

HSBC Bank (Mauritius) Limited

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

	Three months ended 30 September 2019 USD'000	Three months ended 30 September 2018 USD'000	Nine months ended 30 September 2019 USD'000	Nine months ended 30 September 2018 USD'000	Year ended 31 December 2018 USD'000
Interest income	19,480	29,715	67,424	73,029	97,359
Interest expense	(6,323)	(11,909)	(22,734)	(27,439)	(35,705)
Net interest income	13,157	17,806	44,690	45,590	61,654
Fee and commission income	1,598	1,639	4,895	4,526	6,235
Fee and commission expense	(145)	(124)	(488)	(435)	(629)
Net fee and commission income	1,453	1,515	4,407	4,091	5,606
Net trading income	912	612	2,425	1,830	2,502
Other operating income	83	69	287	355	478
Total operating income	15,605	20,002	51,809	51,866	70,240
Net impairment (loss)/reversal of impairment on financial assets	47	(205)	87	208	404
Personnel expenses	(995)	(917)	(2,819)	(2,805)	(3,693)
Operating lease expenses	(3)	(38)	(11)	(115)	(160)
Depreciation	(37)	(8)	(113)	(25)	(36)
Other expenses	(3,351)	(3,019)	(9,509)	(8,632)	(11,735)
Total expenses	(4,386)	(3,982)	(12,452)	(11,577)	(15,624)
Profit before income tax	11,266	15,815	39,444	40,497	55,020
Income tax expense	(423)	(644)	(1,304)	(1,736)	(2,395)
Profit for the period/year	10,843	15,171	38,140	38,761	52,625
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit liabilities	(73)	(129)	(250)	(313)	(443)
Related tax	(8)	2	3	20	93
	(81)	(127)	(247)	(293)	(350)
Items that may be reclassified to profit or loss					
Net change in fair value on debt instruments	193	(28)	193	55	99
	112	(155)	(54)	(238)	(251)
Total comprehensive income for the period/year	10,955	15,016	38,086	38,523	52,374

HSBC Bank (Mauritius) Limited

Unaudited statement of financial position at 30 September 2019

	30 September 2019 USD'000	30 September 2018 USD'000	31 December 2018 USD'000
Assets			
Cash and cash equivalents	551,039	1,087,836	760,298
Trading assets	396	2,179	1,283
Loans and advances to banks	387,586	840,231	406,873
Loans and advances to customers	1,613,407	1,696,192	1,761,050
Investment securities	353,502	499,401	453,121
Other assets	31,518	43,268	43,586
Property, plant and equipment	785	53	59
Deferred tax assets	144	77	151
Total assets	2,938,377	4,169,237	3,426,421

HSBC Bank (Mauritius) Limited

Unaudited statement of financial position (continued)

at 30 September 2019

	30 September 2019	30 September 2018	31 December 2018
Liabilities	USD'000	USD'000	USD'000
Deposits from customers	1,679,138	2,940,079	2,240,091
Trading liabilities	41	219	1,121
Other borrowed funds	907,594	842,679	845,254
Current tax liabilities	413	927	1,083
Other liabilities	25,211	23,288	22,977
Total liabilities	2,612,397	3,807,192	3,110,526
Shareholder's equity			
Stated capital – paid up	72,957	72,957	72,957
Retained earnings	160,358	188,396	148,907
Other reserves	92,665	100,692	94,031
Total equity attributable to equity holder	325,980	362,045	315,895
Total liabilities and shareholder's equity	2,938,377	4,169,237	3,426,421
CONTINGENT LIABILITIES			
Guarantees, letters of credit, endorsements and other obligations.	63,823	4,562	82,515
Commitments	502,663	257,245	234,320

HSBC Bank (Mauritius) Limited

Unaudited statement of changes in equity for the period ended 30 September 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	-	38,140	-	-	-	-	38,140
Other comprehensive income							
Net change in fair value	-	-	-	-	-	193	193
Remeasurements of defined benefit liabilities	-	(250)	-	-	-	-	(250)
Tax on other comprehensive income	-	3	-	-	-	-	3
Total other comprehensive income	-	(247)	-	-	-	193	(54)
Total comprehensive income	-	37,893	-	-	-	193	38,086
Transactions with owner of the Bank							
Dividends paid	-	(28,000)	-	-	-	-	(28,000)
Exchange difference	-	-	-	-	(1)	-	(1)
Transactions with owner of the Bank	-	(28,000)	-	-	(1)	-	(28,001)
Transfer from general banking reserve	-	1,558	-	(1,558)	-	-	-
Balance at 30 September 2019	72,957	160,358	72,957	19,535	37	136	325,980

HSBC Bank (Mauritius) Limited

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

	30 September 2019 USD'000	30 September 2018 USD'000	31 December 2018 USD'000
Cash flows from operating activities			
Profit before income tax	39,444	40,497	55,020
Adjustments for:			
Depreciation	113	25	36
Loss on sale of equipment	3	-	-
Net impairment reversal on financial assets	(87)	(208)	(404)
Net interest income	(44,690)	(45,590)	(61,654)
Exchange differences in respect of cash and cash equivalents	1,518	3,139	3,280
	(3,699)	(2,137)	(3,722)
Change in:			
Other assets	6,254	(8,710)	(9,726)
Other liabilities	(390)	4,263	4,819
Trading assets	887	(2,059)	(1,163)
Trading liabilities	(1,080)	(410)	492
Loans and advances to banks	19,370	(308,808)	124,793
Loans and advances to customers	147,659	54,931	(9,971)
Deposits from customers	(560,953)	(180,858)	(880,846)
Other borrowed funds	50,863	61,313	59,032
	(341,089)	(382,475)	(716,292)
Interest received	73,238	68,364	93,074
Interest paid	(21,116)	(25,795)	(35,063)
Income tax paid	(1,964)	(1,613)	(2,116)
Net cash used in operating activities	(290,931)	(341,519)	(660,397)
Cash flows from investing activities			
Acquisition of property, plant and equipment	(19)	(34)	(51)
Purchase of investment securities	(1,079,841)	(1,453,520)	(2,401,923)
Proceed from the sale and maturity of investment securities	1,179,653	1,252,673	2,247,718
Net cash from/(used in) investing activities	99,793	(200,881)	(154,256)
Cash flows from financing activities			
Principal repayment of lease liability	(80)	-	-
Dividends paid	(28,000)	-	(60,000)
Net cash used in financing activities	(28,080)	-	(60,000)
Net change in cash and cash equivalents	(219,218)	(542,400)	(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	(1,518)	(3,139)	(3,280)
Cash and cash equivalents at end of the period/year	533,670	1,086,800	754,406