

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

### Unaudited statement of profit or loss and other comprehensive income

for the period ended 30 September 2022

	Three months ended 30-Sep-22 MUR'000	Three months ended 30-Sep-21 MUR'000	Nine months ended 30-Sep-22 MUR'000	Nine months ended 30-Sep-21 MUR'000	Year ended 31-Dec-21 MUR'000
Interest income	163,542	120,589	431,223	395,444	556,093
Interest expense	(24,818)	(13,621)	(61,825)	(53,052)	(69,458)
<b>Net interest income</b>	<b>138,724</b>	<b>106,968</b>	<b>369,398</b>	<b>342,392</b>	<b>486,635</b>
Fee and commission income	47,668	45,769	141,704	116,709	162,043
Fee and commission expense	(16,707)	(7,939)	(36,206)	(24,545)	(34,327)
<b>Net fee and commission income</b>	<b>30,961</b>	<b>37,830</b>	<b>105,498</b>	<b>92,164</b>	<b>127,716</b>
Net trading income	47,654	46,721	145,979	162,309	216,207
	217,339	191,519	620,875	596,865	830,558
Other operating income	49,380	46,803	144,734	134,922	182,075
<b>Total operating income</b>	<b>266,719</b>	<b>238,322</b>	<b>765,609</b>	<b>731,787</b>	<b>1,012,633</b>
<b>Net impairment (charge)/release on financial assets</b>	<b>(783)</b>	<b>(21,162)</b>	<b>29,687</b>	<b>16,309</b>	<b>322,830</b>
Personnel expenses	(106,066)	(114,351)	(324,429)	(320,520)	(446,117)
Operating lease expenses	(2,502)	(1,501)	(6,279)	(4,931)	(3,626)
Depreciation	(11,709)	(10,830)	(33,633)	(33,214)	(43,788)
Other expenses	(151,211)	(127,478)	(404,350)	(351,224)	(491,833)
<b>Total expenses</b>	<b>(271,488)</b>	<b>(254,160)</b>	<b>(768,691)</b>	<b>(709,889)</b>	<b>(985,364)</b>
<b>(Loss)/Profit before tax</b>	<b>(5,552)</b>	<b>(37,000)</b>	<b>26,605</b>	<b>38,207</b>	<b>350,099</b>
Tax expense	(17,935)	(36,757)	(35,717)	(30,025)	(69,417)
<b>(Loss)/Profit for the period/year</b>	<b>(23,487)</b>	<b>(73,757)</b>	<b>(9,112)</b>	<b>8,182</b>	<b>280,682</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Remeasurements of retirement obligations	(25,756)	-	(44,307)	-	207,168
Deferred tax impact on remeasurements of retirement obligations	5,073	28,474	4,684	(13,177)	(26,591)
Gain on revaluation of land and buildings	1,161	-	1,161	-	15,268
Deferred tax impact on gain on revaluation of land and buildings	(119)	-	(73)	-	(461)
	(19,641)	28,474	(38,535)	(13,177)	195,384
<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	(9,697)	46,868	(71,812)	(124,388)	(100,307)
Deferred tax impact on change in fair value of financial assets at fair value through other comprehensive income	(791)	-	3,165	-	(4,607)
	(10,488)	46,868	(68,647)	(124,388)	(104,914)
<b>Total other comprehensive income for the period/year</b>	<b>(30,129)</b>	<b>75,342</b>	<b>(107,182)</b>	<b>(137,565)</b>	<b>90,470</b>
<b>Total comprehensive income for the period/year</b>	<b>(53,616)</b>	<b>1,585</b>	<b>(116,294)</b>	<b>(129,383)</b>	<b>371,152</b>

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

### Unaudited statement of financial position

at 30 September 2022

	30-Sep-22 MUR'000	30-Sep-21 MUR'000	31-Dec-21 MUR'000
<b>ASSETS</b>			
Cash and cash equivalents	7,236,267	7,454,333	6,643,354
Trading assets	3,647	2,057	11,992
Loans and advances to banks	102,942	499,657	378,631
Loans and advances to customers	12,068,275	10,157,395	10,808,135
Investment securities at fair value through other comprehensive income	8,699,395	9,588,864	10,600,515
Investment securities at amortised cost	1,561,901	-	148,173
Other assets	2,722,660	3,019,404	3,163,912
Intangible assets	2,875	-	3,392
Property, plant and equipment	346,583	344,580	345,243
Deferred tax assets	62,994	95,801	56,239
<b>Total assets</b>	<b>32,807,539</b>	<b>31,162,092</b>	<b>32,159,587</b>

