

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF SBI (MAURITIUS) LTD

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the statement of financial position of **SBI (Mauritius) Ltd** (the “**Bank**”) as of 31 December 2023 and the related statements of income and changes in equity for the nine-month period then ended in accordance with the terms of our engagement letter dated 07 June 2023. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards (“**IFRS**”). Our responsibility is to express a conclusion on this interim financial information based on our review.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

REVIEWER'S RESPONSIBILITY

Our responsibility is to express a conclusion on the accompanying financial statements. 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. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This Standard also requires us to comply with relevant ethical requirements. A review of financial statements in accordance with ISRE 2410 is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not give a true and fair view of the financial position of the Bank as at 31 December 2023, and of its financial performance and cash flows for the year then ended, in accordance with IFRS.



Mazars LLP

Date: 17 January 2024



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SUMMARY UNAUDITED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 31 DECEMBER 2023

COMMENTS ON RESULTS:

The bank has delivered consistent results during this quarter by reporting a Net profit after tax of USD 22.15 Mio as of Dec 2023 compared with last year level of USD 13.10 Mio.

The ROAE and the ROAA have improved to stand at 18.54% and 2.49% respectively, as on 31st Dec 2023 compared to 12.08% and 1.59%, as on 31st Dec 2022.

With the continuation of our business momentum, the bank's total assets increased and stood at USD 1,260.47 Mio as on 31st Dec 2023. Total loans and advances portfolio of USD 802.15 Mio as on 31st Dec 2023 compared to USD 588.29 Mio as on 31st Dec 2022. (Y-o-Y growth of 36.35%).

Customer deposits have expanded by 10.44% to stand at USD 887.03 Mio as at 31st Dec 2023 compared to USD 803.12 Mio as on 31st Dec 2022. The deposit is judiciously managed by the bank in tandem with the assets base.

The investment book has registered an increase of 7.02% to stand at USD 278.77 Mio as on 31st Dec 2023 as compared to USD 260.48 Mio as on 31st Dec 2022.

The level of gross and net non-performing assets stood at USD 0.85 Mio and NIL, respectively, as on 31st Dec 2023 against USD 0.91 Mio and NIL, respectively, as on 31st March 2023. On percentage basis, the Gross NPA & Net NPA stood at 0.11% and 0.00% respectively as at end of Dec'23 as compared to 0.13% and 0.00% as at end of Mar'23.

The Capital position of the bank has been comfortable with Capital Adequacy Ratio standing at 23.86 % as at end of Dec'23.

We, SBI (Mauritius) Ltd are hopeful of continuous business momentum as we are striving to improve various business and profitability parameters.



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**SUMMARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED 31 DECEMBER 2023**

| | Quarter ended 31 December 2023 USD Unaudited | Nine months ended 31 December 2023 USD Unaudited | Quarter ended 31 December 2022 USD Unaudited | Nine months ended 31 December 2022 USD Unaudited | Year ended 31 March 2023 USD Audited |
|--|--|--|--|--|--|
| Interest income | 17,072,250 | 48,226,561 | 10,812,207 | 23,990,433 | 36,510,173 |
| Interest expense | (8,764,804) | (23,601,539) | (4,732,094) | (8,633,590) | (14,858,127) |
| Net interest income | 8,307,446 | 24,625,022 | 6,080,113 | 15,356,843 | 21,652,046 |
| Net fee and commission income | 806,335 | 2,461,890 | 763,703 | 2,049,915 | 2,743,720 |
| Net trading income | 916,222 | 2,677,927 | 948,739 | 2,096,751 | 2,538,474 |
| Other operating income | 59,717 | 239,803 | 114,591 | 638,230 | 630,506 |
| | 975,939 | 2,917,730 | 1,063,330 | 2,734,981 | 3,168,980 |
| Operating income | 10,089,720 | 30,004,642 | 7,907,146 | 20,141,739 | 27,564,746 |
| Net impairment loss on financial assets | 23,427 | 188,928 | - | - | 8,807,736 |
| Personnel expenses | (1,224,399) | (3,260,328) | (1,035,988) | (2,976,863) | (4,665,820) |
| Depreciation and amortisation | (244,951) | (734,663) | (275,235) | (690,739) | (948,510) |
| Other expenses | (972,811) | (2,363,081) | (823,403) | (2,283,610) | (4,636,948) |
| Profit before income tax | 7,670,986 | 23,835,498 | 5,772,520 | 14,190,527 | 26,121,204 |
| Income tax expense | (600,000) | (1,685,000) | (370,000) | (1,090,000) | (1,780,000) |
| Profit for the period/year | 7,070,986 | 22,150,498 | 5,402,520 | 13,100,527 | 24,341,204 |
| Other comprehensive income | | | | | |
| Items that will not be reclassified to profit or loss | | | | | |
| Remeasurement of defined benefit obligations, net of deferred tax | - | - | - | - | (118,422) |
| Fair value gains/ (losses) on investment in equity securities | 18,496 | 15,264 | 29,680 | (49,017) | 66,832 |
| Items that may be reclassified subsequently to profit or loss | | | | | |
| Fair value (losses)/ gains on investment in debt securities | 971,458 | 1,040,656 | (101,650) | (1,382,032) | (538,000) |
| Other comprehensive (loss)/ income for the period/year | 989,954 | 1,055,920 | (71,970) | (1,431,049) | (589,590) |
| Total comprehensive income for the period/ year | 8,060,940 | 23,206,418 | 5,330,550 | 11,669,478 | 23,751,614 |
| Earnings per share | 9.09 | 28.47 | 6.94 | 16.84 | 31.29 |



