

**SBM HOLDINGS LTD**

**INTERIM UNAUDITED CONDENSED FINANCIAL STATEMENTS**

**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024**

**SBM HOLDINGS LTD**  
**INTERIM UNAUDITED CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024**

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The management of SBM Holdings Ltd (the "Company") and of its subsidiaries (the "Group") are pleased to present their Management Discussion and Analysis for the nine months ended 30 September 2024.

**Financial review**

**Group key financial highlights**

<u>Key financial indicators</u>	<b>Unaudited Nine months ended 30 September 2024</b>	Unaudited Nine months ended 30 September 2023	Audited Year ended 31 December 2023
<b>Statement of profit or loss (MUR million)</b>			
Net interest income	8,248	8,043	10,642
Operating income	12,461	11,977	15,631
Profit before credit loss expense	4,792	4,978	6,027
Credit loss movement on financial assets and memorandum items	(333)	554	1,047
Profit attributable to owners of the Company	4,019	4,053	4,317
<b>Statement of financial position (MUR million)</b>			
Total assets	405,466	363,743	362,253
Gross loans and advances to non bank customers	171,916	157,297	157,802
Deposits from non-bank customers	329,111	292,763	290,640
Tier 1 capital	31,230	26,773	27,016
Total regulatory capital	40,380	36,590	36,694
Risk weighted assets	197,480	177,456	178,946
Shareholders' equity	36,294	31,690	31,683
<b>Share information</b>			
Market price per share (MUR)	5.5	4.8	4.6
Earnings per share (Cents)	155.7	157.0	167.2
<b>Efficiency ratio (%)</b>			
Cost to income	61.5	58.4	61.4
<b>Performance ratios (%)</b>			
Capital adequacy ratio	20.5	20.6	20.5
Tier 1 capital adequacy ratio	15.8	15.1	15.1
Return on average shareholders' equity	15.8	18.4	14.7
Return on average assets	1.4	1.5	1.2
Return on average risk-weighted assets	2.8	3.1	2.5
<b>Asset quality ratios (%)</b>			
Gross impaired advances to gross advances	6.1	6.9	6.9
Net impaired advances to net advances	2.8	2.1	2.1
Provision coverage ratio	56.7	70.8	71.3
<b>Liquidity ratio (%)</b>			
Credit to deposit ratio	52.2	53.7	54.3

**Financial review (continued)**

**Assets and liabilities**

As of 30 September 2024, the Group's total assets has increased to MUR 405.5 billion, up from MUR 362.3 billion on 31 December 2023. This growth was primarily fueled by a MUR 15.4 billion increase in cash and cash equivalents, driven by an 13.2% rise in deposits.

The gross loan portfolio grew by 8.9% to MUR 171.9 billion as of 30 September 2024, up from MUR 157.8 billion at the end of 2023. This expansion reflects contributions from both overseas subsidiaries and the domestic market, along with a reduction in impairment allowances.

The Group continues to pursue its strategy of investing in higher-yielding assets, resulting in an MUR 7.4 billion increase in investment securities, further boosting total assets.

Total liabilities rose to MUR 369.2 billion, primarily due to a significant increase in deposits from non-bank customers, particularly within the corporate and retail segments, demonstrating ongoing confidence in SBM. Additionally, other liabilities grew from MUR 10.0 billion as of 31 December 2023 to MUR 12.3 billion as of 30 September 2024.

The Group's net assets increased by MUR 4.7 billion since 31 December 2023, driven by a profit of MUR 4.0 billion, a MUR 940.3 million rise in the value of investment securities at FVTOCI and a positive translation gain from the appreciation of the Mauritian rupee against its overseas subsidiary.

**Operating Income**

Due to higher loans and advances, improved market yields, and increased volumes of investment securities, interest income rose by 12.7% over the past nine months compared to the same period last year. Conversely, interest expenses increased by MUR 1,728.9 million, driven by higher deposit levels and increased borrowing costs.

Non-interest income grew by 7.1% compared to the previous year, reaching MUR 4,212.4 million. This increase is primarily due to higher net trading income from the profit on the disposal of debt securities and other operating income, although it was partially offset by a decline in net fee and commission income and loss on derecognition of financial assets at amortised costs by MUR 134.7 million.

**Non-interest expense**

	<b>Unaudited Nine months ended 30 September 2024</b>	Unaudited Nine months ended 30 September 2023	Audited Year ended 31 December 2023
	<b>MUR million</b>	MUR million	MUR million
Personnel expenses	<b>3,493.3</b>	3,170.5	4,275.8
Depreciation of property and equipment	<b>290.2</b>	240.0	330.3
Depreciation of right-of-use assets	<b>177.5</b>	184.1	238.6
Amortisation of intangible assets	<b>494.0</b>	381.4	531.1
	<b>3,213.6</b>	3,023.0	4,228.1
<b>Non-interest expense</b>	<b>7,668.6</b>	6,999.0	9,603.9

Non-interest expenses for the period reached MUR 7,668.6 million, up from MUR 6,999.0 million in the same period last year. This increase was mainly driven by a 10.2% rise in personnel costs, reflecting ongoing capacity-building efforts and salary adjustments across Group entities. The Group also incurred an exchange loss of MUR 124.6 million for the nine months ended 30 September 2024, compared to MUR 57.4 million last year, largely due to the Mauritian rupee's depreciation against the US dollar, which impacted USD-denominated subordinated debt.

**Profitability**

The Group reported a profit before credit loss and tax of MUR 4,792.0 million for the period under review (30 September 2023: MUR 4,978.4 million) and profit after tax of MUR 4,019.2 million for the period under review (30 September 2023: MUR 4,053.5 million).

**Credit exposure**

The Group regularly reviews the diversification of its credit portfolio and factors affecting its operating environment. As far as possible, the Group refrains from having concentrations of risk associated with large exposures, representing credit risk concentration through large advances to a single or a group of related clients. While being an important element in the management of risk exposure, the capital strength is a factor that quite often influences the appetite.

The Group strives to achieve a right balance between growth, liquidity and profitability through a well-diversified portfolio spread across different sectors of the economy and in line with the industry best practices. The breakdown of the loan book is provided in note 6(a).

**Financial review (continued)**

**Credit quality**

IFRS 9 addresses classification, measurement and derecognition of financial assets and liabilities, the impairment of financial assets measured at amortised cost or fair value through other comprehensive income and general hedge accounting.

The Group's asset quality has continued to improve. The gross impaired advances to gross advances ratio declined to 6.1% as of 30 September 2024, compared to 6.9% a year earlier. Meanwhile, the net impaired advances to net advances ratio has also increased from 2.1% to 2.8% as at 30 September 2024. For the nine months ended 30 September 2024, credit loss movement has shifted from a loss of MUR 553.6 million in the same period last year to a credit of MUR 333.1 million, driven by reduced specific provisions.

Further details on impairment of financial assets are provided in notes 4, 5, 6(b), 7, 9 and 14.

Following the application of the revised Bank of Mauritius Guideline on Classification, Provisioning and Write-off of Credit Exposures effective on 30 September 2024, the subsidiary, SBM Bank (Mauritius) Ltd has appropriated part of retained earnings to provision reserve.

**Capital structure**

The Guidelines of the Bank of Mauritius and has implemented the Standardised Approach to the Measurement of Credit Risk.

The Group maintains its capital structure within prudential and supervisory limits and ensures it has adequate capacity for future development and growth.

The table below shows Tier 1 and Tier 2 Capital for the Group and the resulting capital adequacy ratio which stood as at 20.5% at 30 September 2024 (31 December 2023: 20.5%, 30 September 2023: 20.6%).

	<b>Unaudited Nine months ended 30 September 2024</b>	Unaudited Nine months ended 30 September 2023	Audited Year ended 31 December 2023
	MUR million	MUR million	MUR million
<b>Capital Base</b>			
Tier 1	31,230	26,773	27,016
Tier 2	9,150	9,817	9,678
	<b>40,380</b>	<b>36,590</b>	<b>36,694</b>
<b>Risk Weighted Assets</b>			
On balance sheet	160,613	144,745	145,611
Off balance sheet	17,216	15,341	13,946
Operational Risk	18,373	16,178	18,373
Market Risk	1,279	1,192	1,016
	<b>197,481</b>	<b>177,456</b>	<b>178,946</b>
<b>Capital Adequacy Ratio (%)</b>	<b>20.5</b>	<b>20.6</b>	<b>20.5</b>
<b>Tier 1 Capital Adequacy Ratio (%)</b>	<b>15.8</b>	<b>15.1</b>	<b>15.1</b>

**Financial review (continued)**

**Capital structure (continued)**

**Credit risk**

The Group applies the Guidelines issued by the Bank of Mauritius on Standardised approach to Credit Risk for its evaluation of the Capital requirements for Credit Risk, in addition to leveraging from the Group Credit Risk Management policy in place. The regulatory credit risk capital requirement is determined by applying the appropriate risk weights provided in the guidelines to the credit based on its rating assigned by External Credit Assessment Institutions for risk weighted exposure, particularly for sovereign, Central banks of other countries as well as other banking institutions, to each credit exposure.

**Risk management policies and controls**

The Group has a comprehensive risk management framework to identify, measure, monitor, evaluate and manage the risks assumed in conducting its activities.

The Group has adopted the Basel III recommendations and is compliant with the Bank of Mauritius guidelines.

The Group Risk Management team is responsible for the design and application of risk management framework, and is independent of business units.

The framework is integrated within the Group strategy and business planning processes. The effectiveness of this framework is enhanced by strong risk governance, which includes active participation of the Board of Directors, senior executives and business line management in the risk management process.

