

HSBC Bank (Mauritius) Limited

Unaudited statement of profit or loss and other comprehensive income for the period ended 30 September 2018

	Three months ended 30 September 2018 USD'000	Three months ended 30 September 2017 USD'000	Nine months ended 30 September 2018 USD'000	Nine months ended 30 September 2017 USD'000	Year ended 31 December 2017 USD'000
Interest income	29,715	15,999	73,029	45,724	63,078
Interest expense	(11,909)	(3,939)	(27,439)	(9,906)	(15,338)
Net interest income	17,806	12,060	45,590	35,818	47,740
Fee and commission income	1,639	1,635	4,526	4,770	6,406
Fee and commission expense	(124)	(169)	(435)	(426)	(582)
Net fee and commission income	1,515	1,466	4,091	4,344	5,824
Net trading income	612	630	1,830	2,295	2,860
Other operating income	69	199	355	476	650
Total operating income	20,002	14,355	51,866	42,933	57,074
Net (impairment loss)/reversal of impairment on financial assets	(205)	129	208	108	17
Personnel expenses	(917)	(769)	(2,805)	(2,340)	(3,202)
Operating lease expenses	(38)	(38)	(115)	(110)	(151)
Depreciation	(8)	(8)	(25)	(23)	(32)
Other expenses	(3,019)	(2,788)	(8,632)	(7,644)	(10,845)
Total expenses	(3,982)	(3,603)	(11,577)	(10,117)	(14,230)
Profit before income tax	15,815	10,881	40,497	32,924	42,861
Income tax expense	(644)	(485)	(1,736)	(1,446)	(1,904)
Profit for the period/year	15,171	10,396	38,761	31,478	40,957
Other comprehensive income, net of income tax					
Items that will not be reclassified to profit or loss					
Remeasurements of defined benefit liabilities	(129)	205	(313)	(306)	(529)
Related tax	2	(5)	20	8	14
	(127)	200	(293)	(298)	(515)
Items that may be reclassified to profit or loss					
Net change in fair value	(28)	-	55	-	(156)
Other comprehensive income for the period year, net of income tax	(155)	200	(238)	(298)	(671)
Total comprehensive income for the period/year	15,016	10,596	38,523	31,180	40,286

HSBC Bank (Mauritius) Limited

Unaudited statement of financial position at 30 September 2018

	30 September 2018 USD'000	30 September 2017 USD'000	31 December 2017 USD'000
Assets			
Cash and cash equivalents	1,087,836	769,350	1,635,210
Trading assets	2,179	173	120
Loans and advances to banks	840,231	865,111	531,831
Loans and advances to customers	1,696,192	1,664,062	1,750,583
Investment securities	499,401	-	298,499
Equipment	53	45	44
Deferred tax assets	77	58	67
Other assets	43,268	31,392	29,893
Total assets	4,169,237	3,330,191	4,246,247

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Unaudited statement of financial position (continued)

at 30 September 2018

	30 September 2018 USD'000	30 September 2017 USD'000	31 December 2017 USD'000
Liabilities			
Deposits from customers	2,940,079	2,105,883	3,120,937
Trading liabilities	219	177	629
Other borrowed funds	842,679	861,150	783,201
Current tax liabilities	927	726	815
Other liabilities	23,288	17,760	17,067
Total liabilities	3,807,192	2,985,696	3,922,649
Shareholder's equity			
Stated capital – paid up	72,957	72,957	72,957
Retained earnings	188,396	174,877	156,818
Other reserves	100,692	96,661	93,823
Total equity attributable to equity holder	362,045	344,495	323,598
Total liabilities and shareholder's equity	4,169,237	3,330,191	4,246,247
CONTINGENT LIABILITIES			
Guarantees, letters of credit, endorsements and other obligations.	4,562	6,516	18,629
Commitments	257,245	166,051	167,437

