

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 2021

	Three months ended 31-Mar-21 MUR'000	Three months ended 31-Mar-20 MUR'000	Year ended 31-Dec-20 MUR'000
Interest income	142,412	233,481	751,462
Interest expense	(23,099)	(80,067)	(176,936)
Net interest income	119,313	153,414	574,526
Fee and commission income	39,599	46,491	173,618
Fee and commission expense	(10,579)	(10,510)	(41,250)
Net fee and commission income	29,020	35,981	132,368
Net trading income	31,341	32,372	147,410
	179,674	221,767	854,257
Other operating income	43,805	66,520	186,174
Total operating income	223,479	288,287	1,040,431
Net impairment release/(charge) on financial assets	15,721	(262,001)	(609,456)
Personnel expenses	(102,130)	(101,280)	(402,643)
Operating lease expenses	(1,683)	(2,536)	(6,106)
Depreciation	(9,747)	(10,453)	(40,729)
Other expenses	(109,532)	(105,355)	(482,463)
Total expenses	(223,092)	(219,624)	(931,941)
Profit/(Loss) before tax	16,108	(193,338)	(500,966)
Income tax credit/(expense)	20,924	(2,442)	63,111
Profit/(Loss) for the period/year	37,032	(195,780)	(437,855)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of retirement obligations	-	(12,954)	(297,975)
Related tax on remeasurements of retirement obligations	(39,233)	881	19,006
Gain on revaluation of land and buildings	-	-	6,580
Related tax on gain on revaluation of land and buildings	-	56	(308)
Net change in fair value of financial assets at fair value through other comprehensive income	-	-	(8,185)
	(39,233)	(12,017)	(280,882)
Items that may be reclassified to profit or loss			
Net change in fair value of financial assets at fair value through other comprehensive income	(29,276)	89,844	119,164
Other comprehensive expense for the period/year	(68,509)	77,827	(161,718)
Total comprehensive income for the period/year	(31,477)	(117,953)	(599,573)

The Hongkong and Shanghai Banking Corporation Limited – Mauritius Branch

Unaudited statement of financial position as at 31 March 2021

	31-Mar-21	31-Mar-20	31-Dec-20
	MUR'000	MUR'000	MUR'000
ASSETS			
Cash and cash equivalents	5,047,584	4,868,296	6,443,248
Trading assets	1,409	17,723	6,062
Loans and advances to banks	476,002	645,646	264,052
Loans and advances to customers	10,578,565	16,006,658	14,333,854
Investment securities	8,361,619	7,688,387	8,313,010
Other assets	2,109,385	2,022,977	2,439,860
Property, plant and equipment	455,310	421,133	415,100
Deferred tax assets	99,303	66,376	105,548
Current tax assets	-	-	1,137
Total assets	27,129,177	31,737,196	32,321,872

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Unaudited statement of financial position (continued)

as at 31 March 2021

	31-Mar-21	31-Mar-20	31-Dec-20
	MUR'000	MUR'000	MUR'000
LIABILITIES			
Deposits from banks	684,738	1,280,336	747,792
Deposits from customers	23,168,783	20,454,300	22,778,413
Trading liabilities	665	8,732	3,220
Other borrowed funds	13,274	6,372,912	5,218,552
Current tax liabilities	10,927	97,148	-
Other liabilities	987,062	1,143,015	1,287,923
Total liabilities	24,865,449	29,356,443	30,035,900
Shareholder's funds			
Assigned capital	804,875	400,000	794,150
Retained earnings	738,713	1,146,873	707,398
Other reserves	720,140	833,880	784,424
Total shareholder's funds	2,263,728	2,380,753	2,285,972
Total liabilities and shareholder's funds	27,129,177	31,737,196	32,321,872
CONTINGENT LIABILITIES			
Guarantees, letters of credit, endorsements and other obligations on account of customers	3,566,539	3,387,916	3,634,641
Undrawn commitments	9,246,014	11,299,420	8,574,018

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Unaudited statement of changes in equity for the period ended 31 March 2021