**Credit risk concentration**

The Group has complied with the Bank of Mauritius requirements on credit concentration limit and remains within the regulatory limits. Total outstanding credit facilities, net of deposits where there is a right of set off, including guarantees, acceptances, and other similar commitments extended by the Banking Group to any one customer or group of closely-related customers for amounts aggregating more than 10% of its Tier 1 capital amounted to MUR 14.0 billion representing only 44.9% of its Tier 1 capital, well within the 800% allowed under the Bank of Mauritius (BOM) guideline on credit

**Related party transactions**

The Group provides regular banking services to some of its related parties in the ordinary course of business which are at arm's length and are on terms similar to those offered to non-related parties.

On and off balance sheet exposures to related parties after set off amounted to MUR 1,783.2 million. The aggregate of non-exempted exposures to related parties represented 5.7% of its Tier 1 Capital, which is well within the limit of 60% prescribed in the BOM Guideline on Related Party Transactions.

There is no related party exposure which is non-performing as at the reporting date.

**Market risk**

Market risk is the risk of loss resulting from adverse movement in market rates or prices such as interest rates, foreign exchange rates and equity prices. Market Risk is monitored both from a Group's perspective and at each individual entity level with reporting to Risk Forums and Board Risk Committees.

A description of each market risk category is provided below:

*Interest rate risk*

The Group's interest rate risk arises mostly from mismatches in the repricing of its assets and liabilities. The Group uses an interest rate gap analysis to measure and monitor the interest rate risk. Prudential limits for currency wise gaps, expressed as a percentage of assets, have been set for specific time buckets and earnings at risk is calculated based on different shock scenarios across major currencies.

**Financial review (continued)**

**Market risk (continued)**

*Interest rate risk (continued)*

The Group actively manages its interest rate exposures with the objective of enhancing net interest income within established risk tolerances limits. Interest rate risk arising from the Group's funding and investment activities is managed in accordance with established procedures which are designed to control the risk to income and economic value of shareholders' equity. The impact of the effect of a specified shift in interest rates on the entity's annual net income and the economic value are periodically assessed.

*Equity risk*

This is the risk of loss due to changes in the prices, volatility of individual equity instruments and equity indices.

Market risk is monitored consistently by the individual entities and are reported to the senior management and to the Assets and Liabilities Committee ("ALCO"). Movement of major currencies, trends and forecasts are analysed in ALCO. Furthermore, the matching of Assets and Liabilities is closely monitored through gap analysis.

*Foreign Exchange risk*

Foreign exchange risk is defined as the risk arising from movement in exchange rate from one currency to another. The Group mitigates this risk by exercising stringent control over its foreign currency exposure by setting prudential limits. Reporting of exposures to foreign exchange and its management are through respective entity Risk Committee and also at Group Board Risk Committee (BRC).

*Liquidity risk*

Liquidity risk is the risk of potential earnings volatility arising from being unable to fund assets at reasonable rates over required maturities. The Group ensures that sufficient liquidity is maintained to fund its day-to-day operations, meet deposit withdrawals and loan disbursements. Liquidity risk is managed by setting prudential limits on maturity mismatches, liquid assets ratios, concentration of deposits by type and entity. Liquidity gap analysis is used to measure and monitor the mismatches by time buckets and currency under realistic and stress scenarios.

Group Board Risk Committee (BRC) provides senior management oversight of liquidity risk and meets on a regular basis to review the Group's liquidity profile.

*Operational risk*

Operational risk is the risk of loss, whether direct or indirect, to which the Group is exposed due to external events, human error, or the inadequacy or failure of processes, systems or controls. According to the Basel Committee, it is defined as: "the risk of loss resulting from inadequate or failed internal processes, people, systems or external events." Operational risk, in some form, exists in each of the Group's business and support activities, can result in financial loss, regulatory sanctions and damage to Group reputation.

The Group has developed policies, standards and assessment methodologies to ensure that operational risk is appropriately identified, managed and controlled.

**Internal audit**

The internal audit team directly reports to the Audit Committee. It performs an independent appraisal of the Group's compliance with internal control systems, accounting practices, information systems, providing assurance regarding the Group corporate governance, control systems and risk management processes. This function operates as per good corporate governance practices.

**Compliance**

The Group is committed to the highest standards of business integrity, transparency and professionalism in its activities. The purpose of the compliance function is to ensure that all business transactions and activities comply with appropriate laws, regulations, policies, guidelines and ethical standards.

The compliance function operates as per good corporate governance practices. This unit is fully operational and attends regularly all the Compliance Committees organised by the Bank of Mauritius. During the period under review, the Group has complied with all regulatory requirements, policies, guidelines and ethical standards.

**SBM HOLDINGS LTD**  
**STATEMENT OF CORPORATE GOVERNANCE PRACTICES**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024**

**7**

Company law requires the Board to prepare financial statements for each financial period/year which indicates fairly the financial position, financial performance, changes in equity and cash flows of the Group and the Company. In preparing those financial statements, the Board shall:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether IFRS Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Board confirms that the above requirements in preparing the financial statements have been respected and that these interim unaudited condensed financial statement have been prepared in accordance with IAS 34 Interim Financial Reporting.

The Directors of the Group are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001 as applicable. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Directors delegates the day to day running of the Group and the Company to the Management. The Board of Directors is made up of Executive and Non Executive Members which are as follows:

	<u>Appointment date</u>	<u>Independent/ Non independent</u>
(1) Mr. Abdul Sattar Adam Ali Mamode Hajee Abdoula - <b>Chairman</b>	11 Mar 20	Independent
(2) Mr Jean Paul Emmanuel Arouff	11 Mar 20	Non-Independent
(3) Mr Raoul Claude Nicolas Gufflet	28 Nov 22	Executive
(4) Ms. Shakilla Bibi Jhungeer	13 Mar 20	Independent
(5) Ms. Sharon Ramdenee	14 Dec 18	Independent
(6) Mr Visvanaden Soondram	11 Mar 20	Non-Independent
(7) Dr. Subhas Thecka	23 Jun 17	Independent

The Committees reporting to the Board are as follows:

- Audit Committee
- Business Review Committee
- Corporate Governance, Conduct Review & Sustainability Committee
- Nomination & Remuneration Committee
- Projects Assessment Committee
- Risk Management Committee
- Strategy Committee

Composition of the committees is reviewed on an on-going basis and is approved by the Board of SBM Holdings Ltd.



The Group's interim unaudited condensed financial statements have been prepared by management, which is responsible for their integrity, consistency, objectivity and reliability. IAS 34 Interim Financial Reporting, as well as the requirements of the the Mauritius Companies Act 2001 and other applicable laws and regulations have been applied and management has exercised its judgement and made best estimates as deemed necessary.

The Group has designed and maintained its accounting systems, related internal controls and stringent procedures, to provide reasonable assurance that financial records are complete and accurate and that assets are safeguarded against loss from unauthorised use or disposal. These processes include careful selection and training of qualified staff, the implementation of organisational and governance structures providing a well defined division of responsibilities, authorisation levels and accountability for performance, and the communication of the Group policies, procedures manuals and guidelines throughout the Group.

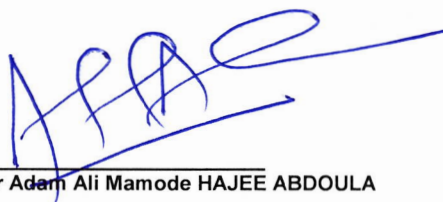
The Group's Board of Directors, acting in part through the Audit Committee, which consists of independent directors, oversees management's responsibility for financial reporting, internal controls, assessment and control of major risk areas and assessment of significant related party transactions.

The Group's Internal Auditor, who has full and free access to the Audit Committee, conducts a well designed programme of internal audits in coordination with the Group's external auditor. In addition, the Group's compliance function maintains policies, procedures and programmes directed at ensuring compliance with regulatory requirements.

Pursuant to the provisions of the Banking Act 2004, the Bank of Mauritius makes such examination and inquiry into the operations and affairs of the Group as it deems necessary.

The Group's External Auditor, Deloitte, has full and free access to the Board of Directors and its committees to discuss the audit and matters arising therefrom, such as their observations on the fairness of financial reporting and the adequacy of internal controls.

Approved by the Board on **08 November 2024** and signed on its behalf by:



**Mr. Abdul Sattar Adam Ali Mamode HAJEE ABDOULA**  
Chairman



**Dr. Subhas THECKA**  
Chairman, Audit Committee

**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 set out on pages 10 to 30 which comprise the consolidated and separate interim unaudited condensed statements of financial position of **SBM Holdings Ltd (the "Company") and of its subsidiaries (the "Group")** as of 30 September 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 period 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 International 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.

