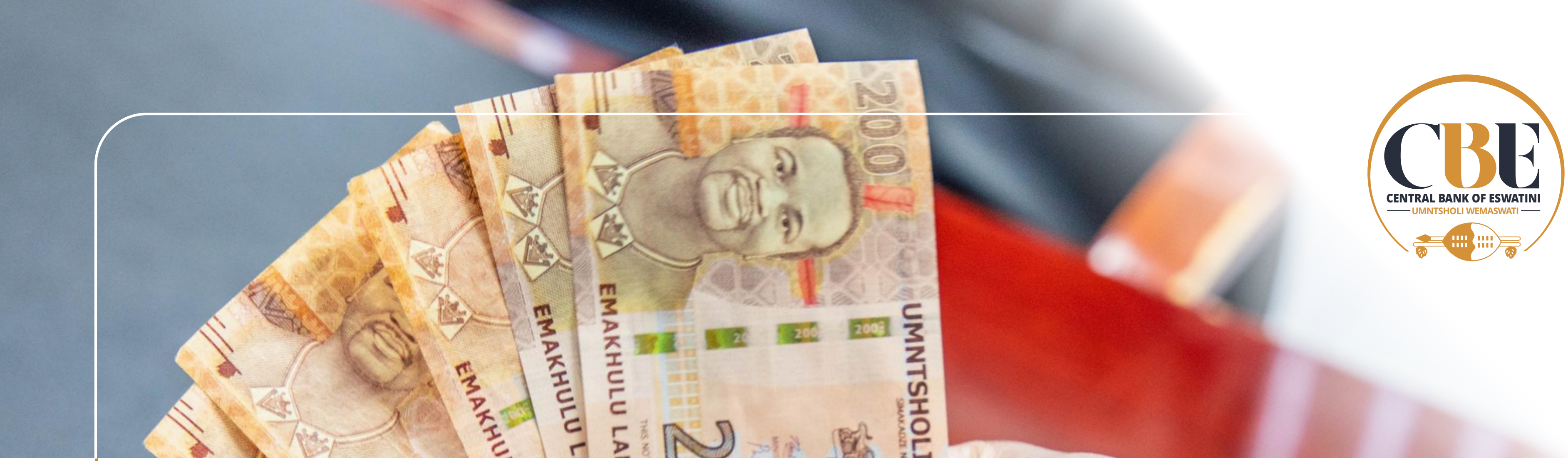

CBE
CENTRAL BANK OF ESWATINI
UMNTSHOLI WEMASWATI

Public Statement

1. Licensing of SBS Bank Eswatini (SBSBE)

The Central Bank of Eswatini (CBE) is pleased to announce the decision to grant a provisional license to a new entrant in the banking space: SBS Bank Eswatini (SBSBE), currently operating as Swaziland Building Society, to operate as a medium-sized commercial bank within the Kingdom of Eswatini.

This decision follows a comprehensive review process that was conducted in line with Eswatini laws and the banking regulatory framework. SBS Bank Eswatini submitted its application to the Bank on 30 June 2025, and following a robust evaluation process, the Central Bank has determined that SBSBE meets the regulatory standards required and qualifies to be granted a provisional license.

The Bank's decision was informed by several key considerations, including:

- **Validity of the documents** – The validity of all submitted documents, as outlined in the CBE Policy on Licensing of Banking and Financial Institutions, was found to be satisfactory.
- **Financial status and history of the applicant** – As Eswatini's oldest and longest-standing homegrown financial institution and operating as a mutual building society since 1962, SBSBE inherits SBS's strong legacy, including a trusted brand, a loyal customer base and deep market knowledge evidenced by sustained favourable financial indicators over the last few years. The applicant was therefore deemed to possess sufficient experience and financial health to support the proposed operations of the bank.
- **Character and experience of its managers** – The proposed board and senior management team of the bank comprise individuals with extensive backgrounds in banking, finance, legal, compliance, marketing, human resources, operations and information technology. They were therefore rated adequate in terms of balance of skills, exemplified by a diversity of skills, experience and expertise.
- **Adequacy of its capital structure** – The applicant was assessed to have strong capital adequacy ratios, well above the statutory minimum, as well as a compliant capital level as required by Section 20 of the FIA.
- **Convenience and needs of the community it intends to serve** – SBSBE presented a well-structured analysis of the credit needs of the community it seeks to serve. The analysis highlighted the diversity of financial behaviours across the different socio-economic segments, identifying the dominance of informal lending, the limited penetration of formal credit, and the barriers that prevent access. By adopting an inclusive approach where products will be available for all qualifying individuals across low, medium and high-income groups, the applicant is likely to position itself as a competitive industry player.
- **Earning prospects afforded by the area primarily to be served** – The assessment of the bank's earnings prospects revealed a realistic and cautiously optimistic outlook, backed by a business plan informed by reasonable assumptions that are aligned with their transformation goals.
- **Public interest** – SBSBE's segmentation framework for product targeting and its emphasis on financial inclusion align well with national development goals.

The Central Bank will continue to work closely with SBS Bank Eswatini and other relevant stakeholders to ensure that all regulatory and legal requirements tied to the provisional license are met before a full banking license is granted and the bank becomes operational. Further announcements and developments on this will be announced in due course.

The Central Bank congratulates SBS Bank Eswatini on this milestone and looks forward to the value they will bring to the nation's financial sector and broader economy.

2. Letshego Eswatini Bank (LEB) – Status Update

On the 13th of June 2025, the Central Bank of Eswatini (CBE) granted a provisional license to Letshego Eswatini Bank (LEB) to operate as a digital bank within the Kingdom of Eswatini for a period not exceeding 12 months. To monitor Letshego's progress in satisfying the conditions that were tied to the provisional licence, the Central Bank established a tracking mechanism, which has been instrumental in assessing how the bank is performing in its operationalisation journey. The Bank is happy to update the public that LEB has made some headway towards fully complying with the requirements. The Bank will continue to engage with LEB and provide the appropriate oversight (where appropriate) to ensure that the transitional process is seamless and does not disrupt the stability of the financial sector. In regulatory terms, LEB is still a bank in organization.

Central Bank Governor
Dr. Phil Mnisi