

HSBC Bank (Mauritius) Limited

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

| | Three months ended 30 June 2021 USD'000 | Three months ended 30 June 2020 USD'000 | Six months ended 30 June 2021 USD'000 | Six months ended 30 June 2020 USD'000 | 31 December 2020 USD'000 |
|---|--|--|--|--|--------------------------------|
| Interest income | 5,889 | 10,017 | 12,040 | 25,572 | 39,187 |
| Interest expense | (681) | (3,880) | (1,527) | (8,470) | (11,188) |
| Net interest income | 5,208 | 6,137 | 10,513 | 17,102 | 27,999 |
| Fee and commission income | 2,374 | 1,538 | 4,788 | 3,019 | 6,158 |
| Fee and commission expense | (208) | (189) | (452) | (426) | (929) |
| Net fee and commission income | 2,166 | 1,349 | 4,336 | 2,593 | 5,229 |
| Net trading income | 200 | 351 | 406 | 1,173 | 1,714 |
| | 7,574 | 7,837 | 15,255 | 20,868 | 34,942 |
| Other operating income | 89 | 112 | 174 | 198 | 391 |
| Total operating income | 7,663 | 7,949 | 15,429 | 21,066 | 35,333 |
| Net impairment release/(charge) on financial assets | 44 | (1,062) | 543 | (1,150) | (291) |
| Personnel expenses | (852) | (829) | (1,703) | (1,767) | (3,459) |
| Depreciation | (35) | (33) | (67) | (67) | (144) |
| Other expenses | (2,704) | (2,395) | (5,485) | (5,667) | (11,489) |
| Total expenses | (3,591) | (3,257) | (7,255) | (7,501) | (15,092) |
| Profit before income tax | 4,116 | 3,630 | 8,717 | 12,415 | 19,950 |
| Income tax expense | (239) | (782) | (480) | (1,281) | (1,746) |
| Profit for the period/year | 3,877 | 2,848 | 8,237 | 11,134 | 18,204 |
| Other comprehensive income Items that will not be reclassified to profit or loss | | | | | |
| Remeasurements of retirement obligations | 43 | (166) | 61 | (131) | (1,281) |
| Related tax | (2) | 5 | (39) | 9 | 151 |
| | 41 | (161) | 22 | (122) | (1,130) |
| Items that may be reclassified to profit or loss | | | | | |
| Net change in fair value on debt instruments | (69) | (535) | (54) | (76) | (118) |
| Credit impairment charge on asset at FVOCI | 1 | - | 1 | - | - |
| | (27) | (696) | (31) | (198) | (1,248) |
| Total comprehensive income for the period/year | 3,850 | 2,152 | 8,206 | 10,936 | 16,956 |

HSBC Bank (Mauritius) Limited

Unaudited statement of financial position at 30 June 2021

| | 30 June 2021 USD'000 | 30 June 2020 USD'000 | 31 December 2020 USD'000 |
|---------------------------------|-------------------------|-------------------------|-----------------------------|
| Assets | | | |
| Cash and cash equivalents | 550,764 | 804,656 | 1,005,780 |
| Trading assets | 266 | 523 | 63 |
| Investment securities | 730,847 | 503,908 | 504,057 |
| Loans and advances to banks | 620,060 | 480,377 | 498,053 |
| Loans and advances to customers | 1,155,373 | 1,345,295 | 1,165,330 |
| Other assets | 24,736 | 20,262 | 17,983 |
| Current tax assets | 124 | - | 272 |
| Property, plant and equipment | 1,124 | 697 | 640 |
| Deferred tax assets | 161 | 187 | 167 |
| Total assets | 3,083,455 | 3,155,905 | 3,192,345 |

HSBC Bank (Mauritius) Limited

Unaudited statement of financial position (continued)

at 30 June 2021

| | 30 June 2021 USD'000 | 30 June 2020 USD'000 | 31 December 2020 USD'000 |
|--|-------------------------|-------------------------|-----------------------------|
| Liabilities | | | |
| Deposits from customers | 2,358,360 | 1,882,073 | 2,230,515 |
| Trading liabilities | 30 | 126 | 177 |
| Other borrowed funds | 414,355 | 911,260 | 665,487 |
| Current tax liabilities | - | 442 | - |
| Other liabilities | 18,571 | 14,147 | 12,239 |
| Total liabilities | 2,791,316 | 2,808,048 | 2,908,418 |
| Shareholder's equity | | | |
| Stated capital – paid up | 72,957 | 72,957 | 72,957 |
| Retained earnings | 128,385 | 186,018 | 122,557 |
| Other reserves | 90,797 | 88,882 | 88,413 |
| Total equity attributable to equity holder | 292,139 | 347,857 | 283,927 |
| Total liabilities and shareholder's equity | 3,083,455 | 3,155,905 | 3,192,345 |
| CONTINGENT LIABILITIES | | | |
| Guarantees, letters of credit, endorsements and other obligations. | 384,840 | 93,421 | 364,596 |
| Commitments | 174,395 | 303,055 | 318,695 |