***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**

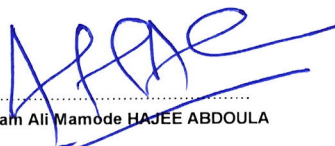
08 November 2024


**SBM HOLDINGS LTD**  
**INTERIM UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2024**

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Notes	The Group			The Company			
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited	
	30 September 2024	30 September 2023	31 December 2023	30 September 2024	30 September 2023	31 December 2023	
	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	
<b>ASSETS</b>							
Cash and cash equivalents	4	39,192,836	11,470,468	23,827,701	181,758	659,022	710,733
Mandatory balances with central banks		17,925,975	15,318,464	16,918,939	-	-	-
Loans to and placements with banks	5	4,724,267	1,908,480	2,853,065	-	-	-
Derivative financial instruments		1,052,507	901,547	679,073	-	-	-
Loans and advances to non-bank customers	6	164,416,857	146,986,752	148,259,418	-	-	-
Investment securities	7	164,948,514	175,137,608	157,532,715	6,644,589	7,225,219	6,814,937
Investment in subsidiaries		-	-	-	31,950,642	31,316,218	31,438,094
Property and equipment		4,395,638	3,941,275	4,140,212	4,984	3,593	5,312
Right of use assets		733,177	712,733	724,545	-	-	-
Intangible assets		1,627,567	1,947,500	1,851,623	-	132	66
Deferred tax assets		1,338,400	1,568,668	1,390,569	-	-	-
Other assets		5,110,160	3,849,041	4,075,455	97,549	84,117	113,970
<b>Total assets</b>		<b>405,465,898</b>	<b>363,742,536</b>	<b>362,253,315</b>	<b>38,879,522</b>	<b>39,288,301</b>	<b>39,083,112</b>
<b>LIABILITIES</b>							
Deposits from banks		3,233,737	5,950,271	2,662,028	-	-	-
Deposits from non-bank customers	8	329,111,007	292,763,481	290,639,805	-	-	-
Other borrowed funds		11,314,882	10,086,786	13,405,661	-	-	-
Derivative financial instruments		1,109,785	1,051,048	782,595	-	-	-
Lease liabilities		817,323	784,029	801,229	-	-	-
Current tax liabilities		820,898	683,481	556,294	805	-	-
Pension liabilities		474,646	582,442	450,863	12,066	9,685	13,058
Other liabilities		12,324,990	8,820,773	10,039,834	92,219	83,637	89,296
Subordinated debts		9,964,931	11,330,264	11,232,173	8,672,569	10,068,380	9,952,271
<b>Total liabilities</b>		<b>369,172,199</b>	<b>332,052,575</b>	<b>330,570,482</b>	<b>8,777,659</b>	<b>10,161,702</b>	<b>10,054,625</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		11,679,395	9,390,956	9,511,081	3,223,850	2,248,531	2,148,355
Other reserves		(3,010,869)	(5,326,168)	(5,453,421)	(747,160)	(747,105)	(745,041)
		41,168,730	36,564,992	36,557,864	34,976,894	34,001,630	33,903,518
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 owners of the Company</b>		<b>36,293,699</b>	<b>31,689,961</b>	<b>31,682,833</b>	<b>30,101,863</b>	<b>29,126,599</b>	<b>29,028,487</b>
<b>Total equity and liabilities</b>		<b>405,465,898</b>	<b>363,742,536</b>	<b>362,253,315</b>	<b>38,879,522</b>	<b>39,288,301</b>	<b>39,083,112</b>
Memorandum items	9	71,564,232	65,446,382	63,591,462			

Approved by the Board of Directors and authorised for issue on 08 November 2024.

  
 Mr. Abdul Sattar Adam Ali Mamode HAJEE ABDOULA  
 Chairman

  
 Dr. Subhas THECKA  
 Chairman, Audit Committee

The notes on page 16 to 30 form an integral part of these interim unaudited condensed financial statements.

**SBM HOLDINGS LTD**  
**INTERIM UNAUDITED CONDENSED STATEMENTS OF PROFIT OR LOSS**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024**

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Notes	The Group					The Company				
	Unaudited Quarter ended 30 September 2024	Unaudited Quarter ended 30 September 2023	Unaudited Nine months ended 30 September 2024	Unaudited Nine months ended 30 September 2023	Audited Year ended 31 December 2023	Unaudited Quarter ended September 2024	Unaudited Quarter ended September 2023	Unaudited Nine months ended 30 September 2024	Unaudited Nine months ended 30 September 2023	Audited Year ended 31 December 2023
	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000
	5,899,833	5,294,237	16,650,789	15,060,962	20,223,838	-	7,091	12,370	15,041	32,765
	180,285	63,842	502,400	158,081	328,406	-	-	-	-	-
	(3,063,016)	(2,466,927)	(8,573,609)	(7,053,446)	(9,245,282)	(113,402)	(133,933)	(355,406)	(402,463)	(534,993)
	(131,336)	(41,556)	(331,408)	(122,663)	(664,631)	-	-	-	-	-
10	2,885,766	2,849,596	8,248,172	8,042,934	10,642,331	(113,402)	(126,842)	(343,036)	(387,422)	(502,228)
	614,192	620,733	1,792,447	1,982,888	2,582,141	-	-	-	-	-
	(29,250)	(33,501)	(94,406)	(92,984)	(137,358)	-	-	-	-	-
11	584,942	587,232	1,698,041	1,889,904	2,444,783	-	-	-	-	-
	960,993	650,913	2,089,665	1,718,374	2,180,663	-	-	-	-	-
13	(48,452)	(109,996)	(23,047)	(153,065)	40,253	(33,887)	-	(26,182)	-	35,342
	-	151,322	(11,443)	123,241	(21,394)	-	-	-	-	-
	23,613	6,515	53,250	54,581	44,962	-	-	(20,971)	-	-
	(70,961)	5,044	405,975	301,418	299,249	66,997	153,812	2,847,779	2,022,892	2,046,581
	1,450,135	1,291,030	4,212,441	3,934,453	4,988,516	33,110	153,812	2,800,626	2,022,892	2,081,923
	4,335,901	4,140,626	12,460,613	11,977,387	15,630,847	(80,293)	26,970	2,457,590	1,635,470	1,579,695
	(1,165,358)	(1,042,854)	(3,493,337)	(3,170,547)	(4,275,825)	(50,901)	(52,895)	(157,912)	(142,146)	(182,456)
	(102,746)	(79,918)	(290,230)	(240,027)	(330,262)	(110)	(109)	(329)	(263)	(372)
	(59,209)	(54,242)	(177,524)	(184,105)	(238,631)	-	-	-	-	-
	(180,178)	(115,441)	(493,986)	(381,402)	(531,095)	-	(66)	(66)	(202)	(269)
	(896,271)	(1,085,714)	(3,213,529)	(3,022,915)	(4,228,071)	70,146	78,920	(189,927)	(89,537)	(76,087)
	-	-	-	-	-	-	-	-	-	(13,816)
	(2,403,762)	(2,378,169)	(7,668,606)	(6,998,996)	(9,603,884)	19,135	25,850	(348,234)	(232,148)	(273,000)
	1,932,139	1,762,457	4,792,007	4,978,391	6,026,963	(61,157)	52,820	2,109,356	1,403,322	1,306,695
14	228,876	(191,082)	333,110	(553,576)	(1,047,247)	-	13	256	13	(185)
	2,161,015	1,571,375	5,125,117	4,424,815	4,979,716	(61,157)	52,833	2,109,612	1,403,335	1,306,510
15	(448,927)	63,793	(1,105,878)	(371,362)	(662,779)	(462)	(3,376)	(1,399)	(684)	1,221
	1,712,088	1,635,168	4,019,239	4,053,453	4,316,937	(61,619)	49,457	2,108,213	1,402,651	1,307,731
	66.3	63.3	155.7	157.0	167.2					

The notes on page 16 to 30 form an integral part of these interim unaudited condensed financial statements.

**SBM HOLDINGS LTD**  
**INTERIM UNAUDITED CONDENSED STATEMENTS OF OTHER COMPREHENSIVE INCOME**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024**

12

	The Group					The Company				
	Unaudited Quarter ended 30 September 2024 MUR' 000	Unaudited Quarter ended 30 September 2023 MUR' 000	Unaudited Nine months ended 30 September 2024 MUR' 000	Unaudited Nine months ended 30 September 2023 MUR' 000	Audited Year ended 31 December 2023 MUR' 000	Unaudited Quarter ended September 2024 MUR' 000	Unaudited Quarter ended September 2023 MUR' 000	Unaudited Nine months ended 30 September 2024 MUR' 000	Unaudited Nine months ended 30 September 2023 MUR' 000	Audited Year ended 31 December 2023 MUR' 000
<b>Profit/(loss) for the quarter/period/year attributable to owners of the Company</b>	<b>1,712,088</b>	1,635,168	<b>4,019,239</b>	4,053,453	4,316,937	<b>(61,619)</b>	49,457	<b>2,108,213</b>	1,402,651	1,307,731
<b>Other comprehensive income :</b>										
<i>Items that will not be reclassified subsequently to profit or loss:</i>										
Gain on property revaluation	-	-	-	30,815	30,815	-	-	-	-	-
Deferred tax arising following change in rate:										
- Revaluation of property	-	40,333	-	40,333	(70,482)	-	-	-	-	-
- Defined benefit pension plans	-	-	-	-	(6,446)	-	-	-	-	-
Remeasurement of defined benefit pension plan	-	-	-	-	(204,466)	-	-	-	-	(5,256)
Deferred tax on revaluation of property	-	(72,151)	-	(72,151)	-	-	-	-	-	-
Deferred tax on remeasurement of defined benefit pension plan	-	-	-	-	27,784	-	-	-	-	-
Net gain/(loss) on equity instruments designated at FVTOCI	-	64,004	<b>(5,204)</b>	78,883	77,347	-	-	-	-	-
	-	32,186	<b>(5,204)</b>	77,880	(145,448)	-	-	-	-	(5,256)
<i>Items that may be reclassified subsequently to profit or loss:</i>										
Exchange differences on translation of foreign operations	<b>(288,223)</b>	(348,751)	<b>684,077</b>	(391,567)	(566,236)	-	-	-	-	-
<i>Debt securities measured at FVTOCI</i>										
-Movement in fair value during the quarter/period/year	<b>926,818</b>	447,088	<b>1,149,476</b>	1,333,934	1,335,432	-	-	<b>18,672</b>	343	2,596
-Fair value loss reclassified to profit or loss on derecognition	<b>(23,613)</b>	(6,515)	<b>(53,250)</b>	(54,581)	(44,962)	-	-	<b>(20,971)</b>	-	-
-Credit loss movement relating to debt instruments held at FVTOCI	-	-	<b>(150,755)</b>	17,561	133,829	-	-	<b>180</b>	-	(189)
	<b>614,982</b>	91,822	<b>1,629,548</b>	905,347	858,063	-	-	<b>(2,119)</b>	343	2,407
Total other comprehensive income/(loss) attributable to owners of the Company	<b>614,982</b>	124,008	<b>1,624,344</b>	983,227	712,615	-	-	<b>(2,119)</b>	343	(2,849)
<b>Total comprehensive income/(loss) attributable to owners of the Company</b>	<b>2,327,070</b>	1,759,176	<b>5,643,583</b>	5,036,680	5,029,552	<b>(61,619)</b>	49,457	<b>2,106,094</b>	1,402,994	1,304,882

The notes on page 16 to 30 form an integral part of these interim unaudited condensed financial statements.