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INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

| | 31 December 2023 USD Unaudited | 31 December 2022 USD Unaudited | 31 March 2023 USD Audited |
|-------------------------------------|---|---|------------------------------------|
| ASSETS | | | |
| Cash and cash equivalents | 136,220,058 | 222,116,176 | 154,659,586 |
| Loans and advances to banks | 195,496,638 | 111,177,062 | 125,580,704 |
| Loans and advances to customers | 606,653,719 | 477,109,187 | 483,214,218 |
| Investment securities | 278,773,352 | 260,485,935 | 263,568,508 |
| Derivative assets | 144,744 | - | - |
| Property, plant and equipment | 7,276,646 | 7,474,747 | 7,405,206 |
| Deferred tax assets | 645,972 | 661,149 | 505,972 |
| Right-of-use assets | 773,515 | 989,269 | 944,557 |
| Other assets | 34,491,984 | 19,905,278 | 27,246,346 |
| Total assets | 1,260,476,628 | 1,099,918,803 | 1,063,125,097 |
| LIABILITIES | | | |
| Deposits from customers | 887,032,757 | 803,131,837 | 750,846,691 |
| Other borrowed funds | 175,042,548 | 126,979,065 | 121,573,927 |
| Derivative liabilities | - | 199,752 | 213,955 |
| Current tax liabilities | 1,359,314 | 932,578 | 1,446,707 |
| Retirement benefit obligation | 3,906,423 | 4,809,953 | 3,906,423 |
| Lease liabilities | 819,021 | 977,517 | 960,451 |
| Other liabilities | 14,013,650 | 7,920,000 | 17,126,706 |
| Total liabilities | 1,082,173,713 | 944,950,702 | 896,074,860 |
| Shareholders' equity | | | |
| Share capital | 48,627,188 | 48,627,188 | 48,627,188 |
| Share premium | 54,078,062 | 54,078,062 | 54,078,062 |
| Retained earnings | 48,626,974 | 32,023,850 | 38,430,216 |
| Statutory and other reserves | 29,932,338 | 25,255,311 | 29,866,372 |
| Actuarial losses reserve | (2,961,647) | (5,016,310) | (3,951,601) |
| Total equity | 178,302,915 | 154,968,101 | 167,050,237 |
| Total equity and liabilities | 1,260,476,628 | 1,099,918,803 | 1,063,125,097 |

This interim condensed financial information was approved and authorised for issue by the Board of Directors on 17 January 2024 and signed on its behalf by:

S. Adhya

Managing Director & CEO

N. Maraye

Director and Chairperson of the Audit Committee

D. Ponnusamy

Director



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INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE NINE-MONTH PERIOD ENDED 31 DECEMBER 2023

| | Share Capital USD | Share Premium USD | Statutory Reserve USD | General Banking Reserve USD | Other Reserve USD | Actuarial Losses Reserve USD | Retained Earnings USD | Total equity USD |
|--|-------------------|-------------------|-----------------------|-----------------------------|--------------------|------------------------------|-----------------------|---------------------|
| Balance at 1 April 2022 | 48,627,188 | 54,078,062 | 26,973,610 | 603,175 | (890,426) | (5,016,310) | 28,648,761 | 153,024,060 |
| Profit for the period | - | - | - | - | - | - | 13,100,527 | 13,100,527 |
| Other comprehensive income for the period | - | - | - | - | (1,431,049) | - | - | (1,431,049) |
| Dividend paid | - | - | - | - | - | - | (9,725,437) | (9,725,437) |
| Balance at 31 December 2022 (unaudited) | 48,627,188 | 54,078,062 | 26,973,610 | 603,175 | (2,321,475) | (5,016,310) | 32,023,851 | 154,968,101 |
| Balance at 1 April 2022 | 48,627,188 | 54,078,062 | 26,973,610 | 603,175 | (890,426) | (5,016,310) | 28,648,761 | 153,024,060 |
| Profit for the year | - | - | - | - | - | - | 24,341,204 | 24,341,204 |
| Other comprehensive income for the year | - | - | - | - | (471,168) | (118,422) | - | (589,590) |
| Dividend paid | - | - | - | - | - | - | (9,725,437) | (9,725,437) |
| Transfer to actuarial loss reserve | - | - | - | - | - | 1,183,131 | (1,183,131) | - |
| Transfer to statutory reserves | - | - | 3,651,181 | - | - | - | (3,651,181) | - |
| Balance at 31 March 2023 (audited) | 48,627,188 | 54,078,062 | 30,624,791 | 603,175 | (1,361,594) | (3,951,601) | 38,430,216 | 167,050,237 |
| Balance at 1 April 2023 | 48,627,188 | 54,078,062 | 30,624,791 | 603,175 | (1,361,594) | (3,951,601) | 38,430,216 | 167,050,237 |
| Profit for the period | - | - | - | - | - | - | 22,150,498 | 22,150,498 |
| Dividend paid | - | - | - | - | - | - | (12,156,797) | (12,156,797) |
| Reversal of unclaimed dividend | - | - | - | - | - | - | 203,057 | 203,057 |
| Other comprehensive income for the period | - | - | - | - | 1,055,920 | - | - | 1,055,920 |
| Balance at 31 December 2023 (unaudited) | 48,627,188 | 54,078,062 | 30,624,791 | 603,175 | (305,674) | (3,951,601) | 48,626,974 | 178,302,915 |

