

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 2023

	Three months ended 31-Mar-23 MUR'000	Three months ended 31-Mar-22 MUR'000	Year ended 31-Dec-22 MUR'000
Interest income	265,278	129,488	625,261
Interest expense	(88,667)	(20,325)	(112,903)
Net interest income	176,611	109,163	512,358
Fee and commission income	45,628	47,744	190,185
Fee and commission expense	(8,573)	(11,053)	(48,550)
Net fee and commission income	37,055	36,691	141,635
Net trading income	48,819	49,077	208,753
	262,485	194,931	862,746
Other operating income	49,181	47,832	188,885
Total operating income	311,666	242,763	1,051,631
Net impairment release on financial assets	1,206	31,806	67,345
Personnel expenses	(107,101)	(107,438)	(467,528)
Operating lease expenses	(1,029)	(2,285)	(4,276)
Depreciation	(10,705)	(10,818)	(45,420)
Other expenses	(147,850)	(120,123)	(583,115)
Total expenses	(266,685)	(240,664)	(1,100,339)
Profit before tax	46,187	33,905	18,637
Tax expense	(18,039)	(14,937)	(6,744)
Profit for the period/year	28,148	18,968	11,893
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of retirement obligations	(17,729)	-	124,837
Deferred tax impact on remeasurements of retirement obligations	-	(1,511)	(93,894)
Gain on revaluation of land and buildings	-	-	12,998
Deferred tax impact on gain on revaluation of land and buildings	-	19	4,915
	(17,729)	(1,492)	48,856
Items that may be reclassified to profit or loss			
Net change in fair value of financial assets at fair value through other comprehensive income	19,735	(28,374)	(159,504)
Deferred tax impact on change in fair value of financial assets at fair value through other comprehensive income	-	2,174	4,607
	19,735	(26,200)	(154,897)
Total other comprehensive income for the period/year	2,006	(27,692)	(106,041)
Total comprehensive income for the period/year	30,154	(8,724)	(94,148)



The Hongkong and Shanghai Banking Corporation Limited – Mauritius Branch

Unaudited statement of financial position

at 31 March 2023

	31-Mar-23 MUR'000	31-Mar-22 MUR'000	31-Dec-22 MUR'000
ASSETS			
Cash and cash equivalents	6,922,670	6,548,240	7,068,916
Trading assets	5,881	10,780	5,530
Loans and advances to banks	155,844	279,001	200,357
Loans and advances to customers	11,150,485	10,996,397	12,123,598
Investment securities at fair value through other comprehensive income	7,636,141	10,803,930	6,537,624
Investment securities at amortised cost	1,163,604	148,162	1,309,123
Other assets	2,824,030	3,060,890	2,513,370
Intangible assets	2,530	3,220	2,703
Property, plant and equipment	391,904	338,826	390,844
Deferred tax assets	-	55,241	-
Total assets	30,253,089	32,244,687	30,152,065

The Hongkong and Shanghai Banking Corporation Limited – Mauritius Branch

Unaudited statement of financial position (continued)

at 31 March 2023

	31-Mar-23 MUR'000	31-Mar-22 MUR'000	31-Dec-22 MUR'000
LIABILITIES			
Deposits from banks	409,242	885,044	451,231
Deposits from customers	26,269,721	26,177,701	26,335,817
Trading liabilities	2,047	197	6,871
Other borrowed funds	496,042	1,189,060	444,494
Current tax liabilities	60,326	65,259	44,099
Other liabilities	699,646	1,277,035	583,918
Total liabilities	27,937,024	29,594,296	27,866,430
Shareholder's funds			
Assigned capital	794,150	794,150	794,150
Retained earnings	922,092	1,167,675	896,274
Other reserves	599,823	688,566	595,211
Total shareholder's funds	2,316,065	2,650,391	2,285,635
Total liabilities and shareholder's funds	30,253,089	32,244,687	30,152,065
CONTINGENT LIABILITIES			
Guarantees, letters of credit, endorsements and other obligations on account of customers	2,668,675	3,870,495	2,646,497
Undrawn commitments	9,572,645	8,240,155	9,647,576