HSBC Bank (Mauritius) Limited

Unaudited statement of changes in equity for the period ended 30 June 2021

| | 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 2019 | 72,957 | 148,907 | 72,957 | 21,093 | 38 | (57) | 315,895 |
| Profit for the year | - | 49,207 | - | - | - | - | 49,207 |
| Other comprehensive income | | | | | | | |
| Net change in fair value | - | - | - | - | - | 206 | 206 |
| Remeasurements of retirement obligations | - | (378) | - | - | - | - | (378) |
| Tax on other comprehensive income | - | (6) | - | - | - | - | (6) |
| Total other comprehensive income for the year | - | (384) | - | - | - | 206 | (178) |
| Total comprehensive income for the year | - | 48,823 | - | - | - | 206 | 49,029 |
| 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 | - | 5,714 | - | (5,714) | - | - | - |
| Balance at 31 December 2019 | 72,957 | 175,444 | 72,957 | 15,379 | 37 | 149 | 336,923 |
| Profit for the year | - | 18,204 | - | - | - | - | 18,204 |
| Other comprehensive income | | | | | | | |
| Net change in fair value | - | - | - | - | - | (118) | (118) |
| Remeasurements of retirement obligations | - | (1,281) | - | - | - | - | (1,281) |
| Tax on other comprehensive income | - | 151 | - | - | - | - | 151 |
| Total other comprehensive income | - | (1,130) | - | - | - | (118) | (1,248) |
| Total comprehensive income | - | 17,074 | - | - | - | (118) | 16,956 |
| Transactions with owner of the Bank | | | | | | | |
| Dividends paid | - | (70,000) | - | - | - | - | (70,000) |
| Share based payment | - | - | - | - | 48 | - | 48 |
| Transactions with owner of the Bank | - | (70,000) | - | - | 48 | - | (69,952) |
| Transfer from general banking reserve | - | 39 | - | (39) | - | - | - |
| Balance at 31 December 2020 | 72,957 | 122,557 | 72,957 | 15,340 | 85 | 31 | 283,927 |
| Profit for the period | - | 8,237 | - | - | - | - | 8,237 |
| Other comprehensive income | | | | | | | |
| Net change in fair value | - | - | - | - | - | (54) | (54) |
| Credit impairment charge on asset at FVOCI | - | - | - | - | - | 1 | 1 |
| Remeasurements of retirement obligations | - | 61 | - | - | - | - | 61 |
| Tax on other comprehensive income | - | (40) | - | - | - | 1 | (39) |
| Total other comprehensive income | - | 21 | - | - | - | (52) | (31) |
| Total comprehensive income | - | 8,258 | - | - | - | (52) | 8,206 |
| Transactions with owner of the Bank | | | | | | | |
| Dividends paid | - | - | - | - | - | - | - |
| Share based payment | - | - | - | - | 6 | - | 6 |
| Transactions with owner of the Bank | - | - | - | - | 6 | - | 6 |
| Transfer to general banking reserve | - | (2,430) | - | 2,430 | - | - | - |
| Balance at 30 June 2021 | 72,957 | 128,385 | 72,957 | 17,770 | 91 | (21) | 292,139 |

HSBC Bank (Mauritius) Limited

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

| | 30 June 2021 | 30 June 2020 | 31 December 2020 |
|--|------------------|------------------|------------------|
| | USD'000 | USD'000 | USD'000 |
| Cash flows from operating activities | | | |
| Profit before income tax | 8,717 | 12,415 | 19,950 |
| Adjustments for: | | | |
| Depreciation | 67 | 67 | 144 |
| Loss on sale of equipment | 3 | - | 7 |
| Loss on modification of lease | - | - | (10) |
| Net impairment (reversal)/charge on financial assets | (543) | 1,150 | 291 |
| Net interest income | (10,513) | (17,102) | (27,999) |
| Exchange differences in respect of cash and cash equivalents | 1,084 | 3,169 | (3,145) |
| | (1,185) | (301) | (10,762) |
| Change in: | | | |
| Other assets | (6,850) | (20) | 1,291 |
| Other liabilities | 6,423 | (10,586) | (11,673) |
| Trading assets | (203) | (486) | (26) |
| Trading liabilities | (147) | (108) | (57) |
| Loans and advances to banks | (121,605) | (276,460) | (293,791) |
| Loans and advances to customers | 9,591 | 6,278 | 186,753 |
| Deposits from customers | 127,845 | (70,267) | 278,175 |
| Other borrowed funds | (251,132) | 26,275 | (219,498) |
| | (237,263) | (325,675) | (69,588) |
| Interest received | 12,130 | 26,579 | 41,077 |
| Interest paid | (1,528) | (9,273) | (13,883) |
| Income tax paid | (365) | (1,282) | (2,299) |
| Net cash from/(used in) operating activities | (227,026) | (309,651) | (44,693) |
| Cash flows from investing activities | | | |
| Acquisition of equipment | (5) | (4) | (21) |
| Purchase of investment securities | (824,836) | (554,111) | (1,208,349) |
| Proceed from the sale and maturity of investment securities | 598,000 | 504,535 | 1,158,699 |
| Net cash used in investing activities | (226,841) | (49,580) | (49,671) |
| Cash flows from financing activities | | | |
| Principal elements of lease payments | (65) | (51) | (108) |
| Dividends paid | - | - | (70,000) |
| Net cash used in financing activities | (65) | (51) | (70,108) |
| Net change in cash and cash equivalents | (453,933) | (359,282) | (164,472) |
| Cash and cash equivalents at 1 January | 1,005,780 | 1,167,107 | 1,167,107 |
| Exchange differences in respect of cash and cash equivalents | (1,084) | (3,169) | 3,145 |
| Cash and cash equivalents at end of the period/year | 550,764 | 804,656 | 1,005,780 |