	Other Reserves							Total Shareholder's equity
	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 2019	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								
Other comprehensive income	-	183,033	-	-	-	-	-	183,033
Net change in fair value	-	-	-	-	-	-	74,071	74,071
Realisation of revaluation reserve to retained earnings	-	(694)	-	694	-	-	-	-
Remeasurements of retirement obligations	-	(99,205)	-	-	-	-	-	(99,205)
Tax on other comprehensive income	-	7,806	-	-	-	-	-	7,806
Total other comprehensive income	-	(92,093)	-	694	-	-	74,071	(17,328)
Total comprehensive income	-	90,940	-	694	-	-	74,071	165,705
Transactions with owners of the Bank								
Other movements during the period	100,000	(132,125)	2,810	-	27,455	-	-	(1,860)
Net change in fair value of share-based payment liability	-	(413)	413	-	-	-	-	-
Profit remittance to Head office	-	(103,000)	-	-	-	-	-	(103,000)
Transactions with owners of the Bank	100,000	(235,538)	3,223	-	27,455	-	-	(104,860)
Transfer to general banking reserve	-	(19,871)	-	-	-	19,871	-	-
Balance at 31 December 2019	400,000	1,347,030	25,323	204,101	306,835	162,170	53,247	2,498,706
Total comprehensive income								
Loss for the year	-	(437,855)	-	-	-	-	-	(437,855)
Other comprehensive income								
Net change in fair value	-	-	-	-	-	-	110,979	110,979
Realisation of revaluation reserve to retained earnings	-	1,880	-	(1,880)	-	-	-	-
Remeasurements of retirement obligations	-	(297,975)	-	-	-	-	-	(297,975)
Revaluation of land and buildings	-	-	-	6,580	-	-	-	6,580
Tax on other comprehensive income	-	19,006	-	(308)	-	-	-	18,698
Total other comprehensive income	-	(277,089)	-	4,392	-	-	110,979	(161,718)
Total comprehensive income	-	(714,944)	-	4,392	-	-	110,979	(599,573)
Transactions with owners of the Bank								
Other movements during the period	394,150	4,590	(13,942)	-	-	-	-	384,798
Net change in fair value of share-based payment liability	-	413	1,628	-	-	-	-	2,041
Transactions with owners of the Bank	394,150	5,003	(12,314)	-	-	-	-	386,839
Transfer from general banking reserve	-	70,309	-	-	-	(70,309)	-	-
Balance at 31 December 2020	794,150	707,398	13,009	208,493	306,835	91,861	164,226	2,285,972
Total comprehensive income								
Profit for the period	-	37,032	-	-	-	-	-	37,032
Other comprehensive income								
Net change in fair value	-	-	-	-	-	-	(29,276)	(29,276)
Realisation of revaluation reserve to retained earnings	-	354	-	(354)	-	-	-	-
Remeasurements of retirement obligations	-	-	-	-	-	-	-	-
Tax on other comprehensive income	-	(39,233)	-	-	-	-	-	(39,233)
Total other comprehensive income	-	(38,879)	-	(354)	-	-	(29,276)	(68,509)
Total comprehensive income	-	(1,847)	-	(354)	-	-	(29,276)	(31,477)
Transactions with owners of the Bank								
Other movements during the period	10,725	(1,796)	304	-	-	-	-	9,233
Net change in fair value of share-based payment liability	-	-	-	-	-	-	-	-
Transactions with owners of the Bank	10,725	(1,796)	304	-	-	-	-	9,233
Transfer (from)/to general banking reserve	-	34,958	-	-	-	(34,958)	-	-
Balance at 31 March 2021	804,875	738,713	13,313	208,139	306,835	56,903	134,950	2,263,728

The Hongkong and Shanghai Banking Corporation Limited – Mauritius Branch

Unaudited statement of cash flows for the period ended 31 March 2021

	31-Mar-21 MUR'000	31-Mar-20 MUR'000	31-Dec-20 MUR'000
Cash flows from operating activities			
Profit/(Loss) before income tax	16,108	(193,338)	(500,966)
Adjustments for:			
Depreciation	9,747	10,453	40,729
(Profit)/Loss on sale of fixed assets	(382)	-	1,655
Loss on modification of lease	-	-	(807)
Net impairment (release)/charge on financial assets	(15,721)	262,001	609,456
Net interest income	(119,313)	(153,414)	(574,479)
Exchange differences in respect of cash and cash equivalents	90,124	162,261	421,812
	(19,437)	87,963	(2,600)
Change in:			
Other assets	325,666	(79,737)	(485,590)
Other liabilities	(342,939)	43,037	(41,311)
Trading assets	4,653	(15,748)	(4,087)
Trading liabilities	(2,555)	4,962	(550)
Loans and advances to customers	3,758,261	(403,331)	934,081
Loans and advances to banks	(211,869)	(313,223)	67,560
Deposits from customers	390,370	986,933	3,311,046
Deposits from banks	(63,054)	607,347	74,803
Interest received	147,226	234,887	741,827
Interest paid	3,329	(35,008)	(196,668)
Other borrowed funds	(5,205,308)	(224,867)	(1,374,725)
	(1,215,657)	893,215	3,023,787
Tax paid	-	-	(54,143)
Net cash (used in) / from operating activities	(1,215,657)	893,215	2,969,644
Cash flows from investing activities			
Acquisition of property, plant and equipment	(92)	(1,056)	(19,423)
Proceeds from disposal of property, plant and equipment	500	-	-
Purchase of investment securities	(1,326,416)	(1,630,215)	(6,418,162)
Proceed from sale and maturity of investment securities	1,260,000	1,794,600	5,968,000
Net cash from/ (used in) investing activities	(66,008)	163,329	(469,585)
Cash flows from financing activities			
Principal element of lease payments	(23,905)	(27,718)	(26,376)
Capital injection	-	-	394,150
Net cash used in financing activities	(23,905)	(27,718)	367,774
Net change in cash and cash equivalents	(1,305,570)	1,028,826	2,867,833
Cash and cash equivalents at 1 January	6,442,004	3,995,984	3,995,983
Exchange differences in respect of cash and cash equivalents	(90,124)	(162,261)	(421,812)
Cash and cash equivalents at end of period/year	5,046,310	4,862,549	6,442,004