

The Hongkong and Shanghai Banking Corporation Limited – Mauritius Branch

Unaudited Statement of Profit or Loss and Other Comprehensive Income

for the period ended 31 March 2019

	Period ended 31-Mar-19 MUR'000	Period ended 31-Mar-18 MUR'000	Year ended 31-Dec-18 MUR'000
Interest income	249,099	195,532	878,362
Interest expense	(92,602)	(50,075)	(261,206)
Net interest income	156,497	145,457	617,156
Fee and commission income	45,958	44,051	192,053
Fee and commission expense	(9,424)	(9,463)	(29,147)
Net fee and commission income	36,534	34,588	162,906
Net trading income	28,485	46,109	143,587
	221,516	226,154	923,649
Other operating income	96,408	83,878	367,977
Total operating income	317,924	310,032	1,291,626
Net impairment loss	(3,512)	(917)	(4,312)
Personnel expenses	(99,576)	(97,787)	(413,549)
Operating lease expenses	(3,774)	(9,810)	(38,625)
Depreciation	(10,786)	(2,645)	(13,229)
Other expenses	(133,685)	(111,427)	(506,570)
Total expenses	(247,821)	(221,669)	(971,973)
Profit before tax	66,591	87,446	315,341
Income tax expense	(19,399)	(17,974)	(75,186)
Profit for the period/year	47,192	69,472	240,155
Other comprehensive income			
Items that will never be reclassified to profit or loss			
Remeasurements of defined benefit liabilities	(23,238)	(28,146)	(83,394)
Related tax on remeasurements of defined benefit liabilities	(1,492)	4,167	(50,163)
Gain on revaluation of land and buildings	-	-	16,150
Related tax on gain on revaluation of land and buildings	23	-	(1,555)
	(24,707)	(23,979)	(118,962)
Items that may be reclassified to profit or loss			
Net change in fair value of financial assets at FVOCI	26,438	(71,018)	(36,221)
	26,438	(71,018)	(36,221)
Other comprehensive expense for the period/year	1,731	(94,997)	(155,183)
Total comprehensive income for the period/year	48,923	(25,525)	84,972

The Hongkong and Shanghai Banking Corporation Limited – Mauritius Branch

Unaudited Statement of Financial Position

as at 31 March 2019

	31-Mar-19	31-Mar-18	31-Dec-18
	MUR'000	MUR'000	MUR'000
ASSETS			
Cash and cash equivalents	4,129,143	3,991,465	4,485,191
Trading assets	4,965	6,959	570
Loans and advances to banks	483,005	640,553	383,993
Loans and advances to customers	16,272,939	13,824,977	14,986,995
Investment securities	6,079,288	5,814,030	6,572,059
Other assets	2,102,336	1,876,491	1,904,357
Property, plant and equipment	311,571	247,460	312,332
Deferred tax assets	44,175	99,664	45,168
Total assets	29,427,422	26,501,599	28,690,665

The Hongkong and Shanghai Banking Corporation Limited – Mauritius Branch

Unaudited Statement of Financial Position (continued)

as at 31 March 2019

	31-Mar-19	31-Mar-18	31-Dec-18
	MUR'000	MUR'000	MUR'000
LIABILITIES			
Deposits from banks	715,474	194,450	578,740
Deposits from customers	18,421,964	19,757,784	18,855,589
Trading liabilities	5,889	2,373	2,130
Other borrowed funds	6,142,307	2,922,678	5,519,060
Current tax liabilities	68,060	64,144	48,184
Other liabilities	1,587,306	1,232,225	1,249,101
Total liabilities	26,941,000	24,173,654	26,252,804
Shareholders' funds			
Assigned capital	300,000	239,265	300,000
Retained earnings	1,528,103	1,528,863	1,511,499
Other reserves	658,319	559,817	626,362
Total shareholders' funds	2,486,422	2,327,945	2,437,861
Total liabilities and shareholders' funds	29,427,422	26,501,599	28,690,665
CONTINGENT LIABILITIES			
Guarantees, letters of credit, endorsements and other obligations on account of customers	5,036,547	2,167,629	5,377,218
Undrawn commitments	7,016,525	7,087,331	7,579,614