HSBC Bank (Mauritius) Limited

Unaudited statement of changes in equity for the period ended 30 September 2018

	Stated capital	Retained earnings	Other reserves		Reserves for own shares	Fair value reserve	Total
			Statutory reserve	General banking reserve			
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Balance at 1 January 2016	72,957	177,280	72,957	25,683	52	-	348,929
Profit for the year	-	41,176	-	-	-	-	41,176
Other comprehensive income							
Remeasurements of defined benefit liabilities	-	(313)	-	-	-	-	(313)
Exchange difference on remeasurements of defined benefit liabilities	-	9	-	-	-	-	9
Tax on other comprehensive income	-	9	-	-	-	-	9
Total other comprehensive income	-	(295)	-	-	-	-	(295)
Total comprehensive income	-	40,881	-	-	-	-	40,881
Transactions with owner of the Bank							
Dividends paid	-	(76,500)	-	-	-	-	(76,500)
Exchange difference	-	13	-	-	(7)	-	6
Transactions with owners of the Bank	-	(76,487)	-	-	(7)	-	(76,494)
Transfer from general banking reserve	-	(1,571)	-	1,571	-	-	-
Balance at 31 December 2016	72,957	140,103	72,957	27,254	45	-	313,316
Profit for the year	-	40,957	-	-	-	-	40,957
Other comprehensive income							
Net change in fair value	-	-	-	-	-	(156)	(156)
Remeasurements of defined benefit liabilities	-	(462)	-	-	-	-	(462)
Exchange difference on remeasurements of defined benefit liabilities	-	(67)	-	-	-	-	(67)
Tax on other comprehensive income	-	14	-	-	-	-	14
Total other comprehensive income	-	(515)	-	-	-	(156)	(671)
Total comprehensive income	-	40,442	-	-	-	(156)	40,286
Transactions with owner of the Bank							
Dividends paid	-	(30,000)	-	-	-	-	(30,000)
Exchange difference	-	2	-	-	(6)	-	(4)
Transactions with owner of the Bank	-	(29,998)	-	-	(6)	-	(30,004)
Transfer from general banking reserve	-	6,271	-	(6,271)	-	-	-
Balance at 31 December 2017	72,957	156,818	72,957	20,983	39	(156)	323,598
Changes in initial application of IFRS 9	-	(76)	-	-	-	-	(76)
Restated balance at 1 January 2018	72,957	156,742	72,957	20,983	39	(156)	323,522
Profit for the period	-	38,761	-	-	-	-	38,761
Other comprehensive income							
Net change in fair value	-	-	-	-	-	55	55
Remeasurements of defined benefit liabilities	-	(337)	-	-	-	-	(337)
Exchange difference on remeasurements of defined benefit liabilities	-	24	-	-	-	-	24
Tax on other comprehensive income	-	20	-	-	-	-	20
Total other comprehensive income	-	(293)	-	-	-	55	(238)
Total comprehensive income	-	38,468	-	-	-	-	38,523
Transactions with owner of the Bank							
Exchange difference	-	1	-	-	(1)	-	-
Transactions with owner of the Bank	-	1	-	-	(1)	-	-
Transfer from general banking reserve	-	(6,815)	-	6,815	-	-	-
Balance at 30 September 2018	72,957	188,396	72,957	27,798	38	(101)	362,045

HSBC Bank (Mauritius) Limited

Unaudited statement of cash flows for the period ended 30 September 2018

	30 September 2018 USD'000	30 September 2017 USD'000	31 December 2017 USD'000
Cash flows from operating activities			
Profit before income tax	40,497	32,924	42,861
Adjustments for:			
Depreciation	25	23	32
Loss on sale of equipment	-	4	3
Net impairment release on financial assets	(208)	(107)	(17)
Net interest income	(45,590)	(35,818)	(47,740)
Exchange differences in respect of cash and cash equivalents	3,139	1,309	5,297
	(2,137)	(1,665)	436
Change in:			
Other assets	(8,710)	(15,616)	(16,641)
Other liabilities	4,263	(3,730)	(4,709)
Trading assets	(2,059)	747	800
Trading liabilities	(410)	40	492
Loans and advances to banks	(308,797)	530,370	863,650
Loans and advances to customers	54,931	(50,277)	(136,888)
Deposits from customers	(180,858)	(56,907)	958,147
Interest received	68,364	43,962	63,490
Interest paid	(25,795)	(10,739)	(16,111)
Other borrowed funds	61,313	(85,724)	(166,230)
	(339,895)	350,461	1,546,436
Income tax paid	(1,613)	(1,501)	(1,873)
Net cash (used in)/from operating activities	(341,508)	348,960	1,544,563
Cash flows from investing activities			
Acquisition of equipment	(34)	(20)	(27)
Net investment in securities	(200,847)	-	(298,305)
Net cash used in investing activities	(200,881)	(20)	(298,332)
Cash flows from financing activities			
Dividends paid	-	-	(30,000)
Net cash used in financing activities	-	-	(30,000)
Net change in cash and cash equivalents	(542,389)	348,940	1,216,231
Cash and cash equivalents at 1 January	1,632,335	421,405	421,405
IFRS 9 impairment on Cash and cash equivalent	4	-	-
Exchange differences in respect of cash and cash equivalents	(3,139)	(1,309)	(5,297)
Cash and cash equivalents at end of the period/year	1,086,811	769,036	1,632,339