Approved on 9 May 2023

Bonnie Yi Jing Qiu
Chief Executive Officer

Rajiv Gopaul
Head of Finance

The Hongkong and Shanghai Banking Corporation Limited - Mauritius Branch

Unaudited Statement of changes in equity
for the period ended 31 March 2023

	Assigned capital	Retained earnings	Other Reserves				Fair value reserve	Total shareholder's funds
			Share based payment	Revaluation reserve	Statutory reserve	General banking reserve		
	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000
Balance at 1 January 2021	794,150	707,398	13,009	208,493	306,835	91,861	164,226	2,285,972
Total comprehensive income								
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
Transactions with owner of the Bank								
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	-	-
Balance at 31 December 2021	794,150	1,172,632	12,493	221,332	306,835	91,881	59,312	2,658,635
Total comprehensive income								
Profit for the year	-	11,893	-	-	-	-	-	11,893
<i>Other comprehensive income</i>								
Net change in fair value	-	-	-	-	-	-	(159,504)	(159,504)
Realisation of revaluation reserve to retained earnings	-	2,098	-	(2,098)	-	-	-	-
Remeasurements of retirement obligations	-	124,837	-	-	-	-	-	124,837
Revaluation of land and buildings	-	-	-	12,998	-	-	-	12,998
Write off of deferred tax	-	(93,894)	-	4,915	-	-	4,607	(84,372)
Total other comprehensive income	-	33,041	-	15,815	-	-	(154,897)	(106,041)
Total comprehensive income	-	44,934	-	15,815	-	-	(154,897)	(94,148)
Transactions with owner of the Bank								
Other movements during the year	-	-	1,830	-	-	-	-	1,830
Net change in fair value of share-based payment liability	-	342	(342)	-	-	-	-	-
Profit remittance to Head office	-	(280,682)	-	-	-	-	-	(280,682)
Transactions with owner of the Bank	-	(280,340)	1,488	-	-	-	-	(278,852)
Transfer to general banking reserve	-	(40,952)	-	-	-	40,952	-	-
Balance at 31 December 2022	794,150	896,274	13,981	237,147	306,835	132,833	(95,585)	2,285,635
Total comprehensive income								
Profit for the year	-	28,148	-	-	-	-	-	28,148
<i>Other comprehensive income</i>								
Net change in fair value	-	-	-	-	-	-	19,735	19,735
Realisation of revaluation reserve to retained earnings	-	414	-	(414)	-	-	-	-
Remeasurements of retirement obligations	-	(17,729)	-	-	-	-	-	(17,729)
Total other comprehensive income	-	(17,315)	-	(414)	-	-	19,735	2,006
Total comprehensive income	-	10,833	-	(414)	-	-	19,735	30,154
Transactions with owner of the Bank								
Other movements during the year	-	(244)	520	-	-	-	-	276
Transactions with owner of the Bank	-	(244)	520	-	-	-	-	276
Transfer from general banking reserve	-	15,229	-	-	-	(15,229)	-	-
Balance at 31 March 2023	794,150	922,092	14,501	236,733	306,835	117,604	(75,850)	2,316,065

The Hongkong and Shanghai Banking Corporation Limited – Mauritius Branch

Unaudited statement of cash flows

for the period ended 31 March 2023

	31-Mar-23 MUR'000	31-Mar-22 MUR'000	31-Dec-22 MUR'000
Cash flows from operating activities			
Profit before tax	46,187	33,905	18,637
Adjustments for:			
Depreciation	10,705	10,818	45,420
Profit on modification of lease	-	-	(2,820)
Net impairment release on financial assets	(1,206)	(31,806)	(67,345)
Net interest income	(176,611)	(109,163)	(512,358)
Write off of plant, property and equipment	-	-	10,392
Exchange differences in respect of cash and cash equivalents	(248,150)	(90,542)	(139,114)
	<u>(369,075)</u>	<u>(186,788)</u>	<u>(647,188)</u>
Change in:			
Other assets	(318,652)	92,780	645,827
Other liabilities	37,400	(81,528)	(691,302)
Trading assets	(351)	1,212	6,462
Trading liabilities	(4,824)	(892)	5,782
Loans and advances to customers	967,507	(161,023)	(1,241,417)
Loans and advances to banks	43,600	99,644	177,719
Deposits from customers	(66,096)	362,783	520,899
Deposits from banks	(41,989)	(292,241)	(726,054)
Interest received	274,355	139,732	681,144
Interest paid	(22,356)	(13,340)	(93,900)
Other borrowed funds	51,548	105,556	(639,009)
	<u>551,067</u>	<u>65,895</u>	<u>(2,001,037)</u>
Tax (paid)/refund	(1,812)	-	(42,778)
Net cash from operating activities	<u>549,255</u>	<u>65,895</u>	<u>(2,043,815)</u>
Cash flows from investing activities			
Acquisition of intangible assets	-	-	-
Acquisition of property, plant and equipment	(12,223)	(1,747)	(52,483)
Proceeds from disposal of property, plant and equipment	-	-	-
Purchase of investment securities	(39,558,147)	(2,415,700)	(11,686,730)
Proceed from sale and maturity of investment securities	43,673,450	2,169,500	14,521,600
Net cash from/(used in) investing activities	<u>4,103,080</u>	<u>(247,947)</u>	<u>2,782,387</u>
Cash flows from financing activities			
Principal element of lease payments	(4,113)	(3,604)	(22,207)
Profit remittance to Head office	-	-	(280,682)
Net cash (used in)/from financing activities	<u>(4,113)</u>	<u>(3,604)</u>	<u>(302,889)</u>
Net change in cash and cash equivalents	<u>4,648,222</u>	<u>(185,656)</u>	<u>435,683</u>
Cash and cash equivalents at 1 January	7,218,151	6,643,354	6,643,354
Exchange differences in respect of cash and cash equivalents	248,150	90,542	139,114
Cash and cash equivalents at end of period/year	<u>12,114,523</u>	<u>6,548,240</u>	<u>7,218,151</u>