

## The Hongkong and Shanghai Banking Corporation Limited – Mauritius Branch

### Unaudited statement of profit or loss and other comprehensive income for the period ended 30 June 2021

	Three months ended 30-Jun-21 MUR'000	Three months ended 30-Jun-20 MUR'000	Six months ended 30-Jun-21 MUR'000	Six months ended 30-Jun-20 MUR'000	Year ended 31-Dec-20 MUR'000
Interest income	132,443	187,692	274,855	421,173	751,462
Interest expense	(16,332)	(43,513)	(39,431)	(123,580)	(176,983)
<b>Net interest income</b>	<b>116,111</b>	<b>144,179</b>	<b>235,424</b>	<b>297,593</b>	<b>574,479</b>
Fee and commission income	31,341	37,192	70,940	83,683	173,618
Fee and commission expense	(6,027)	(8,154)	(16,606)	(18,664)	(41,250)
<b>Net fee and commission income</b>	<b>25,314</b>	<b>29,038</b>	<b>54,334</b>	<b>65,019</b>	<b>132,368</b>
Net trading income	52,647	38,971	83,988	71,343	147,410
	194,072	212,188	373,746	433,955	854,257
Other operating income	44,314	31,323	88,119	97,843	186,174
<b>Total operating income</b>	<b>238,386</b>	<b>243,511</b>	<b>461,865</b>	<b>531,798</b>	<b>1,040,431</b>
<b>Net impairment release/(charge) on financial assets</b>	<b>21,750</b>	<b>(72,962)</b>	<b>37,471</b>	<b>(334,963)</b>	<b>(609,456)</b>
Personnel expenses	(104,039)	(97,772)	(206,169)	(199,052)	(402,643)
Operating lease expenses	(1,747)	(1,574)	(3,430)	(4,110)	(6,106)
Depreciation	(12,637)	(9,977)	(22,384)	(20,430)	(40,729)
Other expenses	(114,214)	(122,174)	(223,746)	(227,529)	(482,463)
<b>Total expenses</b>	<b>(232,637)</b>	<b>(231,497)</b>	<b>(455,729)</b>	<b>(451,121)</b>	<b>(931,941)</b>
<b>Profit/(Loss) before tax</b>	<b>27,499</b>	<b>60,948</b>	<b>43,607</b>	<b>(254,286)</b>	<b>(500,966)</b>
Income tax credit/(expense)	(14,192)	17,926	6,732	15,484	63,111
<b>Profit/(Loss) for the period/year</b>	<b>13,307</b>	<b>(43,022)</b>	<b>50,339</b>	<b>(238,802)</b>	<b>(437,855)</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Remeasurements of retirement obligations	-	(43,310)	-	(56,264)	(297,975)
Related tax on remeasurements of defined benefit liabilities	(2,418)	3,006	(41,651)	3,887	19,006
Gain on revaluation of land and buildings	-	-	-	-	6,580
Related tax on gain on revaluation of land and buildings	-	54	-	110	(308)
Net change in fair value of financial assets at fair value through other comprehensive income	-	-	-	-	(8,185)
	(2,418)	(40,250)	(41,651)	(52,267)	(280,882)
<b>Items that may be reclassified to profit or loss</b>					
Net change in fair value of financial assets at fair value through other comprehensive income	(141,980)	(9,489)	(171,256)	99,333	119,164
	(141,980)	(9,489)	(171,256)	99,333	119,164
<b>Other comprehensive expense for the period/year</b>	<b>(144,398)</b>	<b>(30,761)</b>	<b>(212,907)</b>	<b>47,066</b>	<b>(161,718)</b>
<b>Total comprehensive income for the period/year</b>	<b>(131,091)</b>	<b>73,783</b>	<b>(162,568)</b>	<b>(191,736)</b>	<b>(599,573)</b>

## The Hongkong and Shanghai Banking Corporation Limited – Mauritius Branch

### Unaudited statement of financial position as at 30 June 2021

	30-Jun-21	30-Jun-20	31-Dec-20
	MUR'000	MUR'000	MUR'000
<b>ASSETS</b>			
Cash and cash equivalents	6,191,043	4,415,466	6,443,248
Trading assets	6,280	18,615	6,062
Loans and advances to banks	555,139	420,037	264,052
Loans and advances to customers	10,361,957	15,744,090	14,333,854
Investment securities	9,644,165	8,872,325	8,313,010
Other assets	2,511,993	2,531,129	2,439,861
Property, plant and equipment	440,859	414,356	415,100
Deferred tax assets	95,553	72,813	105,548
Current tax assets	-	-	1,137
<b>Total assets</b>	<b>29,806,989</b>	<b>32,488,831</b>	<b>32,321,872</b>

## The Hongkong and Shanghai Banking Corporation Limited – Mauritius Branch

### Unaudited statement of financial position (continued)

as at 30 June 2021

	30-Jun-21	30-Jun-20	31-Dec-20
	MUR'000	MUR'000	MUR'000
<b>LIABILITIES</b>			
Deposits from banks	1,243,762	840,858	747,792
Deposits from customers	24,543,961	22,110,205	22,778,413
Trading liabilities	4,930	2,570	3,220
Other borrowed funds	640,774	5,692,719	5,218,552
Current tax liabilities	23,440	32,045	-
Other liabilities	1,194,140	1,503,464	1,287,923
<b>Total liabilities</b>	<b>27,651,007</b>	<b>30,181,861</b>	<b>30,035,900</b>
<b>Shareholder's funds</b>			
Assigned capital	826,875	400,000	794,150
Retained earnings	727,174	1,095,595	707,398
Other reserves	601,933	811,375	784,424
<b>Total shareholder's funds</b>	<b>2,155,982</b>	<b>2,306,970</b>	<b>2,285,972</b>
<b>Total liabilities and shareholder's funds</b>	<b>29,806,989</b>	<b>32,488,831</b>	<b>32,321,872</b>
<b>CONTINGENT LIABILITIES</b>			
Guarantees, letters of credit, endorsements and other obligations on account of customers	3,469,612	2,486,936	3,634,641
Undrawn commitments	9,403,536	9,378,094	8,574,018

