

HSBC Bank (Mauritius) Limited

Summary statement of profit or loss and other comprehensive income for the year ended 31 December 2015

	2015 USD'000	2014 USD'000	2013 USD'000
Interest income	44,968	52,409	59,553
Interest expense	(3,266)	(4,397)	(4,336)
Net interest income	41,702	48,012	55,217
Fee and commission income	14,236	14,962	11,876
Fee and commission expense	(4,783)	(6,725)	(5,734)
Net fee and commission income	9,453	8,237	6,142
Net trading income	3,958	4,517	6,215
Net income from other financial instruments carried at fair value through profit or loss	-	-	81
	55,113	60,766	67,655
Other operating income	749	73	73
Total operating income	55,862	60,839	67,728
Net impairment loss on financial assets	(774)	-	-
Personnel expenses	(2,705)	(2,857)	(3,380)
Operating lease expenses	(136)	(143)	(142)
Depreciation	(13)	(17)	(21)
Other expenses	(8,830)	(6,746)	(6,450)
Total expenses	(11,684)	(9,763)	(9,993)
Profit before income tax	43,404	51,076	57,735
Income tax expense	(1,900)	(2,201)	(2,297)
Profit for the year	41,504	48,875	55,438
Other comprehensive income, net of income tax			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liabilities	36	286	(495)
Related tax	3	(7)	14
Other comprehensive income for the year, net of income tax	39	221	(473)
Total comprehensive income for the year	41,543	49,096	54,965
Profit attributable to:			
Equity holder	41,504	48,875	55,438
Total comprehensive income attributable to:			
Equity holder	41,543	49,154	54,957

HSBC Bank (Mauritius) Limited

Summary statement of financial position at 31 December 2015

	2015 USD'000	2014 USD'000	2013 USD'000
Assets			
Cash and cash equivalents	376,826	360,089	833,798
Trading assets	1,314	22,602	27,360
Loans and advances to banks	999,122	1,300,282	884,804
Loans and advances to customers	1,645,791	2,713,529	2,683,492
Equipment	32	34	38
Deferred tax assets	46	20	29
Other assets	15,336	27,451	20,156
Total assets	3,038,467	4,424,007	4,449,677
Liabilities			
Deposits from banks	-	184	7
Deposits from customers	2,557,350	2,630,171	3,149,758
Trading liabilities	256	3,294	8,808
Other borrowed funds	117,691	1,403,564	934,568
Current tax liabilities	818	897	899
Other liabilities	13,423	30,515	14,412
Total liabilities	2,689,538	4,068,625	4,108,452
Shareholder's equity			
Stated capital-paid up	72,957	72,957	72,957
Retained earnings	177,280	182,280	168,424
Other reserves	98,692	100,145	99,844
Total equity attributable to equity holder	348,929	355,382	341,225
Total liabilities and shareholder's equity	3,038,467	4,424,007	4,449,677

Approved by the Board of Directors on 24 March 2016 and signed on its behalf by:

Jayant Rikhye
Chairman

Dean Lam
Managing Director

Alastair Bryce
Director

HSBC Bank (Mauritius) Limited

Summary statement of changes in equity for the year ended 31 December 2015

	Stated capital	Retained earnings	Other reserves			Total
			Statutory reserve	General banking reserve	Reserves for own shares	
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Balance at 01 January 2013	72,957	148,138	72,957	27,165	48	321,265
Total comprehensive income						
Profit for the year	-	55,438	-	-	-	55,438
Other comprehensive income						
Remeasurements of defined benefit liabilities	-	(487)	-	-	-	(487)
Exchange difference on remeasurements of defined benefit liabilities	-	(8)	-	-	-	(8)
Tax on other comprehensive income	-	14	-	-	-	14
Total other comprehensive income	-	(481)	-	-	-	(481)
Total comprehensive income	-	54,957	-	-	-	54,957
Transactions with owners of the Bank						
Dividends paid	-	(35,000)	-	-	-	(35,000)
Exchange difference	-	(1)	-	-	4	3
Transactions with owners of the Bank	-	(35,001)	-	-	4	(34,997)
Transfer to/(from) general banking reserve	-	330	-	(330)	-	-
Balance at 31 December 2013	72,957	168,424	72,957	26,835	52	341,225
Total comprehensive income						
Profit for the year	-	48,875	-	-	-	48,875
Other comprehensive income						
Remeasurements of defined benefit liabilities	-	228	-	-	-	228
Exchange difference on remeasurements of defined benefit liabilities	-	58	-	-	-	58
Tax on other comprehensive income	-	(7)	-	-	-	(7)
Total other comprehensive income	-	279	-	-	-	279
Total comprehensive income	-	49,154	-	-	-	49,154
Transactions with owners of the Bank						
Dividends paid	-	(35,000)	-	-	-	(35,000)
Exchange difference	-	2	-	-	1	3
Transactions with owners of the Bank	-	(34,998)	-	-	1	(34,997)
Transfer (from)/to general banking reserve	-	(300)	-	300	-	-
Balance at 31 December 2014	72,957	182,280	72,957	27,135	53	355,382
Total comprehensive income						
Profit for the year	-	41,504	-	-	-	41,504
Other comprehensive income						
Remeasurements of defined benefit liabilities	-	(49)	-	-	-	(49)
Exchange difference on remeasurements of defined benefit liabilities	-	85	-	-	-	85
Tax on other comprehensive income	-	3	-	-	-	3
Total other comprehensive income	-	39	-	-	-	39
Total comprehensive income	-	41,543	-	-	-	41,543
Transactions with owners of the Bank						
Dividends paid	-	(48,000)	-	-	-	(48,000)
Exchange difference	-	5	-	-	(1)	4
Transactions with owners of the Bank	-	(47,995)	-	-	(1)	(47,996)
Transfer to/(from) general banking reserve	-	1,452	-	(1,452)	-	-
Balance at 31 December 2015	72,957	177,280	72,957	25,683	52	348,929