15% of profit after tax is transferred to the Statutory Reserve in compliance with the requirements of the Banking Act 2004, until such time that the statutory reserve equals the Bank's share capital.

The General Banking Reserve consists of amounts set aside in respect of the impairment of the loan portfolio, in addition to the impairment allowances computed under IFRS 9 Financial Instruments.



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INTERIM CONDENSED STATEMENT OF CASH FLOWS FOR THE NINE-MONTH PERIOD ENDED 31 DECEMBER 2023

| | Nine months ended 31 December 2023 USD Unaudited | Nine months ended 31 December 2022 USD Unaudited | Year ended 31 March 2023 USD Audited |
|--|--|--|--|
| Cash flows from operating activities | 23,835,498 | 14,190,527 | 26,121,204 |
| Profit for the period/ year | | | |
| Adjustments for: | | | |
| Depreciation and amortisation | 734,663 | 690,739 | 948,510 |
| Net gain of investments | - | (282,214) | (282,214) |
| Dividend on investment | (53,080) | (60,879) | (60,879) |
| Exchange rate difference | 809,069 | (861,556) | (831,045) |
| Profit on disposal of property and equipment | - | - | - |
| Fair value movement on financial instrument carried at FVTPL | - | 3,460 | 5,593 |
| Increase in provision for retirement benefit obligations | - | - | 154,945 |
| Interest on lease liabilities | 28,418 | 24,515 | 32,443 |
| Impairment on financial assets | (188,928) | - | - |
| Changes in operating assets and liabilities | 25,165,640 | 13,704,592 | 26,088,557 |
| (Increase)/ decrease in loans and advances to banks | (69,180,319) | 22,615,875 | 7,820,932 |
| (Increase)/ decrease in loans and advances to customers | (121,824,088) | (31,469,713) | (36,445,304) |
| (Increase)/ decrease in other assets | (7,245,638) | (1,991,128) | (9,332,196) |
| (Increase)/ decrease in derivative assets/liabilities | (358,699) | 232,494 | 246,697 |
| Increase/ (decrease) in deposits from customers | 130,363,205 | 151,764,501 | 98,196,157 |
| (Decrease)/ increase in other liabilities | (3,113,056) | 2,228,440 | 11,435,146 |
| Net change in interest receivable | (1,377,365) | (1,096,489) | (2,298,003) |
| Net change in interest payable | 6,775,932 | 4,287,708 | 5,165,770 |
| Income tax paid | (1,912,393) | (987,422) | (1,053,293) |
| Net cash generated from operating activities | (42,706,781) | 159,288,858 | 99,824,463 |
| Cash flows from investing activities | | | |
| Increase in investment securities (net) | (419,251,495) | (167,460,242) | (337,412,906) |
| Proceeds from sale of investment securities | 403,551,191 | 172,310,748 | 339,465,961 |
| Purchase of property, plant and equipment | (314,026) | (237,163) | (308,532) |
| Proceeds from sale of property, plant and equipment | 11,177 | - | - |
| Dividend on investment | 53,083 | 60,879 | 60,879 |
| Net cash (used in)/ generated from investing activities | (15,950,070) | 4,674,222 | 1,805,402 |
| Cash flows from financing activities | | | |
| Other borrowed funds | 52,515,550 | (110,753,358) | (115,753,358) |
| Repayment of lease liability | (141,430) | (216,738) | (340,113) |
| Dividend paid | (12,156,797) | (9,725,437) | (9,725,437) |
| Net cash (used in)/generated from financing activities | 40,217,323 | (120,695,533) | (125,818,908) |
| Net (decrease)/ increase in cash and cash equivalents | (18,439,528) | 43,267,547 | (24,189,043) |
| Cash and cash equivalents at beginning of period/year | 154,659,586 | 178,848,629 | 178,848,629 |
| Cash and cash equivalents at end of period/year | 136,220,058 | 222,116,176 | 154,659,586 |