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

**Unaudited statement of financial position (continued)**

*at 30 September 2022*

	<b>30-Sep-22</b>	30-Sep-21	31-Dec-21
	<b>MUR'000</b>	MUR'000	MUR'000
<b>LIABILITIES</b>			
Deposits from banks	<b>565,064</b>	926,026	1,177,285
Deposits from customers	<b>28,372,252</b>	25,120,253	25,814,918
Trading liabilities	<b>2,064</b>	63	1,089
Other borrowed funds	<b>897,627</b>	1,286,317	1,083,503
Current tax liabilities	<b>43,919</b>	33,998	52,002
Other liabilities	<b>664,706</b>	1,636,842	1,372,155
<b>Total liabilities</b>	<b>30,545,632</b>	<u>29,003,499</u>	<u>29,500,952</u>
<b>Shareholder's funds</b>			
Assigned capital	<b>794,150</b>	794,150	794,150
Retained earnings	<b>801,630</b>	718,334	1,172,632
Other reserves	<b>666,127</b>	646,109	691,853
<b>Total shareholder's funds</b>	<b>2,261,907</b>	<u>2,158,593</u>	<u>2,658,635</u>
<b>Total liabilities and shareholder's funds</b>	<b>32,807,539</b>	<u>31,162,092</u>	<u>32,159,587</u>
<b>CONTINGENT LIABILITIES</b>			
Guarantees, letters of credit, endorsements and other obligations on account of customers	<b>3,383,768</b>	3,469,612	3,683,923
Undrawn commitments	<b>8,439,304</b>	8,286,178	7,968,663

Approved on 14 November 2022

**Bonnie Yi Jing Qiu**  
*Chief Executive Officer*

**Rajiv Gopaul**  
*Head of Finance*

# The Hongkong and Shanghai Banking Corporation Limited – Mauritius Branch

## Statement of changes in equity for the period ended 30 September 2022

	Assigned capital	Retained earnings	Other Reserves				Fair value reserve	Total shareholder's funds
			Reserves for own shares	Revaluation reserve	Statutory reserve	General banking reserve		
			MUR'000	MUR'000	MUR'000	MUR'000		
<b>Balance at 1 January 2020</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)
<i>Other comprehensive income</i>								
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 owner of the Bank</b>								
Other movements during the year	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 owner 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>	<b>794,150</b>	<b>707,398</b>	<b>13,009</b>	<b>208,493</b>	<b>306,835</b>	<b>91,861</b>	<b>164,226</b>	<b>2,285,972</b>
<b>Total comprehensive income</b>								
Profit for the year	-	280,682	-	-	-	-	-	280,682
<i>Other comprehensive income</i>								
Net change in fair value	-	-	-	-	-	-	(100,307)	(100,307)
Realisation of revaluation reserve to retained earnings	-	1,968	-	(1,968)	-	-	-	-
Remeasurements of retirement obligations	-	207,168	-	-	-	-	-	207,168
Revaluation of land and buildings	-	-	-	15,268	-	-	-	15,268
Tax on other comprehensive income	-	(26,591)	-	(461)	-	-	(4,607)	(31,659)
Total other comprehensive income	-	182,545	-	12,839	-	-	(104,914)	90,470
Total comprehensive income	-	463,227	-	12,839	-	-	(104,914)	371,152
<b>Transactions with owner of the Bank</b>								
Other movements during the year	-	72	1,439	-	-	-	-	1,511
Net change in fair value of share-based payment liability	-	1,955	(1,955)	-	-	-	-	-
Transactions with owner of the Bank	-	2,027	(516)	-	-	-	-	1,511
Transfer to general banking reserve	-	(20)	-	-	-	20	-	-
<b>Balance at 31 December 2021</b>	<b>794,150</b>	<b>1,172,632</b>	<b>12,493</b>	<b>221,332</b>	<b>306,835</b>	<b>91,881</b>	<b>59,312</b>	<b>2,658,635</b>
<b>Total comprehensive income</b>								
Loss for the period	-	(9,112)	-	-	-	-	-	(9,112)
<i>Other comprehensive income</i>								
Net change in fair value	-	-	-	-	-	-	(71,812)	(71,812)
Realisation of revaluation reserve to retained earnings	-	1,153	-	(1,153)	-	-	-	-
Remeasurements of retirement obligation	-	(44,307)	-	-	-	-	-	(44,307)
Revaluation of properties	-	-	-	1,161	-	-	-	1,161
Tax on other comprehensive income	-	4,684	-	(73)	-	-	3,165	7,776
Total other comprehensive income	-	(38,470)	-	(65)	-	-	(68,647)	(107,182)
Total comprehensive income	-	(47,582)	-	(65)	-	-	(68,647)	(116,294)
<b>Transactions with owner of the Bank</b>								
Other movements during the period	-	(23)	-	-	-	-	-	(23)
Net change in fair value of share-based payment liability	-	-	1,411	-	-	-	-	1,411
Profit remittance to Head office	-	(281,822)	-	-	-	-	-	(281,822)
Transactions with owner of the Bank	-	(281,845)	1,411	-	-	-	-	(280,434)
Transfer to general banking reserve	-	(41,575)	-	-	-	41,575	-	-
<b>Balance at 30 September 2022</b>	<b>794,150</b>	<b>801,630</b>	<b>13,904</b>	<b>221,267</b>	<b>306,835</b>	<b>133,456</b>	<b>(9,335)</b>	<b>2,261,907</b>

