

HSBC Bank (Mauritius) Limited

Unaudited statement of profit or loss and other comprehensive income for the period ended 30 June 2019

	Three months ended 30 June 2019 USD'000	Three months ended 30 June 2018 USD'000	Six months ended 30 June 2019 USD'000	Six months ended 30 June 2018 USD'000	Year ended 31 December 2018 USD'000
Interest income	23,181	23,888	47,944	43,314	97,359
Interest expense	(7,970)	(8,995)	(16,411)	(15,530)	(35,705)
Net interest income	15,211	14,893	31,533	27,784	61,654
Fee and commission income	1,813	1,452	3,297	2,887	6,235
Fee and commission expense	(179)	(161)	(343)	(311)	(629)
Net fee and commission income	1,634	1,291	2,954	2,576	5,606
Net trading income	890	729	1,513	1,218	2,502
Other operating income	126	161	204	286	478
Total operating income	17,861	17,074	36,204	31,864	70,240
Net impairment (loss)/reversal of impairment on financial assets	49	(64)	40	413	404
Personnel expenses	(937)	(904)	(1,824)	(1,888)	(3,693)
Operating lease expenses	(8)	(42)	(8)	(77)	(160)
Depreciation	(38)	(7)	(76)	(17)	(36)
Other expenses	(3,187)	(2,853)	(6,158)	(5,613)	(11,735)
Total expenses	(4,170)	(3,806)	(8,066)	(7,595)	(15,624)
Profit before income tax	13,740	13,204	28,178	24,682	55,020
Income tax expense	(311)	(558)	(881)	(1,092)	(2,395)
Profit for the period/year	13,429	12,646	27,297	23,590	52,625
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit liabilities	(83)	(50)	(177)	(167)	(443)
Related tax	5	(15)	11	3	93
	(78)	(65)	(166)	(164)	(350)
Items that may be reclassified to profit or loss					
Net change in fair value on debt instruments	7	57	4	83	99
	(71)	(8)	(162)	(81)	(251)
Total comprehensive income for the period/year	13,358	12,638	27,135	23,509	52,374

HSBC Bank (Mauritius) Limited

Unaudited statement of financial position at 30 June 2019

	30 June 2019 USD'000	30 June 2018 USD'000	31 December 2018 USD'000
Assets			
Cash and cash equivalents	561,923	1,816,969	760,298
Trading assets	7	946	1,283
Loans and advances to banks	463,901	838,944	406,873
Loans and advances to customers	1,535,936	1,892,080	1,761,050
Investment securities	353,370	498,129	453,121
Other assets	37,910	47,913	43,586
Equipment	58	57	59
Deferred tax assets	160	74	151
Total assets	2,953,265	5,095,112	3,426,421

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Unaudited statement of financial position (continued)

at 30 June 2019

	30 June 2019 USD'000	30 June 2018 USD'000	31 December 2018 USD'000
Liabilities			
Deposits from customers	1,823,595	3,762,791	2,240,091
Trading liabilities	306	74	1,121
Other borrowed funds	756,741	958,752	845,254
Current tax liabilities	441	696	1,083
Other liabilities	29,153	25,770	22,977
Total liabilities	2,610,236	4,748,083	3,110,526
Shareholder's equity			
Stated capital – paid up	72,957	72,957	72,957
Retained earnings	178,289	174,079	148,907
Other reserves	91,783	99,993	94,031
Total equity attributable to equity holder	343,029	347,029	315,895
Total liabilities and shareholder's equity	2,953,265	5,095,112	3,426,421
CONTINGENT LIABILITIES			
Guarantees, letters of credit, endorsements and other obligations.	62,695	14,195	82,515
Commitments	425,293	206,512	234,320