**SBM HOLDINGS LTD**  
**INTERIM UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024**

13

	Note	Stated capital MUR' 000	Treasury shares MUR' 000	Statutory reserve MUR' 000	Retained earnings MUR' 000	Property revaluation reserve MUR' 000	Other reserves* MUR' 000	Total equity MUR' 000
<b>The Group</b>								
<b>At 01 January 2023</b>		32,500,204	(4,875,031)	735,260	5,909,389	273,859	(7,374,042)	27,169,639
Profit for the period		-	-	-	4,053,453	-	-	4,053,453
Other comprehensive income/(loss) for the period		-	-	-	40,333	(41,336)	984,230	983,227
Total comprehensive income/(loss) for the period		-	-	-	4,093,786	(41,336)	984,230	5,036,680
Appropriation of reserves		-	-	28,731	(134,692)	-	105,961	-
Revaluation surplus realised on depreciation		-	-	-	38,831	(38,831)	-	-
Dividend	16	-	-	-	(516,358)	-	-	(516,358)
<b>At 30 September 2023</b>		<b>32,500,204</b>	<b>(4,875,031)</b>	<b>763,991</b>	<b>9,390,956</b>	<b>193,692</b>	<b>(6,283,851)</b>	<b>31,689,961</b>
<b>At 01 January 2023</b>		32,500,204	(4,875,031)	735,260	5,909,389	273,859	(7,374,042)	27,169,639
Profit for the year		-	-	-	4,316,937	-	-	4,316,937
Other comprehensive (loss)/income for the year		-	-	-	(183,128)	(39,667)	935,410	712,615
Total comprehensive income/(loss) for the year		-	-	-	4,133,809	(39,667)	935,410	5,029,552
Appropriation of reserves		-	-	28,731	(67,642)	-	38,911	-
Revaluation surplus realised on depreciation		-	-	-	51,883	(51,883)	-	-
Dividend	16	-	-	-	(516,358)	-	-	(516,358)
<b>At 31 December 2023</b>		<b>32,500,204</b>	<b>(4,875,031)</b>	<b>763,991</b>	<b>9,511,081</b>	<b>182,309</b>	<b>(6,399,721)</b>	<b>31,682,833</b>
<b>At 01 January 2024</b>		<b>32,500,204</b>	<b>(4,875,031)</b>	<b>763,991</b>	<b>9,511,081</b>	<b>182,309</b>	<b>(6,399,721)</b>	<b>31,682,833</b>
Profit for the period		-	-	-	4,019,239	-	-	4,019,239
Other comprehensive income for the period		-	-	-	-	-	1,624,344	1,624,344
Total comprehensive income for the period		-	-	-	4,019,239	-	1,624,344	5,643,583
Revaluation surplus realised on depreciation		-	-	-	39,309	(39,309)	-	-
Appropriation of reserves		-	-	4,503	(857,517)	-	853,014	-
Dividend	16	-	-	-	(1,032,717)	-	-	(1,032,717)
<b>At 30 September 2024</b>		<b>32,500,204</b>	<b>(4,875,031)</b>	<b>768,494</b>	<b>11,679,395</b>	<b>143,000</b>	<b>(3,922,363)</b>	<b>36,293,699</b>

\*Other reserves include unrealised investment fair value reserve, translation reserve, prudential provision reserve, earnings reserve and restructuring reserve. (note 19)

The notes on page 16 to 30 form an integral part of these interim unaudited condensed financial statements.

**SBM HOLDINGS LTD**  
**INTERIM UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024**

14

		Stated capital	Treasury shares	Retained earnings	Unrealised investment fair value reserve	Total equity
<u>The Company</u>	Note	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000
<b>At 01 January 2023</b>		32,500,204	(4,875,031)	1,362,238	(747,448)	28,239,963
Profit for the period		-	-	1,402,651	-	1,402,651
Other comprehensive income for the period		-	-	-	343	343
Total comprehensive income for the period	16	-	-	1,402,651	343	1,402,994
Dividend		-	-	(516,358)	-	(516,358)
<b>At 30 September 2023</b>		<u>32,500,204</u>	<u>(4,875,031)</u>	<u>2,248,531</u>	<u>(747,105)</u>	<u>29,126,599</u>
<b>At 01 January 2023</b>		32,500,204	(4,875,031)	1,362,238	(747,448)	28,239,963
Profit for the year		-	-	1,307,731	-	1,307,731
Other comprehensive (loss)/income for the year		-	-	(5,256)	2,407	(2,849)
Total comprehensive income for the year		-	-	1,302,475	2,407	1,304,882
Dividend	16	-	-	(516,358)	-	(516,358)
<b>At 31 December 2023</b>		<u>32,500,204</u>	<u>(4,875,031)</u>	<u>2,148,355</u>	<u>(745,041)</u>	<u>29,028,487</u>
<b>At 01 January 2024</b>		<u>32,500,204</u>	<u>(4,875,031)</u>	<u>2,148,355</u>	<u>(745,041)</u>	<u>29,028,487</u>
Profit for the period		-	-	2,108,213	-	2,108,213
Other comprehensive loss for the period		-	-	-	(2,119)	(2,119)
Total comprehensive income/(loss) for the period		-	-	2,108,213	(2,119)	2,106,094
Dividend	16	-	-	(1,032,717)	-	(1,032,717)
<b>At 30 September 2024</b>		<u>32,500,204</u>	<u>(4,875,031)</u>	<u>3,223,851</u>	<u>(747,160)</u>	<u>30,101,864</u>

The notes on page 16 to 30 form an integral part of these interim unaudited condensed financial statements.

**SBM HOLDINGS LTD**  
**INTERIM UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024**

15

	The Group			The Company		
	Unaudited Nine months ended 30 September 2024	Unaudited Nine months ended 30 September 2023	Audited Year ended 31 December 2023	Unaudited Nine months ended 30 September 2024	Unaudited Nine months ended 30 September 2023	Audited Year ended 31 December 2023
Note	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000
Net cash generated from/(used in) operating activities	20,323,992	(12,057,662)	(2,652,351)	3,105,698	1,315,962	(537,676)
Net cash used in financing activities	(4,793,559)	(6,052,720)	(2,252,101)	(3,771,319)	(516,358)	(668,267)
Net cash (used in)/generated from investing activities	(815,585)	(1,069,362)	(1,227,496)	-	(16,957)	1,939,920
<b>Net change in cash and cash equivalents</b>	<b>14,714,848</b>	<b>(19,179,744)</b>	<b>(6,131,948)</b>	<b>(665,621)</b>	<b>782,647</b>	<b>733,977</b>
Effect of foreign exchange rate changes	658,596	384,669	(309,149)	136,647	(151,844)	(51,463)
Expected credit loss allowance on cash and cash equivalent	(8,309)	(9,494)	(6,239)	-	-	-
Cash and cash equivalents at beginning of period/year	23,827,701	30,275,037	30,275,037	710,733	28,219	28,219
<b>Cash and cash equivalents at end of period/year</b>	<b>39,192,836</b>	<b>11,470,468</b>	<b>23,827,701</b>	<b>181,759</b>	<b>659,022</b>	<b>710,733</b>

The notes on page 16 to 30 form an integral part of these interim unaudited condensed financial statements.



## **1 General information**

SBM Holdings Ltd (the "Company") is a public company incorporated on 18 November 2010 and domiciled in Mauritius. The Company is listed on the Stock Exchange of Mauritius as from 03 October 2014 pursuant to the Group restructuring approved by the Bank of Mauritius. The address of its registered office is SBM Tower, 1 Queen Elizabeth II Avenue, Port Louis, Mauritius.

The Group operates in the financial services sector, principally commercial banking. The interim unaudited condensed financial statements are presented in Mauritian Rupee, which is the Group's and Company's functional and presentation currency. All values are rounded to the nearest thousand (MUR'000), except where otherwise indicated.

## **2 Accounting policies**

These interim unaudited condensed financial statements do not include all the information and disclosures contained in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2023, which have been prepared under IFRS Accounting Standards.

### **(a) Basis of preparation**

These interim unaudited condensed financial statements for the nine months ended 30 September 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies adopted in the preparation of the interim unaudited condensed financial statements for the nine months ended 30 September 2024 are consistent with those followed in the preparation of the Group's and the Company's 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, which had no significant impact on the amount reported for the current and prior periods.

### **(b) Comparative figures**

Where necessary, the comparative figures are reclassified to conform with changes in presentation in the audited financial statements for the year ended 31 December 2023.

## **3 Significant accounting judgements and estimates**

The preparation of interim unaudited condensed financial statements requires the directors to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these interim unaudited condensed financial statements, the significant judgements made by the directors in applying the Group's and the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2023.