HSBC Bank (Mauritius) Limited

Summary statement of cash flows for the year ended 31 December 2015

	2015 USD'000	2014 USD'000	2013 USD'000
Cash flows from operating activities			
Profit before income tax	43,404	51,076	57,735
Adjustments for:			
Depreciation	13	17	21
Loss on sale of equipment	2	-	1
Net impairment loss on financial assets	774	-	-
Net interest income	(41,702)	(48,012)	(55,217)
Exchange differences in respect of cash and cash equivalents	17,970	11,667	10,075
	20,461	14,748	12,615
Change in:			
Derivative financial assets	-	-	6,504
Other assets	9,999	(7,992)	2,604
Other liabilities	(16,661)	16,237	(2,426)
Trading assets	21,288	4,758	10,230
Trading liabilities	(3,038)	(5,514)	(4,067)
Loans and advances to banks	301,160	(415,478)	(111,229)
Loans and advances to customers	1,066,964	(30,037)	32,978
Deposits from banks	(184)	177	(191)
Deposits from customers	(72,821)	(519,587)	(873,267)
Interest received	47,084	53,106	62,611
Interest paid	(3,657)	(4,242)	(4,341)
	1,370,595	(893,824)	(867,979)
Income tax paid	(2,002)	(2,201)	(2,868)
Net cash from/(used in) operating activities	1,368,593	(896,025)	(870,847)
Cash flows from investing activities			
Acquisition of equipment	(14)	(13)	(18)
Proceeds from the sale of equipment	1	-	4
Net cash used in investing activities	(13)	(13)	(14)
Cash flows from financing activities			
Dividends paid	(48,000)	(35,000)	(35,000)
(Decrease)/increase in other borrowed funds	(214)	(33,748)	50,000
Net cash used in financing activities	(48,214)	(68,748)	15,000
Net change in cash and cash equivalents	1,320,366	(964,786)	(855,861)
Cash and cash equivalents at 1 January	(1,027,223)	(50,770)	815,166
Exchange differences in respect of cash and cash equivalents	(17,970)	(11,667)	(10,075)
Cash and cash equivalents at 31 December	275,173	(1,027,223)	(50,770)

HSBC Bank (Mauritius) Limited

The summary statements of financial position, profit or loss and other comprehensive income, changes in equity and cash flows have been extracted from the audited financial statements of HSBC Bank (Mauritius) Limited for the year ended 31 December 2015.

Independent Auditor's Report to the Shareholder of HSBC Bank (Mauritius) Limited

The accompanying summary financial statements, which comprise the summary statement of financial position as at 31 December 2015, the summary statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended are derived from the audited financial statements of HSBC Bank (Mauritius) Limited (the "Bank") for the year ended 31 December 2015. We expressed an unmodified audit opinion on those financial statements in our report dated 24 March 2016.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards, the Mauritian Companies Act 2001, the Mauritian Banking Act 2004 and Guidelines and Guidance Notes issued by the Bank of Mauritius.

Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Bank.

Directors' Responsibility for the Summary Financial Statements

The Bank's directors are responsible for the preparation of a summary of the audited financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritian Companies Act 2001, the Mauritian Banking Act 2004 and regulations and guidelines of the Bank of Mauritius and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements".

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of the Bank for the year ended 31 December 2015 are consistent, in all material respects, with those financial statements, in accordance with International Financial Reporting Standards and comply with the Mauritian Companies Act 2001.

PricewaterhouseCoopers
24 March 2016

Mohammad Issa Taujoo, licensed by FRC