# The Hongkong and Shanghai Banking Corporation Limited – Mauritius Branch

## Unaudited statement of changes in equity for the period ended 30 June 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
<b>Balance at 1 January 2019</b>	300,000	1,511,499	22,100	203,407	279,380	142,299	(20,824)	2,437,861
<b>Total comprehensive income</b>								
Profit for the year								
<b>Other comprehensive income</b>								
Net change in fair value	-	183,033	-	-	-	-	-	183,033
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
<b>Transactions with owners of the Bank</b>								
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	-	-
<b>Balance at 31 December 2019</b>	400,000	1,347,030	25,323	204,101	306,835	162,170	53,247	2,498,706
<b>Total comprehensive income</b>								
Loss for the year	-	(437,855)	-	-	-	-	-	(437,855)
<b>Other comprehensive income</b>								
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)
<b>Transactions with owners of the Bank</b>								
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)	-	-
<b>Balance at 31 December 2020</b>	794,150	707,398	13,009	208,493	306,835	91,861	164,226	2,285,972
<b>Total comprehensive income</b>								
Profit for the period	-	50,339	-	-	-	-	-	50,339
<b>Other comprehensive income</b>								
Net change in fair value	-	-	-	-	-	-	(171,256)	(171,256)
Realisation of revaluation reserve to retained earnings	-	659	-	(659)	-	-	-	-
Remeasurements of retirement obligations	-	-	-	-	-	-	-	-
Tax on other comprehensive income	-	(41,651)	-	-	-	-	-	(41,651)
Total other comprehensive income	-	(40,992)	-	(659)	-	-	(171,256)	(212,907)
Total comprehensive income	-	9,347	-	(659)	-	-	(171,256)	(162,568)
<b>Transactions with owners of the Bank</b>								
Other movements during the period	32,725	(873)	-	-	-	-	-	31,852
Net change in fair value of share-based payment liability	-	-	726	-	-	-	-	726
Transactions with owners of the Bank	32,725	(873)	726	-	-	-	-	32,578
Transfer (from)/to general banking reserve	-	11,302	-	-	-	(11,302)	-	-
<b>Balance at 30 June 2021</b>	826,875	727,174	13,734	207,834	306,835	80,559	(7,030)	2,155,982

## The Hongkong and Shanghai Banking Corporation Limited – Mauritius Branch

### Unaudited statement of cash flows for the period ended 30 June 2021

	30-Jun-21	30-Jun-20 MUR'000	31-Dec-20 MUR'000
<b>Cash flows from operating activities</b>			
Profit/(Loss) before income tax	43,607	(254,286)	(500,966)
<b>Adjustments for:</b>			
Depreciation	22,384	20,430	40,729
(Profit)/Loss on sale of fixed assets	(378)	-	1,655
Loss on modification of lease	-	-	(807)
Net impairment (release)/charge on financial assets	(37,471)	334,963	609,456
Net interest income	(235,424)	(297,593)	(574,479)
Exchange differences in respect of cash and cash equivalents	436,457	326,152	421,812
	<b>229,175</b>	<b>129,666</b>	<b>(2,600)</b>
<b>Change in:</b>			
Other assets	(71,431)	(555,542)	(485,590)
Other liabilities	(129,157)	405,349	(41,311)
Trading assets	(218)	(16,640)	(4,087)
Trading liabilities	1,710	(1,200)	(550)
Loans and advances to customers	3,996,241	(193,397)	934,081
Loans and advances to banks	(291,006)	(89,224)	67,560
Deposits from customers	1,765,548	2,642,838	3,311,046
Deposits from banks	495,970	167,869	74,803
Interest received	274,157	390,217	741,827
Interest paid	(2,997)	(122,605)	(196,667)
Other borrowed funds	(4,576,995)	(905,116)	(1,374,725)
	<b>1,690,997</b>	<b>1,852,215</b>	<b>3,023,787</b>
Tax paid	(347)	(50,554)	(54,143)
<b>Net cash from operating activities</b>	<b>1,690,650</b>	<b>1,801,661</b>	<b>2,969,644</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	(4,607)	(4,256)	(19,423)
Proceeds from disposal of property, plant and equipment	477	-	-
Purchase of investment securities	(3,550,975)	(4,042,802)	(6,418,162)
Proceed from sale and maturity of investment securities	2,060,000	3,018,100	5,968,000
<b>Net cash from/ (used in) investing activities</b>	<b>(1,495,105)</b>	<b>(1,028,958)</b>	<b>(469,585)</b>
<b>Cash flows from financing activities</b>			
Principal element of lease payments	(10,510)	(32,871)	(26,376)
Capital injection	-	-	394,150
<b>Net cash used in financing activities</b>	<b>(10,510)</b>	<b>(32,871)</b>	<b>367,774</b>
<b>Net change in cash and cash equivalents</b>	<b>185,035</b>	<b>739,832</b>	<b>2,867,833</b>
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	(436,457)	(326,152)	(421,812)
<b>Cash and cash equivalents at end of period/year</b>	<b>6,190,582</b>	<b>4,409,664</b>	<b>6,442,004</b>