**6 Loans and advances to non-bank customers**

	<b>The Group</b>		
	<b>Unaudited</b>	Unaudited	Audited
	<b>30 September</b>	30 September	31 December
	<b>2024</b>	2023	2023
	<b>MUR' 000</b>	MUR' 000	MUR' 000
Credit cards	531,787	512,016	516,931
Retail customers	<b>61,718,541</b>	54,466,260	56,330,058
- Mortgages	<b>48,338,979</b>	42,358,850	44,107,773
- Other retail loans	<b>13,379,562</b>	12,107,410	12,222,285
Corporate customers	<b>54,083,946</b>	54,355,445	56,071,890
Government	4,234	15,605	4,985
Entities outside Mauritius (including Global Business Licence Holders)	<b>55,577,403</b>	47,947,970	44,878,298
Gross Loans and advances	<b>171,915,911</b>	157,297,296	157,802,162
Less: allowance for credit losses	<b>(7,499,054)</b>	(10,310,544)	(9,542,744)
Net loans and advances	<b>164,416,857</b>	146,986,752	148,259,418

**(a) Gross advances by sectors**

	<b>The Group</b>		
	<b>Unaudited</b>	Unaudited	Audited
	<b>30 September</b>	30 September	31 December
	<b>2024</b>	2023	2023
	<b>MUR' 000</b>	MUR' 000	MUR' 000
Agriculture and fishing	4,960,167	3,326,570	3,467,063
Manufacturing	<b>13,192,967</b>	12,153,946	12,088,496
of which EPZ	<b>1,166,370</b>	1,447,134	1,279,208
Tourism	<b>11,143,327</b>	13,432,178	13,509,826
Transport	<b>1,430,759</b>	2,829,108	1,300,447
Construction	<b>19,741,720</b>	19,613,993	20,268,349
Financial and business services	<b>14,039,533</b>	10,353,359	11,480,607
Traders	<b>11,012,043</b>	10,925,006	9,869,886
Personal	<b>68,740,961</b>	61,077,256	62,967,586
Professional	<b>1,088,564</b>	1,448,541	1,532,138
Global Business Licence holders	<b>3,991,435</b>	3,371,735	3,373,479
Others	<b>22,574,435</b>	18,765,604	17,944,285
	<b>171,915,911</b>	157,297,296	157,802,162

6 Loans and advances to non-bank customers (continued)

(b) Credit quality and risk exposure

	The Group Unaudited 30 September 2024			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	MUR' 000	MUR' 000	MUR' 000	MUR' 000
<b>Internal rating grade</b>				
<b>Performing</b>				
High grade	71,679,546	1,765,384	-	73,444,930
Standard grade	49,265,812	4,506,844	-	53,772,656
Sub-standard grade	24,303,350	8,451,313	-	32,754,663
Past due but not impaired	-	1,405,963	-	1,405,963
<b>Non-performing</b>				
Individually impaired	-	-	10,537,699	10,537,699
<b>Total gross loans and advances</b>	<b>145,248,708</b>	<b>16,129,504</b>	<b>10,537,699</b>	<b>171,915,911</b>
Less expected credit loss allowance	(884,796)	(637,949)	(5,976,309)	(7,499,054)
<b>Net loans and advances</b>	<b>144,363,912</b>	<b>15,491,555</b>	<b>4,561,390</b>	<b>164,416,857</b>

	The Group Unaudited 30 September 2023			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	MUR' 000	MUR' 000	MUR' 000	MUR' 000
<b>Internal rating grade</b>				
<b>Performing</b>				
High grade	47,958,610	10,563,687	-	58,522,297
Standard grade	40,340,069	10,591,936	-	50,932,005
Sub-standard grade	12,780,453	21,843,520	-	34,623,973
Past due but not impaired	-	2,393,083	-	2,393,083
<b>Non-performing</b>				
Individually impaired	-	-	10,825,938	10,825,938
<b>Total gross loans and advances</b>	<b>101,079,132</b>	<b>45,392,226</b>	<b>10,825,938</b>	<b>157,297,296</b>
Less expected credit loss allowance	(442,598)	(2,199,441)	(7,668,505)	(10,310,544)
<b>Net loans and advances</b>	<b>100,636,534</b>	<b>43,192,785</b>	<b>3,157,433</b>	<b>146,986,752</b>

	The Group Audited 31 December 2023			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	MUR' 000	MUR' 000	MUR' 000	MUR' 000
<b>Internal rating grade</b>				
<b>Performing</b>				
High grade	59,213,617	4,105,947	-	63,319,564
Standard grade	47,340,985	3,826,546	-	51,167,531
Sub-standard grade	13,855,253	14,162,898	-	28,018,151
Past due but not impaired	-	4,437,909	-	4,437,909
<b>Non-performing</b>				
Individually impaired	-	-	10,859,007	10,859,007
<b>Total gross loans and advances</b>	<b>120,409,855</b>	<b>26,533,300</b>	<b>10,859,007</b>	<b>157,802,162</b>
Less expected credit loss allowance	(667,552)	(1,171,168)	(7,704,024)	(9,542,744)
<b>Net loans and advances</b>	<b>119,742,303</b>	<b>25,362,132</b>	<b>3,154,983</b>	<b>148,259,418</b>

**7 Investment securities**

	The Group			The Company		
	Unaudited 30 September 2024	Unaudited 30 September 2023	Audited 31 December 2023	Unaudited 30 September 2024	Unaudited 30 September 2023	Audited 31 December 2023
Measured at:	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000
Debt securities at amortised cost	79,761,673	81,273,267	80,495,797	-	372,019	375,189
Debt securities at FVTOCI	64,298,050	73,393,461	57,677,846	-	-	467,537
Debt securities at FVTPL	13,643,799	13,173,166	12,016,067	-	880,601	-
Equity securities designated at FVTOCI	4,993,070	5,793,239	5,771,917	4,303,044	4,303,044	4,303,044
Equity shares measured at FVTPL	2,341,545	1,669,600	1,669,600	2,341,545	1,669,600	1,669,600
	<b>165,038,137</b>	<b>175,302,733</b>	<b>157,631,227</b>	<b>6,644,589</b>	<b>7,225,264</b>	<b>6,815,370</b>
Less: Allowance for credit losses	<b>(89,623)</b>	<b>(165,125)</b>	<b>(98,512)</b>	<b>-</b>	<b>(45)</b>	<b>(433)</b>
	<b>164,948,514</b>	<b>175,137,608</b>	<b>157,532,715</b>	<b>6,644,589</b>	<b>7,225,219</b>	<b>6,814,937</b>

On 13 May 2024, SBMH issued a communique through the Stock Exchange of Mauritius (SEM) to express its intention to disinvest part of its shareholdings in SICOM. This is currently classified as Fair Value Through Profit or Loss (FVTPL).

**8 Deposits from non-bank customers**

	The Group		
	Unaudited 30 September 2024	Unaudited 30 September 2023	Audited 31 December 2023
	MUR'000	MUR'000	MUR'000
Retail	161,087,838	136,817,735	141,786,720
Corporate	42,071,048	133,910,664	129,296,806
Government	125,952,121	22,035,082	19,556,279
	<b>329,111,007</b>	<b>292,763,481</b>	<b>290,639,805</b>

**9 Memorandum Items**

**Acceptance, guarantees, letter of credit, endorsements and other obligations on account of customers**

	The Group		
	Unaudited 30 September 2024	Unaudited 30 September 2023	Audited 31 December 2023
	MUR'000	MUR'000	MUR'000
Acceptances on account of customers	3,409,957	2,044,671	1,917,187
Guarantees on account of customers	21,642,567	18,838,394	19,189,094
Letters of credit and other obligations on account of customers	2,749,096	5,380,601	2,210,680
	<b>27,801,620</b>	<b>26,263,666</b>	<b>23,316,961</b>
<u>Commitments</u>			
Undrawn credit facilities	36,630,125	33,455,681	34,692,390
<b>Others</b>			
Inward bills held for collection	2,254,589	1,990,369	1,880,874
Outward bills sent for collection	4,877,898	3,736,666	3,701,237
	<b>7,132,487</b>	<b>5,727,035</b>	<b>5,582,111</b>
<b>Total</b>	<b>71,564,232</b>	<b>65,446,382</b>	<b>63,591,462</b>
Credit loss allowance	<b>(287,250)</b>	<b>(334,803)</b>	<b>(232,964)</b>
	<b>71,276,982</b>	<b>65,111,579</b>	<b>63,358,498</b>

9 Memorandum Items (continued)

**Acceptance, guarantees, letter of credit, endorsements and other obligations on account of customers (continued)**

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification.

Internal rating grade	Unaudited 30 September 2024			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	MUR' 000	MUR' 000	MUR' 000	MUR' 000
<b>Performing</b>				
High grade	21,577,522	610,733	-	22,188,255
Standard grade	37,090,681	1,348,544	-	38,439,225
Sub-standard grade	9,822,926	981,519	-	10,804,445
<b>Non-performing</b>				
Individually impaired	-	-	132,307	132,307
<b>Total</b>	<b>68,491,129</b>	<b>2,940,796</b>	<b>132,307</b>	<b>71,564,232</b>
Less: expected credit losses classified under other liabilities	(146,909)	(8,034)	(132,307)	(287,250)
	<b>68,344,220</b>	<b>2,932,762</b>	<b>-</b>	<b>71,276,982</b>

Internal rating grade	Unaudited 30 September 2023			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	MUR' 000	MUR' 000	MUR' 000	MUR' 000
<b>Performing</b>				
High grade	27,076,092	410,538	-	27,486,630
Standard grade	25,062,154	348,220	-	25,410,374
Sub-standard grade	8,958,684	3,448,121	-	12,406,805
<b>Non-performing</b>				
Individually impaired	-	-	142,573	142,573
<b>Total</b>	<b>61,096,930</b>	<b>4,206,879</b>	<b>142,573</b>	<b>65,446,382</b>
Less: expected credit losses classified under other liabilities	(174,154)	(22,786)	(137,863)	(334,803)
	<b>60,922,776</b>	<b>4,184,093</b>	<b>4,710</b>	<b>65,111,579</b>

Internal rating grade	Audited 31 December 2023			
	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	MUR' 000	MUR' 000	MUR' 000	MUR' 000
<b>Performing</b>				
High grade	27,283,027	428,391	5,737	27,717,155
Standard grade	26,237,684	1,369,787	-	27,607,471
Sub-standard grade	5,488,057	2,651,315	-	8,139,372
<b>Non-performing</b>				
Individually impaired	-	-	127,464	127,464
<b>Total</b>	<b>59,008,768</b>	<b>4,449,493</b>	<b>133,201</b>	<b>63,591,462</b>
Less: expected credit losses classified under other liabilities	(87,967)	(12,651)	(132,346)	(232,964)
	<b>58,920,801</b>	<b>4,436,842</b>	<b>855</b>	<b>63,358,498</b>

