which

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.

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. 12 August 2021

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RIM UNAUDITED CO	INDENSED STATEMENTS OF	OTHER COMPREHENSIV	E INCOME FOR THE SIX MO	NTHS ENDED 30 JUNE 2021

	The Group					The Company					
	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
	Quarter	Quarter	Six months	Six months	Year	Quarter	Quarter	Six months	Six months	Year	
	ended	ended	ended	ended	ended	ended	ended	ended	ended	ended	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	31 December 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	31 December 2020	
	2021	2020	2021	2020	2020	2021	2020	2021		2020	
	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000					
Profit/(loss) for the period/year from continuing operations	345,064	447,831	762,853	448,973	1,021,010	238,689	(147,990)	(35,570)	(577,160)	(501,432)	
Other comprehensive income:											
Items that will not be reclassified subsequently to profit or loss:											
Increase in revaluation of property	-	-	-	-	754	-	-	-	-	-	
Revaluation gains on equity instruments measured at FVTOCI	404	-	404	-	(591,373)	-	-	-	-	(591,373)	
Remeasurement of defined benefit pension plan	-	-	-	-	(747,337)	-	-	-	-	(7,291)	
Deferred tax on remeasurement of defined benefit pension plan	=		-		51,409	-		-		<u> </u>	
	404		404	_	(1,286,547)	-	-	-		(598,664)	
Items that may be reclassified subsequently to profit or loss:											
Exchange differences on translation of foreign operations	369,931	53,908	578,475	194,615	88,905	-	-	-	-	-	
Reclassification of translation reserve to profit or loss on deconsolidation of subsidiary	(44,423)	-	(44,423)	-	-	-	-	-	-	-	
Recycling of reserves on derecognition of investment in associate	-	-	-	-	24,166	-	-	-	-	-	
Investment securities measured at FVTOCI											
Movement in fair value during the period/year	(588,790)	2,330,357	(832,453)	1,974,092	2,035,417			(9)	5	258	
Relassification of (losses)/gains included in profit or loss on derecognition	(267,286)	(1,096,006)	(555,515)	(805,672)	(1,235,218)	-	_	(9)	,	230	
						_	-	_	_	_	
Credit (loss)/allowance relating to debt instruments held at FVTOCI	(2,940)	26,103	30,433	10,754	474	-		-			
	(533,508)	1,242,571	(823,483)	1,373,789	913,744	-		(9)		258	
Total other comprehensive (loss)/income	(533,104)	1,242,571	(823,079)	1,373,789	(372,803)	-		(9)	5	(598,406)	
Total comprehensive (loss)/income attributable to equity holders of the parent	(188,040)	1,685,818	(60,226)	1,822,762	648,207	238,689	(147,990)	(35,579)	(577,155)	(1,099,838)	

INTERIM UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2021

	Stated capital	Treasury shares	Statutory reserve	Retained earnings	Property revaluation reserve	Other reserves	Total equity	
The Group	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	
At 01 January 2020	32,500,204	(4,875,031)	687,074	1,114,355	383,615	(5,262,096)	24,548,121	
Profit for the period	-	-	-	448,973	-	-	448,973	TI
Other comprehensive income						1 272 700	1 272 700	
for the period					-	1,373,789	1,373,789	A
Total comprehensive income for the period	-	-	-	448,973	-	1,373,789	1,822,762	Lo
Reclassification from other reserve to revaluation reserve	-	-	-	-	(2,019)	2,019	-	0
Transfer from retained earnings to statutory reserve	-	-	2,531	(2,531)	-	-	-	th
Revaluation surplus realised on depreciation	-	-	-	25,629	(25,629)	-	-	To in
Transfer from retained earnings to other reserve	-	=	-	(373,969)	=	373,969	-	
At 30 June 2020	32,500,204	(4,875,031)	689,605	1,212,457	355,967	(3,512,319)	26,370,883	A
At 01 January 2020	32,500,204	(4,875,031)	687,074	1,114,355	383,615	(5,262,096)	24,548,121	At
Profit for the year	-	-	-	1,021,010	-	-	1,021,010	A
Other comprehensive (loss)/income for the year	-	-	-	(695,928)	754	322,371	(372,803)	Lo
Total comprehensive income for the year				325,082	754	322,371	648,207	0
Reclassification of reserves	-	-	6,709	(10,125)	2,285	1,131	-	th
Revaluation surplus realised on depreciation	-	-	-	53,505	(53,505)	-	-	т.
Transfer from retained earnings to other reserve	-	-	-	(589,241)	-	589,241	-	To th
At 31 December 2020	32,500,204	(4,875,031)	693,783	893,576	333,149	(4,349,353)	25,196,328	
At 01 January 2021	32,500,204	(4,875,031)	693,783	893,576	333,149	(4,349,353)	25,196,328	A
Profit for the period	-	-	-	762,853	-	-	762,853	
Other comprehensive (loss)/income for the period	-	-	-	-	-	(823,079)	(823,079)	At
Total comprehensive income/ (loss) for the period	-	-	-	762,853	-	(823,079)	(60,227)	Lo
Revaluation surplus realised on depreciation	-	-	-	25,797	(25,797)	-	-	O th
Transfer from retained earnings to statutory reserve	-	-	106,477	(106,477)	-	-		To
Transfer from statutory reserve to other reserve	-	-	(18,808)	-	-	18,808	-	th
Transfer from retained earnings to other reserve	-	-	-	(59,050)	-	59,050	_	A