HSBC Bank (Mauritius) Limited

Unaudited statement of changes in equity for the period ended 30 June 2019

	Stated capital	Retained earnings	Other reserves			Fair value reserve	Total equity
			Statutory reserve	General banking reserve	Reserves for own shares		
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Balance at 1 January 2017	72,957	140,103	72,957	27,254	45	-	313,316
Profit for the year	-	40,957	-	-	-	-	40,957
Other comprehensive income							
Net change in fair value	-	-	-	-	-	(156)	(156)
Remeasurements of defined benefit liabilities	-	(529)	-	-	-	-	(529)
Exchange difference on remeasurements of defined benefit liabilities	-	14	-	-	-	-	14
Total other comprehensive income for the year	-	(515)	-	-	-	(156)	(671)
Total comprehensive income for the year	-	40,442	-	-	-	(156)	40,286
Transactions with owner of the Bank							
Dividends paid	-	(30,000)	-	-	-	-	(30,000)
Exchange difference	-	2	-	-	(6)	-	(4)
Transactions with owner of the Bank	-	(29,998)	-	-	(6)	-	(30,004)
Transfer from general banking reserve	-	6,271	-	(6,271)	-	-	-
Balance at 31 December 2017	72,957	156,818	72,957	20,983	39	(156)	323,598
Changes in initial application of IFRS 9	-	(76)	-	-	-	-	(76)
Restated balance at 1 January 2018	72,957	156,742	72,957	20,983	39	(156)	323,522
Profit for the year	-	52,625	-	-	-	-	52,625
Other comprehensive income							
Net change in fair value	-	-	-	-	-	99	99
Remeasurements of defined benefit liabilities	-	(443)	-	-	-	-	(443)
Tax on other comprehensive income	-	93	-	-	-	-	93
Total other comprehensive income	-	(350)	-	-	-	99	(251)
Total comprehensive income	-	52,275	-	-	-	99	52,374
Transactions with owner of the Bank							
Dividends paid	-	(60,000)	-	-	-	-	(60,000)
Exchange difference	-	-	-	-	(1)	-	(1)
Transactions with owner of the Bank	-	(60,000)	-	-	(1)	-	(60,001)
Transfer to general banking reserve	-	(110)	-	110	-	-	-
Balance at 31 December 2018	72,957	148,907	72,957	21,093	38	(57)	315,895
Profit for the period	-	27,297	-	-	-	-	27,297
Other comprehensive income							
Net change in fair value	-	-	-	-	-	4	4
Remeasurements of defined benefit liabilities	-	(177)	-	-	-	-	(177)
Tax on other comprehensive income	-	11	-	-	-	-	11
Total other comprehensive income	-	(166)	-	-	-	4	(162)
Total comprehensive income	-	27,131	-	-	-	4	27,135
Transactions with owner of the Bank							
Exchange difference	-	-	-	-	(1)	-	(1)
Transactions with owner of the Bank	-	-	-	-	(1)	-	(1)
Transfer from general banking reserve	-	2,251	-	(2,251)	-	-	-
Balance at 30 June 2019	72,957	178,289	72,957	18,842	37	(53)	343,029

HSBC Bank (Mauritius) Limited

Unaudited statement of cash flows for the period ended 30 June 2019

	30 June 2019 USD'000	30 June 2018 USD'000	31 December 2018 USD'000
Cash flows from operating activities			
Profit before income tax	28,178	24,682	55,020
Adjustments for:			
Depreciation	76	17	36
Net impairment reversal on financial assets	(40)	(413)	(404)
Net interest income	(31,533)	(27,784)	(61,654)
Exchange differences in respect of cash and cash equivalents	34	2,612	3,280
	(3,285)	(886)	(3,722)
Change in:			
Other assets	2,418	(14,941)	(9,726)
Other liabilities	4,769	6,361	4,819
Trading assets	1,276	(826)	(1,163)
Trading liabilities	(815)	(555)	492
Loans and advances to banks	(56,926)	(307,303)	124,793
Loans and advances to customers	225,060	(140,972)	(9,971)
Deposits from customers	(416,496)	641,854	(880,846)
Other borrowed funds	(84,530)	178,163	59,032
	(328,529)	360,895	(716,292)
Interest received	51,143	40,235	93,074
Interest paid	(15,164)	(13,373)	(35,063)
Income tax paid	(1,521)	(1,197)	(2,116)
Net cash (used in)/from operating activities	(294,071)	386,560	(660,397)
Cash flows from investing activities			
Acquisition of equipment	(16)	(30)	(51)
Purchase of investment securities	(829,898)	(982,239)	(2,401,923)
Proceed from the sale and maturity of investment securities	929,653	782,692	2,247,718
Net cash from/(used in) investing activities	99,739	(199,577)	(154,256)
Cash flows from financing activities			
Principal repayment of lease liability	(26)	-	-
Dividends paid	-	-	(60,000)
Net cash used in financing activities	(26)	-	(60,000)
Net change in cash and cash equivalents	(194,358)	186,983	(874,653)
Cash and cash equivalents at 1 January	754,406	1,632,339	1,632,339
Exchange differences in respect of cash and cash equivalents	(34)	(2,612)	(3,280)
Cash and cash equivalents at end of the period/year	560,014	1,816,710	754,406