**Contingent liability**

In August 2018, SBM Bank (Kenya) Limited (SBMBK) acquired certain selected assets and assumed certain liabilities of Chase Bank (Kenya) Limited (in Receivership). In 2019, a financial institution claimed that they had deposited funds in the amount of USD 7.5m in Chase Bank (Kenya) Limited (In Receivership). These were not part of the assumed liabilities taken over by SBMBK. The Financial Institution filed a case in the High Court claiming the aforementioned funds. The case was referred by the Court to arbitration and was ruled in favour of SBMBK in April 2021. The financial institution then appealed to the High Court which delivered judgment in their favour in July 2022. SBMBK filed an appeal in the Court of Appeal. SBMBK also obtained a Stay of Execution of the decision of the High Court, pending the determination of SBMBK's appeal. The Appeal was due to be heard on 18th March 2024 in the Court of Appeal but on that day, the Financial Institution indicated to the Court that there is a proposal for an out-of-court settlement by the Financial Institution, which is likely to extinguish the claim of the Financial Institution against SBMBK. The Financial Institution applied for an adjournment of the matter and SBMBK did not oppose the adjournment. The Court allowed the adjournment to facilitate negotiations by the parties, which if successfully completed, will result in the setting aside of the High Court judgement which was in favour of the Financial Institution. The effect of this is that the matter will be marked as settled, without any liability to SBMBK. No provision in relation to this claim has been recognised in these financial statements as the Directors have been advised by the lawyers that the probability of a liability arising is remote.

In June 2017, Kenya Revenue Authority (KRA) demanded penalties on taxes that were collected by Fidelity Commercial Bank (FCB) on behalf of its customers during the year 2016 under a service level agreement between KRA and FCB. These taxes which amounted to KShs. 239,289,236 were collected prior to the acquisition of FCB by SBM Bank (Kenya) Limited (SBMBK) and were paid in full by the latter upon take-over. KRA then raised a demand notice for penalties which had accrued and which were disputed by SBMBK at the time. KRA subsequently raised a revised penalty claim of Kshs 737 million, which was not agreeable to SBMBK. SBMBK declared a dispute in line with the provisions of the service level agreement. SBMBK also filed a case in High Court seeking temporary protection against enforcement of the claim by KRA as well as seeking direction by the Court for the dispute to be resolved through Arbitration. SBMBK was granted temporary protection by the High Court against enforcement of the claim by KRA. The case seeking to refer the matter to arbitration was to be heard in May 2024 but the Judge was not in Court on the day of the hearing. The case has now been scheduled for 6th November 2024 when both parties will present their submissions in Court and then the Court will advise on the date when the judgement will be delivered. The directors, in consideration of the underlying facts about the claim, are confident that SBMBK is not liable and therefore no provision has been made in these financial statements in respect thereof. The possibility and extent to which an outflow of funds will be required to settle the matter will be dependent on the outcome of the ongoing court case and the decision of the arbitrator in the event that the Court directs the parties to resolve the dispute through arbitration.

**SBM HOLDINGS LTD**  
**NOTES TO AND FORMING PART OF THE INTERIM UNAUDITED CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024**

# Net interest income/(expense)

	The Group					The Company				
	Unaudited Quarter ended 30 September 2024	Unaudited Quarter ended 30 September 2023	Unaudited Nine months ended 30 September 2024	Unaudited Nine months ended 30 September 2023	Audited Year ended 31 December 2023	Unaudited Quarter ended 30 September 2024	Unaudited Quarter ended 30 September 2023	Unaudited Nine months ended 30 September 2024	Unaudited Nine months ended 30 September 2023	Audited Year ended 31 December 2023
	MUR'000	MUR'000	MUR' 000	MUR' 000	MUR' 000	MUR'000	MUR'000	MUR' 000	MUR' 000	MUR' 000
<b>Interest Income using the effective interest method</b>										
Cash and cash equivalents	354,325	134,165	673,659	339,242	442,526	-	-	-	-	-
Loans to and placements with banks	97,354	60,580	245,482	140,812	198,373	-	-	-	-	-
Loans and advances to non bank customers	3,683,915	3,386,725	10,587,036	9,797,442	13,170,706	-	-	-	-	-
Investment securities at amortised cost	953,024	930,988	2,877,877	2,744,473	3,662,891	-	3,266	3,560	9,555	12,727
Investment securities at FVTOCI	811,215	781,779	2,266,735	2,038,993	2,749,342	-	3,825	8,810	5,486	20,038
	5,899,833	5,294,237	16,650,789	15,060,962	20,223,838	-	7,091	12,370	15,041	32,765
<b>Other interest income</b>										
Investment securities at FVTPL	102,152	32,698	331,102	56,974	129,795	-	-	-	-	-
Derivatives held for risk management	78,133	31,144	171,298	101,107	198,611	-	-	-	-	-
	180,285	63,842	502,400	158,081	328,406	-	-	-	-	-
<b>Total interest income</b>	6,080,118	5,358,079	17,153,189	15,219,043	20,552,244	-	7,091	12,370	15,041	32,765
<b>Interest expense</b>										
Deposits from non-bank customers	(2,507,362)	(1,954,787)	(6,893,995)	(5,457,611)	(7,464,200)	(56)	-	(56)	-	-
Other borrowed funds	(392,222)	(330,478)	(1,178,040)	(1,050,213)	(1,056,943)	-	-	-	-	-
Subordinated debts	(144,408)	(164,619)	(448,029)	(491,006)	(653,312)	(113,346)	(133,933)	(355,350)	(402,463)	(534,993)
Interest expense on lease liabilities	(19,024)	(17,043)	(53,545)	(54,616)	(70,827)	-	-	-	-	-
<b>Total interest expense</b>	(3,063,016)	(2,466,927)	(8,573,609)	(7,053,446)	(9,245,282)	(113,402)	(133,933)	(355,406)	(402,463)	(534,993)
<b>Other interest expense</b>										
Derivatives held for risk management	(131,336)	(41,556)	(331,408)	(122,663)	(664,631)	-	-	-	-	-
<b>Total interest expense</b>	(3,194,352)	(2,508,483)	(8,905,017)	(7,176,109)	(9,909,913)	(113,402)	(133,933)	(355,406)	(402,463)	(534,993)
<b>Net interest income/(expense)</b>	2,885,766	2,849,596	8,248,172	8,042,934	10,642,331	(113,402)	(126,842)	(343,036)	(387,422)	(502,228)

11 Net fee and commission income

	The Group				
	Unaudited Quarter ended 30 September 2024	Unaudited Quarter ended 30 September 2023	Unaudited Nine months ended 30 September 2024	Unaudited Nine months ended 30 September 2023	Audited Year ended 31 December 2023
	MUR'000	MUR'000	MUR' 000	MUR' 000	MUR' 000
<b>Fee and commission income</b>					
Retail banking customer fees	114,050	98,180	328,473	296,703	410,321
Corporate banking customer fees	213,775	174,223	648,627	588,264	749,659
Brokerage income	78,097	64,657	198,069	184,267	183,364
Assets management fees	15,936	11,253	44,219	38,929	84,467
Factoring fees	3,779	2,597	9,601	7,846	11,801
Card income	133,322	118,087	399,610	508,315	683,543
Other fees	55,232	151,736	163,848	358,564	458,986
<b>Total fee and commission income</b>	<b>614,191</b>	<b>620,733</b>	<b>1,792,447</b>	<b>1,982,888</b>	<b>2,582,141</b>
<b>Fee and commission expense</b>					
Interbank transaction fees	(17,767)	(11,725)	(50,435)	(37,804)	(63,009)
Brokerage	-	-	-	-	(1,374)
Other fees	(11,482)	(21,776)	(43,971)	(55,180)	(72,975)
<b>Total fee and commission expense</b>	<b>(29,249)</b>	<b>(33,501)</b>	<b>(94,406)</b>	<b>(92,984)</b>	<b>(137,358)</b>
<b>Net fee and commission income</b>	<b>584,942</b>	<b>587,232</b>	<b>1,698,041</b>	<b>1,889,904</b>	<b>2,444,783</b>

12 Net trading income

	The Group				
	Unaudited Quarter ended 30 September 2024	Unaudited Quarter ended 30 September 2023	Unaudited Nine months ended 30 September 2024	Unaudited Nine months ended 30 September 2023	Audited Year ended 31 December 2023
	MUR'000	MUR'000	MUR' 000	MUR' 000	MUR' 000
Profit arising from dealing in foreign currencies	444,531	466,973	1,196,704	1,179,828	1,584,075
Profit on disposal of debt securities	495,737	170,689	837,244	523,265	613,627
Other interest rate instruments	20,725	13,251	55,717	15,281	(17,039)
	<b>960,993</b>	<b>650,913</b>	<b>2,089,665</b>	<b>1,718,374</b>	<b>2,180,663</b>

13 Net (losses)/gains from financial assets measured at FVTPL

	The Group				
	Unaudited Quarter ended 30 September 2024	Unaudited Quarter ended 30 September 2023	Unaudited Nine months ended 30 September 2024	Unaudited Nine months ended 30 September 2023	Audited Year ended 31 December 2023
	MUR'000	MUR'000	MUR' 000	MUR' 000	MUR' 000
Financial assets measured at fair value through profit or loss	(32,261)	(24,417)	(62,172)	17,666	40,253
Derivatives held for risk management purposes	(16,191)	(85,579)	39,125	(170,731)	-
	<b>(48,452)</b>	<b>(109,996)</b>	<b>(23,047)</b>	<b>(153,065)</b>	<b>40,253</b>