Other reserves include fair value reserve, net translation reserve, general reserve, earnings reserve and restructure reserve

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INTERIM UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 JUNE 2021

		The Group		The Company					
	Unaudited Six months ended 30 June 2021	Unaudited Six months ended 30 June 2020	Audited Year ended 31 December 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			
cash generated from / (used in) operating activities	14,587,195	(16,539,210)	2,197,241	219,165	(205,005)	(400,801)			
cash (used in) / generated from financing activities	(3,118,288)	14,184,007	1,377,245	(660,754)	-	350,000			
cash used in investing activities	(293,656)	(307,479)	(181,545)	179,542	79,650	176,642			
change in cash and cash equivalents	11,175,251	(2,662,682)	3,392,941	(262,047)	(125,355)	125,841			
ected credit loss allowance on cash and cash equivalents	601	(736)	3,178	-	-	-			
and cash equivalents at beginning of period/year	21,577,245	18,181,126	18,181,126	304,473	178,632	178,632	L 7		
and cash equivalents at period/year end	32,753,097	15,517,708	21,577,245	42,426	53,277	304,473	c		

32,500,204 (4,875,031) 781,452 1,516,699 307,352 (5,094,574) 25,136,102

INTERIM UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY **FOR THE SIX MONTHS ENDED 30 JUNE 2021**

The Company	Stated capital MUR'000	Treasury shares MUR' 000	Retained earnings MUR' 000	Net unrealised investment fair value reserve MUR' 000	Total equity MUR' 000
At 01 January 2020	32,500,204	(4,875,031)	780,197	(821,818)	27,583,552
Loss for the period	-	-	(577,160)	-	(577,160)
Other comprehensive income for the period	-	-	-	5	5
Total comprehensive (loss)/income for the period	-	-	(577,160)	5	(577,155)
At 30 June 2020	32,500,204	(4,875,031)	203,037	(821,813)	27,006,397
At 01 January 2020	32,500,204	(4,875,031)	780,197	(821,818)	27,583,552
Loss for the year	-	-	(501,432)	-	(501,432)
Other comprehensive loss for the year	-	-	(7,290)	(591,116)	(598,406)
Total comprehensive loss for the year	-	-	(508,722)	(591,116)	(1,099,838)
At 31 December 2020	32,500,204	(4,875,031)	271,475	(1,412,934)	26,483,714
At 01 January 2021	32,500,204	(4,875,031)	271,475	(1,412,934)	26,483,714
Loss for the period	-	-	(35,570)	-	(35,570)
Other comprehensive loss for the period	-	-	-	(9)	(9)
Total comprehensive loss for the period	-	-	(35,570)	(9)	(35,579)
At 30 June 2021	32,500,204	(4,875,031)	235,905	(1,412,943)	26,448,135

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 2021

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, including the review report, has been extracted from the interim unaudited condensed financial statements for the period ended 30 June 2021.