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

### Unaudited statement of cash flows

for the period ended 30 September 2022

	30-Sep-22 MUR'000	30-Sep-21 MUR'000	31-Dec-21 MUR'000
<b>Cash flows from operating activities</b>			
Profit before tax	26,605	38,207	350,099
<b>Adjustments for:</b>			
Depreciation	33,633	33,214	43,788
Profit on sale of fixed assets	(16)	(354)	(197)
Net impairment release on financial assets	(29,687)	(16,309)	(322,830)
Net interest income	(369,398)	(342,392)	(486,635)
Exchange differences in respect of cash and cash equivalents	(240,981)	343,085	(378,778)
	<b>(579,844)</b>	<b>55,451</b>	<b>(794,553)</b>
<b>Change in:</b>			
Other assets	395,070	(614,070)	(733,582)
Other liabilities	(723,485)	301,999	368,443
Trading assets	8,345	4,005	(5,930)
Trading liabilities	975	(3,157)	(2,131)
Loans and advances to customers	(1,224,312)	4,181,834	3,835,670
Loans and advances to banks	275,687	(235,535)	(113,824)
Deposits from customers	2,557,334	2,341,840	3,036,505
Deposits from banks	(612,221)	178,234	429,493
Interest received	470,227	412,274	565,655
Interest paid	(45,618)	(16,618)	(74,315)
Other borrowed funds	(185,876)	(3,931,914)	(4,133,804)
	<b>336,282</b>	<b>2,674,342</b>	<b>2,377,627</b>
Tax (paid)/refund	(42,779)	1,680	1,372
<b>Net cash from operating activities</b>	<b>293,503</b>	<b>2,676,022</b>	<b>2,378,999</b>
<b>Cash flows from investing activities</b>			
Acquisition of intangible assets	-	-	(3,392)
Acquisition of property, plant and equipment	(1,659)	(6,384)	(9,501)
Proceeds from disposal of property, plant and equipment	7,871	27	-
Purchase of investment securities	(9,121,425)	(4,797,490)	(7,225,981)
Proceed from sale and maturity of investment securities	9,502,300	3,407,500	4,701,700
<b>Net cash from/(used in) investing activities</b>	<b>387,087</b>	<b>(1,396,347)</b>	<b>(2,537,174)</b>
<b>Cash flows from financing activities</b>			
Principal element of lease payments	(46,836)	75,278	(19,253)
Profit remittance to Head office	(281,822)	-	-
<b>Net cash (used in)/from financing activities</b>	<b>(328,658)</b>	<b>75,278</b>	<b>(19,253)</b>
<b>Net change in cash and cash equivalents</b>	<b>351,932</b>	<b>1,354,953</b>	<b>(177,428)</b>
Cash and cash equivalents at 1 January	6,643,354	6,442,004	6,442,004
Exchange differences in respect of cash and cash equivalents	240,981	(343,085)	378,778
<b>Cash and cash equivalents at end of period/year</b>	<b>7,236,267</b>	<b>7,453,872</b>	<b>6,643,354</b>