	The Company				
	Unaudited Quarter ended 30 September 2024	Unaudited Quarter ended 30 September 2023	Unaudited Nine months ended 30 September 2024	Unaudited Nine months ended 30 September 2023	Audited Year ended 31 December 2023
	MUR'000	MUR'000	MUR' 000	MUR' 000	MUR' 000
Financial assets measured at fair value through profit or loss	(33,887)	-	(26,182)	-	35,342



**14 Credit loss movement on financial assets and memorandum items**

	The Group				
	Quarter ended 30 September 2024	Unaudited Nine months 30 September 2024			Total
	Total	Stage 1	Stage 2	Stage 3	
MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	
Loans and advances to non bank customers	(208,350)	248,388	(541,700)	208,326	(84,986)
Loans and placements with banks*	(28,858)	39,584	(7,950)	-	31,634
Debt instruments measured at amortised cost and FVTOCI	(8,049)	26,942	(147,923)	-	(120,981)
Other receivables	(922)	-	-	20,711	20,711
Loan commitments	(10,076)	44,678	(298)	-	44,380
Off balance sheet items (Guarantees, Letters of credit, Acceptances)	(73,679)	(43,915)	(1,907)	4,843	(40,979)
Other financial assets	9,250	-	-	-	-
<b>Total credit loss movement under IFRS 9</b>	<b>(320,684)</b>	<b>315,677</b>	<b>(699,778)</b>	<b>233,880</b>	<b>(150,221)</b>
Write off	131,753				149,550
Recoveries	(39,945)				(332,439)
<b>Total credit loss movement</b>	<b>(228,876)</b>				<b>(333,110)</b>

	The Group				
	Quarter ended 30 September 2023	Unaudited Nine months 30 September 2023			Total
	Total	Stage 1	Stage 2	Stage 3	
MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000	
Loans and advances to non bank customers	(12,082)	(39,833)	(365,490)	728,788	323,465
Loans and placements with banks*	1,063	7,839	13,390	-	21,229
Debt instruments measured at amortised cost and FVTOCI	221,974	34,375	198,725	-	233,100
Other receivables	19,522	-	-	19,522	19,522
Loan commitments	64,337	53,002	30	(13)	53,019
Off balance sheet items (Guarantees, Letters of credit, Acceptances)	(39,891)	1,481	6,854	(27,590)	(19,255)
<b>Total credit loss movement under IFRS 9</b>	<b>254,923</b>	<b>56,864</b>	<b>(146,491)</b>	<b>720,707</b>	<b>631,080</b>
Write off	107,806				252,414
Recoveries	(171,647)				(329,918)
<b>Total credit loss movement</b>	<b>191,082</b>				<b>553,576</b>

	The Group				
	Audited Year ended 31 December 2023				
	Stage 1	Stage 2	Stage 3	Total	
	MUR'000	MUR'000	MUR'000	MUR'000	
Loans and advances to non bank customers	185,367	(1,393,849)	2,455,077	1,246,595	
Loans and placements with banks*	9,773	9,458	-	19,231	
Debt instruments measured at amortised cost and FVTOCI	68,641	132,407	-	201,048	
Loan commitments	(17,506)	1,234	(14)	(16,286)	
Other receivables	27,303	-	41,985	69,288	
Off balance sheet items (Guarantees, Letters of credit, Acceptances)	(6,937)	(6,895)	(37,964)	(51,796)	
<b>Total credit loss movement under IFRS 9</b>	<b>266,641</b>	<b>(1,257,645)</b>	<b>2,459,084</b>	<b>1,468,080</b>	
Write off				38,385	
Recoveries				(459,218)	
<b>Total credit loss movement</b>				<b>1,047,247</b>	

\*ECL movement for cash and cash equivalents are included under loans and placements with banks.

	The Company				
	Unaudited Quarter ended 30 September 2024	Unaudited Quarter ended 30 September 2023	Unaudited Nine months ended 30 September 2024	Unaudited Nine months ended 30 September 2023	Audited Year ended 31 December 2023
	Stage 1	Stage 1	Stage 1	Stage 1	Stage 1
	MUR' 000	MUR' 000	MUR' 000	MUR' 000	MUR' 000
Debt instruments measured at amortised cost	-	13	(256)	13	185



**17 Segment information**

	<b>The Group Unaudited 30 September 2024</b>				
	<b>Banking MUR' 000</b>	<b>Non-bank financial institutions MUR' 000</b>	<b>Non financial institutions MUR' 000</b>	<b>Intersegment adjustments MUR' 000</b>	<b>Group Total MUR' 000</b>
Revenue from external customers	20,847,317	368,768	243,951	-	21,460,036
Revenue from other segments of the entity	2,497,000	132,557	2,574,231	(5,203,788)	-
Total gross revenue	23,344,317	501,324	2,818,182	(5,203,788)	21,460,036
Net interest income	8,564,122	27,087	(343,037)	-	8,248,172
Operating income	14,707,113	457,142	2,462,776	(5,166,418)	12,460,613
Profit for the period	6,725,682	206,661	2,106,397	(5,019,502)	4,019,239
Segment assets	428,745,948	2,964,827	39,028,546	(65,273,423)	405,465,898
Segment liabilities	361,303,361	1,282,285	8,780,654	(2,194,101)	369,172,199
	<b>The Group Unaudited 30 September 2023</b>				
	<b>Banking MUR' 000</b>	<b>Non-bank financial institutions MUR' 000</b>	<b>Non financial institutions MUR' 000</b>	<b>Intersegment adjustments MUR' 000</b>	<b>Group Total MUR' 000</b>
Revenue from external customers	18,614,441	392,595	239,443	-	19,246,479
Revenue from other segments of the entity	1,624,985	211,196	1,809,673	(3,645,855)	-
Total gross revenue	20,239,426	603,791	2,049,116	(3,645,855)	19,246,479
Net interest income	8,414,123	16,558	(387,747)	-	8,042,934
Operating income	13,375,232	556,134	1,646,654	(3,600,633)	11,977,387
Profit for the period	5,844,305	279,355	1,407,110	(3,477,317)	4,053,453
Segment assets	383,454,752	3,886,057	39,446,531	(63,044,805)	363,742,535
Segment liabilities	322,860,239	1,489,360	10,165,255	(2,462,279)	332,052,575
	<b>The Group Audited 31 December 2023</b>				
	<b>Banking MUR' 000</b>	<b>Non-bank financial institutions MUR' 000</b>	<b>Non financial institutions MUR' 000</b>	<b>Intersegment adjustments MUR' 000</b>	<b>Group Total MUR' 000</b>
Revenue from external customers	24,910,233	491,097	276,788	-	25,678,118
Revenue from other segments of the entity	1,624,761	271,213	1,850,223	(3,746,197)	-
Total gross revenue	26,534,994	762,310	2,127,011	(3,746,197)	25,678,118
Net interest income	11,120,332	24,005	(502,006)	-	10,642,331
Operating income	17,026,126	699,554	1,592,018	(3,686,851)	15,630,847
Profit for the year	6,187,379	321,766	1,311,231	(3,503,439)	4,316,937
Segment assets	382,756,203	3,770,906	39,242,839	(63,516,633)	362,253,315
Segment liabilities	321,679,853	1,380,965	10,058,721	(2,549,057)	330,570,482

**18 Fair value of financial assets and financial liabilities**

<u>The Group</u>	Unaudited		Unaudited		Audited	
	30 September 2024		30 September 2023		31 December 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000
<b>Financial assets</b>						
Cash and cash equivalents	39,192,836	39,192,836	11,470,468	11,470,468	23,827,701	23,827,701
Mandatory balances with central banks	17,925,975	17,925,975	15,318,464	15,318,464	16,918,939	16,918,939
Loans to and placements with banks	4,724,267	4,724,267	1,908,480	1,908,480	2,853,065	2,853,065
Derivative financial instruments	1,052,507	1,052,507	901,547	901,547	679,073	679,073
Loans and advances to non-bank customers	164,416,857	163,899,836	146,986,752	146,422,703	148,259,418	147,835,105
Investment securities	164,948,514	163,712,497	175,137,608	173,132,189	157,532,715	153,842,650
Other assets*1	3,976,930	3,976,930	2,628,959	2,628,959	2,967,576	2,967,576
	<b>396,237,886</b>	<b>394,484,847</b>	<b>354,352,278</b>	<b>351,782,810</b>	<b>353,038,487</b>	<b>348,924,109</b>
<b>Financial liabilities</b>						
Deposits from banks	3,233,737	3,233,737	5,950,271	5,950,271	2,662,028	2,662,028
Deposits from non-bank customers	329,111,007	329,018,198	292,763,481	292,763,481	290,639,805	290,525,872
Other borrowed funds	11,314,882	11,314,882	10,086,786	10,086,786	13,405,661	13,405,661
Derivative financial instruments	1,109,785	1,109,785	1,051,048	1,051,048	782,595	782,595
Lease liabilities	817,323	817,323	784,029	784,029	801,229	801,229
Other liabilities*2	11,375,499	11,375,499	8,007,922	9,947,541	9,387,530	9,387,530
Subordinated debts	9,964,931	9,964,931	11,330,264	11,355,515	11,232,173	11,232,173
	<b>366,927,164</b>	<b>366,834,355</b>	<b>329,973,801</b>	<b>331,938,671</b>	<b>328,911,021</b>	<b>328,797,088</b>
<b>The Company</b>						
	Unaudited		Unaudited		Audited	
	30 September 2024		30 September 2023		31 December 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000
<b>Financial assets</b>						
Cash and cash equivalents	181,758	181,758	659,022	659,022	710,733	710,733
Investment securities	6,644,589	6,644,589	7,225,219	7,220,149	6,814,937	6,997,766
Other assets*3	96,476	96,476	83,637	83,078	113,597	113,597
	<b>6,922,823</b>	<b>6,922,823</b>	<b>7,967,879</b>	<b>7,962,248</b>	<b>7,639,267</b>	<b>7,822,096</b>
<b>Financial liabilities</b>						
Other liabilities*4	91,813	91,813	83,078	83,078	86,111	86,111
Subordinated debts	8,672,569	8,672,569	10,068,380	10,068,380	9,952,271	9,952,271
	<b>8,764,382</b>	<b>8,764,382</b>	<b>10,151,458</b>	<b>10,151,458</b>	<b>10,038,382</b>	<b>10,038,382</b>

\*1 An amount of MUR 1,133.2 million pertaining to security deposits, prepayments and taxes has been excluded from other assets under above section (September 2023: MUR 1,220 million; December 2023:1,108 ).

