

Condensed audited statement of financial position as at 31 December 2018

	2018	2017	2016
	USD'000	USD'000	USD'000
ASSETS			
Cash and cash equivalents	500,644	361,803	550,748
Placement with banks	-	-	569
Derivative financial instruments	22,050	17,743	6,790
Financial assets held for trading	-	62,500	15,503
Financial assets at fair value through profit or loss	1,002	-	-
Debt instruments at fair value through other comprehensive income	384,278	-	-
Loans and advances to banks	169,135	189,748	268,067
Loans and advances to customers	942,156	795,557	1,015,186
Debt instruments at amortised cost	229,755	-	-
Investment securities	-	947,074	786,614
Investment in subsidiary	59,000	59,000	59,000
Other assets	16,140	46,095	55,229
Plant and equipment	323	439	675
Goodwill and other intangible assets	20,041	22,981	28,031
Deferred tax assets	308	706	611
Total assets	2,344,832	2,503,646	2,787,023
LIABILITIES			
Derivative financial instruments	31,615	58,814	15,687
Deposits by banks	1,749	1,204	30,872
Deposits by customers	1,440,203	1,234,593	1,055,371
Other borrowed funds	418,105	820,779	1,193,212
Subordinated liabilities	45,342	45,261	75,572
Other liabilities	62,751	42,425	139,102
Current tax liabilities	915	697	266
Total liabilities	2,000,680	2,203,773	2,510,082
Equity attributable to equity holders			
Issued Capital	272,652	272,652	272,652
Retained earnings/(accumulated losses)	27,043	(19,013)	(46,922)
Other reserves	44,457	46,234	51,211
Total equity attributable to equity holders of the Bank	344,152	299,873	276,941
Total liabilities and equity	2,344,832	2,503,646	2,787,023

The financial statements have been approved by the Board on 28 March 2019 and signed on its behalf by:

Richard Etemesi	Mathieu Mandeng	Danny Balluck
Chairman	CEO / Director	CFO / Director
Board of Directors		

Condensed audited income statement for the year ended 31 December 2018

	2018	2017	2016
	USD'000	USD'000	USD'000
Interest and similar income	86,351	112,123	102,793
Interest and similar expense	(26,706)	(54,185)	(54,716)
Net interest income	59,645	57,938	48,077
Fee and commission income	12,289	10,149	9,046
Fee and commission expense	(3,432)	(3,327)	(3,616)
Net fee and commission income	8,857	6,822	5,430
Net trading income/(loss)	10,959	(18,887)	(3,087)
Net (loss)/gain from other financial instruments at fair value through profit or loss	(10,124)	13,204	39,419
Other operating income	-	-	38
Total operating income	69,337	59,077	89,877
Reversal of impairment/(credit loss expense)	12,220	(6,143)	(57,305)
Net operating income	81,557	52,934	32,572
Impairment of intangible assets	-	(2,380)	-
Personnel expenses	(7,538)	(6,654)	(6,761)
Operating lease expenses	(498)	(495)	(437)
Depreciation and amortisation	(3,104)	(2,785)	(2,842)
Other operating expenses	(17,439)	(15,048)	(16,320)
Total operating expenses	(28,579)	(27,362)	(26,360)
Profit before tax	52,978	25,572	6,212
Income tax (expense)/credit	(2,057)	(1,594)	55
Profit for the year	50,921	23,978	6,267

Condensed audited statement of other comprehensive income for the year ended 31 December 2018

	2018	2017	2016
	USD'000	USD'000	USD'000
Profit for the year	50,921	23,978	6,267
Other comprehensive income (OCI):			
OCI that will be reclassified to the income statement			
Net change in fair value of debt instruments at FVOCI, including ECL allowance	(569)	-	-
Net change in fair value of available-for-sale financial assets	-	(5,933)	7,282
Income tax relating to components of OCI	(45)	33	58
Cash flow hedges:			
Effective portion of changes in fair value	2,237	4,854	(9,216)
Net OCI that will be reclassified to the income statement	1,623	(1,046)	(1,876)
OCI that will not be reclassified to the income statement			
Remeasurement of retirement benefit obligations	(151)	-	-
Net OCI that will not be reclassified to the income statement	(151)	-	-
Other comprehensive income/ (loss) for the year, net of tax	1,472	(1,046)	(1,876)
Total comprehensive income for the year, net of tax	52,393	22,932	4,391