The Hongkong and Shanghai Banking Corporation Limited – Mauritius Branch

Unaudited Statement of Changes in Equity

for the period ended 31 March 2019

	Other Reserves							Total
	Assigned capital	Retained earnings	Reserves for own shares	Revaluation reserves	Statutory reserve	General banking reserve	Fair value reserve	
	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	
Balance at 1 January 2017	239,265	1,368,257	22,722	181,955	243,185	152,282	14,444	2,222,110
Total comprehensive income								
Profit for the year	-	220,167	-	-	-	-	-	220,167
Other comprehensive income								
Net change in fair value	-	-	-	-	-	-	953	953
Realisation of revaluation reserve to retained earnings	-	929	-	(929)	-	-	-	-
Remeasurements of defined benefit liabilities	-	(112,584)	-	-	-	-	-	(112,584)
Revaluation of properties	-	-	-	15,442	-	-	-	15,442
Tax on other comprehensive income	-	48,978	-	(1,274)	-	-	-	47,704
Total other comprehensive income	-	(62,677)	-	13,239	-	-	953	(48,485)
Total comprehensive income	-	157,490	-	13,239	-	-	953	171,682
Transactions with owners of the Bank								
Other movements during the period	-	(4,713)	1,241	139	-	-	-	(3,333)
Net change in fair value of share-based payment liability	-	-	(1,973)	-	-	-	-	(1,973)
Transactions with owners of the Bank	-	(4,713)	(732)	139	-	-	-	(5,306)
Transfer (from)/to general banking reserve	-	(4,331)	-	-	-	4,331	-	-
Balance at 31 December 2017	239,265	1,516,703	21,990	195,333	243,185	156,613	15,397	2,388,486
Changes in initial application of IFRS 9	-	(35,665)	-	-	-	-	-	(35,665)
Restated balance at 1 January 2018	239,265	1,481,038	21,990	195,333	243,185	156,613	15,397	2,352,821
Total comprehensive income								
Profit for the year	-	240,155	-	-	-	-	-	240,155
Other comprehensive income								
Net change in fair value	-	-	-	-	-	-	(36,221)	(36,221)
Realisation of revaluation reserve to retained earnings	-	6,671	-	(6,671)	-	-	-	-
Remeasurements of defined benefit liabilities	-	(83,394)	-	-	-	-	-	(83,394)
Revaluation of properties	-	-	-	16,150	-	-	-	16,150
Tax on other comprehensive income	-	(50,163)	-	(1,555)	-	-	-	(51,718)
Total other comprehensive income	-	(126,886)	-	7,924	-	-	(36,221)	(155,183)
Total comprehensive income	-	113,269	-	7,924	-	-	(36,221)	84,972
Transactions with owners of the Bank								
Other movements during the period	60,735	(97,122)	489	150	36,195	-	-	447
Net change in fair value of share-based payment liability	-	-	(379)	-	-	-	-	(379)
Transactions with owners of the Bank	60,735	(97,122)	110	150	36,195	-	-	68
Transfer (from)/to general banking reserve	-	14,314	-	-	-	(14,314)	-	-
Balance at 31 December 2018	300,000	1,511,499	22,100	203,407	279,380	142,299	(20,824)	2,437,861
Total comprehensive income								
Profit for the year	-	47,192	-	-	-	-	-	47,192
Other comprehensive income								
Net change in fair value	-	-	-	-	-	-	26,438	26,438
Realisation of revaluation reserve to retained earnings	-	105	-	(105)	-	-	-	-
Remeasurements of defined benefit liabilities	-	(23,238)	-	-	-	-	-	(23,238)
Revaluation of properties	-	-	-	-	-	-	-	-
Tax on other comprehensive income	-	(1,492)	-	23	-	-	-	(1,469)
Total other comprehensive income	-	(24,625)	-	(82)	-	-	26,438	1,731
Total comprehensive income	-	22,567	-	(82)	-	-	26,438	48,923
Transactions with owners of the Bank								
Other movements during the period	-	(193)	-	(169)	-	-	-	(362)
Net change in fair value of share-based payment liability	-	-	-	-	-	-	-	-
Transactions with owners of the Bank	-	(193)	-	(169)	-	-	-	(362)
Transfer (from)/to general banking reserve	-	(5,770)	-	-	-	5,770	-	-
Balance at 31 March 2019	300,000	1,528,103	22,100	203,156	279,380	148,069	5,614	2,486,422

The Hongkong and Shanghai Banking Corporation Limited – Mauritius Branch

Unaudited Statement of Cash Flows for the period ended 31 March 2019

	31-Mar-19 MUR'000	31-Mar-18 MUR'000	31-Dec-18 MUR'000
Cash flows from operating activities			
Profit before income tax	66,591	87,446	315,341
Adjustments for:			
Depreciation	10,786	2,645	13,229
Loss/(Profit) on sale of fixed assets	641	-	(3,651)
Provision and adjustments to income for impairment losses	3,512	917	4,312
Net interest income	(156,497)	(145,457)	(617,156)
Exchange differences in respect of cash and cash equivalents	30,692	38,499	45,048
	(44,275)	(15,950)	(242,877)
Change in:			
Other assets	(193,889)	52,990	39,194
Other liabilities	314,757	39,595	30,416
Trading assets	(4,395)	(6,159)	230
Trading liabilities	3,759	(7,070)	(7,313)
Loans and advances to customers	(1,289,592)	(860,787)	(2,028,348)
Loans and advances to banks	(99,015)	(36,173)	220,374
Deposits from customers	(433,625)	39,349	(862,846)
Deposits from banks	136,734	(74,275)	310,015
Interest received	239,157	190,585	859,106
Interest paid	(92,602)	(9,664)	(246,900)
Other borrowed funds	1,221,136	-	4,740,568
	(241,850)	(687,559)	2,811,619
Tax paid	-	-	(75,177)
Net cash (used in) / from operating activities	(241,850)	(687,559)	2,736,442
Cash flows from investing activities			
Acquisition of property, plant and equipment	(4,816)	(1,339)	(67,803)
Proceeds from disposal of property, plant and equipment	-	-	10,809
Purchase of investment securities	(318,701)	(911,207)	(5,418,593)
Proceed from sale and maturity of investment securities	837,900	1,201,900	4,985,400
Net cash from/ (used in) investing activities	514,383	289,354	(490,187)
Net change in cash and cash equivalents	272,533	(398,205)	2,246,255
Cash and cash equivalents at 1 January	3,706,698	1,505,491	1,505,491
Exchange differences in respect of cash and cash equivalents	(30,692)	(38,499)	(45,048)
Cash and cash equivalents at end of period/year	3,948,539	1,068,787	3,706,698