\*2 An amount of MUR 949.5 million pertaining to taxes has been excluded from other liabilities under above section (September 2023: MUR 812.9 million;December 2023:MUR 652.3 million ).

\*3 An amount of MUR 1.1 million pertaining to security deposits, prepayments and taxes has been excluded from other assets under above section (September 2023: MUR 0.5 million;December 2023:MUR 0.4 million).

\*4 An amount of MUR 0.4 million pertaining to taxes has been excluded from other liabilities under above section (September 2023: MUR 0.6 million;December 2023:MUR 3.2 million ).

- For loans and advances to non-bank customers, all the fixed loans and advances maturing after one year have been fair valued based on the current prevailing lending rate and are classified as level 2 assets.

- For investment securities, all the government bonds and BOM bonds have been fair valued based on the latest weighted yield rate and are classified accordingly.

- For deposits from non-bank customers, all the term deposits maturing after one year have been fair valued based on the current prevailing savings rate and are classified as level 2 assets.

**18 Fair value of financial assets and financial liabilities (continued)**

**Fair value measurement hierarchy**

The fair value of equity investments that are quoted on active markets are based on the quoted prices for these instruments. Valuation techniques used to estimate the fair value of unquoted equity investments include the dividend growth, discounted cash flows and net assets. Management has made certain assumptions for inputs in the models, such as risk free rate, risk premium, dividend growth rate, future cash flows, weighted average cost of capital, and earnings before interest depreciation and tax, which may be different from actual. Inputs are based on information available at the reporting date.

The determination of fair values, estimated by discounting future cash flows and by determining the relative interest rates, is subjective. The estimated fair value was calculated according to interest rates prevailing at the reporting date and does not consider interest rate fluctuations. Given other interest rate assumptions, fair value estimates may differ.

Fair value measurements of financial instruments can be grouped into level 1 to 3 based on the degree to which the fair value is observable, namely:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The table below analyses financial instruments measured at fair value at the end of the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised:

**The Group**

**30 September 2024**

Derivative financial assets  
Investment securities mandatorily measured at FVTPL  
    Debt securities  
    Equity securities  
Investments at FVTOCI  
    Debt securities  
    Equity securities  
**Total assets**

	Unaudited			Total
	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3	
	MUR' 000	MUR' 000	MUR' 000	MUR' 000
Derivative financial assets	-	1,052,507	-	1,052,507
Investment securities mandatorily measured at FVTPL				
Debt securities	12,843,650	-	800,149	13,643,799
Equity securities	-	2,341,544	-	2,341,544
Investments at FVTOCI				
Debt securities	59,478,481	2,481,422	2,338,147	64,298,050
Equity securities	71,836	-	4,921,234	4,993,070
<b>Total assets</b>	<b>72,393,967</b>	<b>5,875,473</b>	<b>8,059,530</b>	<b>86,328,970</b>
Derivative financial liabilities	-	1,109,785	-	1,109,785
<b>Total liabilities</b>	<b>-</b>	<b>1,109,785</b>	<b>-</b>	<b>1,109,785</b>

**30 September 2023**

Derivative financial assets  
Investment securities mandatorily measured at FVTPL  
    Debt securities  
    Equity securities  
Investments at FVTOCI  
    Debt securities  
    Equity securities  
**Total assets**

	Unaudited			Total
	Level 1	Level 2	Level 3	
	MUR' 000	MUR' 000	MUR' 000	MUR' 000
Derivative financial assets	-	901,547	-	901,547
Investment securities mandatorily measured at FVTPL				
Debt securities	12,768,515	-	404,651	13,173,166
Equity securities	-	1,669,600	-	1,669,600
Investments at FVTOCI				
Debt securities	68,097,167	2,900,625	2,395,669	73,393,461
Equity securities	81,224	684,086	5,027,929	5,793,239
<b>Total assets</b>	<b>80,946,906</b>	<b>6,155,858</b>	<b>7,828,249</b>	<b>94,931,013</b>
Derivative financial liabilities	-	1,051,048	-	1,051,048
<b>Total liabilities</b>	<b>-</b>	<b>1,051,048</b>	<b>-</b>	<b>1,051,048</b>

**18 Fair value of financial assets and financial liabilities (continued)**

Fair value measurement hierarchy (continued)

The Group

	Audited			
	Level 1	Level 2	Level 3	Total
	MUR' 000	MUR' 000	MUR' 000	MUR' 000
<u>31 December 2023</u>				
Derivative financial assets	-	679,073	-	679,073
Investment securities mandatorily measured at FVTPL				
Debt securities	11,618,018	-	398,049	12,016,067
Equity securities	-	-	1,669,600	1,669,600
Investments at FVTOCI				
Debt securities	52,131,449	2,804,612	2,741,785	57,677,846
Equity securities	79,600	677,967	5,014,350	5,771,917
<b>Total assets</b>	<u>63,829,067</u>	<u>4,161,652</u>	<u>9,823,784</u>	<u>77,814,503</u>
Derivative financial liabilities	-	782,595	-	782,595
<b>Total liabilities</b>	<u>-</u>	<u>782,595</u>	<u>-</u>	<u>782,595</u>

There was no transfer between levels during the period.

The Company

30 September 2024

	Unaudited			
	Level 1	Level 2	Level 3	Total
	MUR' 000	MUR' 000	MUR' 000	MUR' 000
Investment securities mandatorily measured at FVTPL				
Equity securities	-	2,341,545	-	2,341,545
Investments at FVTOCI				
Equity securities	-	-	4,303,044	4,303,044
<b>Total assets</b>	<u>-</u>	<u>2,341,545</u>	<u>4,303,044</u>	<u>6,644,589</u>

30 September 2023

	Unaudited			
	Level 1	Level 2	Level 3	Total
	MUR' 000	MUR' 000	MUR' 000	MUR' 000
Investment securities mandatorily measured at FVTPL				
Debt securities	880,601	-	-	880,601
Equity securities	-	1,669,600	-	1,669,600
Investments at FVTOCI				
Debt securities	-	-	-	-
Equity securities	-	-	4,303,044	4,303,044
<b>Total assets</b>	<u>880,601</u>	<u>1,669,600</u>	<u>4,303,044</u>	<u>6,853,245</u>

31 December 2023

	Audited			
	Level 1	Level 2	Level 3	Total
	MUR' 000	MUR' 000	MUR' 000	MUR' 000
Investment securities mandatorily measured at FVTPL				
Debt securities	-	-	-	-
Equity securities	-	-	1,669,600	1,669,600
Investments at FVTOCI				
Debt securities	467,537	-	-	467,537
Equity securities	-	-	4,303,044	4,303,044
<b>Total assets</b>	<u>467,537</u>	<u>-</u>	<u>5,972,644</u>	<u>6,440,181</u>

**SBM HOLDINGS LTD**  
**NOTES TO AND FORMING PART OF THE INTERIM UNAUDITED CONDENSED FINANCIAL STATEMENTS**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024**

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**19 Other reserves**

<b>The Group</b>	<b>Unrealised investment fair value reserve</b>	<b>Translation reserve</b>	<b>Prudential Provision reserve</b>	<b>Earnings reserve</b>	<b>Restructuring reserve</b>	<b>Total</b>
	<b>MUR' 000</b>	<b>MUR' 000</b>	<b>MUR' 000</b>	<b>MUR' 000</b>	<b>MUR' 000</b>	<b>MUR' 000</b>
<b>At 01 January 2023</b>	(3,033,353)	256,171	783,480	2,935,807	(8,316,147)	(7,374,042)
Other comprehensive income/(loss) for the period	1,375,797	(391,567)	-	-	-	984,230
Appropriation of reserves	-	-	105,961	-	-	105,961
<b>At 30 September 2023</b>	<u>(1,657,556)</u>	<u>(135,396)</u>	<u>889,441</u>	<u>2,935,807</u>	<u>(8,316,147)</u>	<u>(6,283,851)</u>
<b>At 01 January 2023</b>	(3,033,353)	256,171	783,480	2,935,807	(8,316,147)	(7,374,042)
Other comprehensive income/(loss) for the year	1,501,646	(566,236)	-	-	-	935,410
Appropriation of reserves	-	-	38,911	-	-	38,911
<b>At 31 December 2023</b>	<u>(1,531,707)</u>	<u>(310,065)</u>	<u>822,391</u>	<u>2,935,807</u>	<u>(8,316,147)</u>	<u>(6,399,721)</u>
<b>At 01 January 2024</b>	<b>(1,531,707)</b>	<b>(310,065)</b>	<b>822,391</b>	<b>2,935,807</b>	<b>(8,316,147)</b>	<b>(6,399,721)</b>
Total comprehensive income for the period	<b>940,267</b>	<b>684,077</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,624,344</b>
Appropriation of reserves	<b>-</b>	<b>-</b>	<b>853,014</b>	<b>-</b>	<b>-</b>	<b>853,014</b>
<b>At 30 September 2024</b>	<u><b>(591,440)</b></u>	<u><b>374,013</b></u>	<u><b>1,675,405</b></u>	<u><b>2,935,807</b></u>	<u><b>(8,316,147)</b></u>	<u><b>(3,922,363)</b></u>