Condensed audited statement of cash flows for the year ended 31 December 2018

	2018	2017	2016
	USD'000	USD'000	USD'000
Cash flows from operating activities			
Profit for the year	50,921	23,978	6,267
Adjustments for:			
Depreciation and amortisation	3,104	2,785	2,842
Reversal of impairment/(credit loss expense)	(12,220)	6,143	57,305
Impairment of intangible assets	-	2,380	-
Net trading (income)/loss	(10,959)	18,887	8,303
Net loss/(gain) from other financial instruments at fair value through profit or loss	10,124	(13,204)	(39,419)
Profit on disposal of motor vehicles	-	-	(38)
Foreign exchange on translation of investments	44,329	(36,320)	8,866
Net interest income	(59,645)	(57,938)	(48,077)
Tax expense/(credit)	2,057	1,594	(55)
Net fee and commission income	(8,857)	(6,822)	(5,430)
18,854	(58,517)	(9,436)	
Changes in:			
Placements with banks	-	569	1,431
Financial assets held for trading	62,500	(46,997)	263,975
Derivative financial instruments	(32,916)	1,673	(33,167)
Loans and advances to banks	21,484	78,270	(23,879)
Loans and advances to customers	(132,324)	215,136	(29,194)
Other assets	8,675	9,133	4,343
Deposits by banks	545	(29,668)	(19,881)
Deposits by customers	204,970	178,905	(111,719)
Other borrowed funds	(383,629)	(359,953)	(435,085)
Other liabilities	16,250	(96,677)	103,621
(215,591)	(108,126)	(288,991)	
Interest received	99,200	103,087	110,917
Interest paid	(45,031)	(56,318)	(64,034)
Income tax paid	(1,241)	(1,225)	(937)
Fee and commission income received	12,464	10,152	10,591
Fee and commission income paid	(3,432)	(3,326)	(3,616)
Net cash (used in)/generated from operating activities	(153,631)	(55,756)	(236,070)
Investing activities			
Purchase of investment securities	-	(409,310)	(423,218)
Proceeds from sale and maturity of investment securities	-	303,744	223,924
Purchase of debt instruments at FVOCI	(1,686,172)	-	-
Purchase of debt instruments at amortised cost	(18,595)	-	-
Proceeds from sale and maturity of debt instruments at FVOCI	1,720,000	-	-
Proceeds from sale and maturity of debt instruments at amortised cost	273,990	-	-
Acquisition of equipment	(47)	(77)	(377)
Proceeds from sale of equipment and other fixed assets	-	-	50
Net cash (used in)/generated from investing activities	289,176	(105,643)	(199,621)
Financing activities			
Repayment of subordinated liabilities	-	(30,311)	-
Net cash used in financing activities	-	(30,311)	-
Net increase/(decrease) in cash and cash equivalents	135,545	(191,710)	(435,691)
Cash and cash equivalents at 01 January	361,803	550,748	988,599
Effect of exchange rate fluctuations on cash and cash equivalents held	3,296	2,765	(2,160)
Cash and cash equivalents at 31 December	500,644	361,803	550,748

Standard Chartered Bank (Mauritius) Limited

Condensed audited statement of changes in equity for the year ended 31 December 2018



	Other Reserves							Accumulated losses	Total
	Issued capital	Statutory reserve	Capital reserve	Fair Value Reserve	Cash flow hedge reserve	General reserve			
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000		
At 01 January 2017	272,652	34,661	4,850	7,372	(9,195)	13,523	(46,922)	276,941	
Profit for the year	-	-	-	-	-	-	23,978	23,978	
Other comprehensive income, net of tax									
Fair value adjustment on available-for-sale financial assets, net of tax	-	-	-	(5,900)	-	-	-	(5,900)	
Effective portion of changes in fair value of cash flow hedge	-	-	-	-	4,854	-	-	4,854	
Total other comprehensive loss, net of tax	-	-	-	(5,900)	4,854	-	-	(1,046)	
Total comprehensive income for the year, net of tax	-	-	-	(5,900)	4,854	-	23,978	22,932	
Transfer from general reserve to retained earnings	-	-	-	-	-	(3,931)	3,931	-	
At 31 December 2017	272,652	34,661	4,850	1,472	(4,341)	9,592	(19,013)	299,873	

	Other Reserves								
	Issued capital	Statutory reserve	Capital reserve	Fair Value Reserve	Cash flow hedge reserve	General reserve	Pension reserve	Retained earnings	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
At 01 January 2018	272,652	34,661	4,850	1,472	(4,341)	9,592	-	(19,013)	299,873
Impact of adopting IFRS 9	-	-	-	(178)	-	-	-	(7,936)	(8,114)
Release from General reserve following adoption of IFRS 9	-	-	-	-	-	(7,936)	-	7,936	-
Restated opening balance under IFRS 9	272,652	34,661	4,850	1,294	(4,341)	1,656	-	(19,013)	291,759
Profit for the year	-	-	-	-	-	-	-	50,921	50,921
Other comprehensive income, net of tax									
Fair value adjustment including ECL allowance on debt instruments at FVOCI, net of tax	-	-	-	(614)	-	-	-	-	(614)
Remeasurement of retirement benefit obligations	-	-	-	-	-	-	(151)	-	(151)
Effective portion of changes in fair value of cash flow hedge	-	-	-	-	2,237	-	-	-	2,237
Total other comprehensive income, net of tax	-	-	-	(614)	2,237	-	(151)	-	1,472
Total comprehensive income for the year, net of tax	-	-	-	(614)	2,237	-	(151)	50,921	52,393
Transfer from retained earnings to general reserve	-	-	-	-	-	4,865	-	(4,865)	-
At 31 December 2018	272,652	34,661	4,850	680	(2,104)	6,521	(151)	27,043	344,152

Report of the independent auditors on the summary financial statements to the member of Standard Chartered Bank (Mauritius) Limited

Opinion

The summary financial statements which comprise the statement of financial position as at 31 December 2018, the income statement and statement of other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, are derived from the audited financial statements of Standard Chartered Bank (Mauritius) Limited (the Bank) for the year ended 31 December 2018.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with International Financial Reporting Standards and comply with the Companies Act 2001, the Banking Act 2004 and the Financial Reporting Act 2004.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act 2001, the Banking Act 2004 and the Financial Reporting Act 2004. Reading the summary financial statements and auditor's report thereon, therefore, is not a substitute for reading the audited financial statements of the Bank and the auditor's report thereon. The summary financial statements and audited financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our reports dated 28 March 2019. Our audit report also includes:

- Use of Our Report paragraph which states that the report is made solely to the Bank's member in accordance with Section 205 of the Companies Act 2001 and for no other purpose;
- Report on other legal and regulatory requirements includes reporting as per:
 - Companies Act 2001 that no interest or relationship in the Bank other than in our capacity as auditors, all required information has been obtained and proper accounting records have been kept by the Bank.
 - Banking Act 2004 that financial statement complies with the requirement of the Banking Act 2004 and regulation and guidelines of Bank of Mauritius.
- Other information includes reporting as per:
 - Financial Reporting Act 2004 that the disclosures in the Corporate Governance Report and the explanations given for non-application are consistent with the requirements of the Code.
- The communication of key audit matters.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001, the Banking Act 2004 and the Financial Reporting Act 2004.

Auditor's Responsibility

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

ERNST & YOUNG
Ebène,
Mauritius

ANDRE LAI WAN LOONG, F.C.A.
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Date: 28 March 2019