

The Hongkong and Shanghai Banking Corporation Limited

Incorporated in the Hong Kong SAR with limited liability

HSBC Holdings plc
CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December	2022	2022	2021	2021
	USD Mn	MVR Mn	USD Mn	MVR Mn
Net interest income	32,610	502,194	26,489	407,666
– interest income	55,059	847,909	36,188	556,933
– interest expense	(22,449)	(345,715)	(9,699)	(149,268)
Net fee income	11,451	176,345	13,097	201,563
– fee income	15,213	234,280	16,788	258,367
– fee expense	(3,762)	(57,935)	(3,691)	(56,804)
Net income from financial instruments held for trading or managed on a fair value basis	10,469	161,223	7,744	119,180
Net income/(expense) from assets and liabilities of insurance businesses, including related derivatives, measured at fair value through profit or loss	(3,394)	(52,268)	4,053	62,376
– Changes in fair value of long-term debt and related derivatives	(77)	(1,186)	(182)	(2,801)
– Changes in fair value of other financial instruments mandatorily measured at fair value through profit or loss	226	3,480	798	12,281
Gains less losses from financial investments	(3)	(46)	569	8,757
Net insurance premium income	12,825	197,505	10,870	167,289
Impairment loss relating to the planned sale of our retail banking operations in France	(2,378)	(36,621)	–	–
Other operating income/(expense)	(133)	(2,048)	502	7,726
Total operating income	61,596	948,578	63,940	984,037
Net insurance claims and benefits paid and movement in liabilities to policy holders	(9,869)	(151,983)	(14,388)	(221,431)
Net operating income before change in expected credit losses and other credit impairment charges	51,727	796,596	49,552	762,605
Change in expected credit losses and other credit impairment charges	(3,592)	(55,317)	928	14,282
Net operating income	48,135	741,279	50,480	776,887
Employee compensation and benefits	(18,366)	(282,836)	(18,742)	(288,439)
General and administrative expenses	(11,091)	(170,801)	(11,592)	(178,401)
Depreciation and impairment of property, plant and equipment and right-of-use assets	(2,157)	(33,218)	(2,261)	(34,797)
Amortisation and impairment of intangible assets	(1,716)	(26,426)	(1,438)	(22,131)
Goodwill impairment of Global Private Banking - Europe	–	–	(587)	(9,034)
Total operating expenses	(33,330)	(513,282)	(34,620)	(532,802)
Operating profit	14,805	227,997	15,860	244,085
Share of profit in associates and joint ventures	2,723	41,934	3,046	46,878
Profit before tax	17,528	269,931	18,906	290,963
Tax expense	(858)	(13,213)	(4,213)	(64,838)
Profit for the year	16,670	256,718	14,693	226,125
Attributable to:				
– ordinary shareholders of the parent company	14,822	228,259	12,607	194,022
– preference shareholders of the parent company	–	–	7	108
– other equity holders	1,213	18,680	1,303	20,053
– non-controlling interest	635	9,779	776	11,943
Profit for the year	16,670	256,718	14,693	226,125
	\$	MVR	\$	MVR
Basic earnings per ordinary share	0.75	11.55	0.62	9.54
Diluted earnings per ordinary share	0.74	11.40	0.62	9.54

CONSOLIDATED BALANCE SHEET

As at 31 December	2022	2022	2021	2021
	USD Mn	MVR Mn	USD Mn	MVR Mn
ASSETS				
Cash and balances at central banks	327,002	5,035,831	403,018	6,202,447
Items in the course of collection from other banks	7,297	112,374	4,136	63,653
Hong Kong Government certificates of indebtedness	43,787	674,320	42,578	655,275
Trading assets	218,093	3,358,632	248,842	3,829,678
Financial assets designated and otherwise mandatorily measured at fair value through profit or loss	45,063	693,970	49,804	766,484
Derivatives	284,146	4,375,848	196,882	3,030,014
Loans and advances to banks	104,882	1,615,183	83,136	1,279,463
Loans and advances to customers	924,854	14,242,752	1,045,814	16,095,077
Reverse repurchase agreements - non-trading	253,754	3,907,812	241,648	3,718,963
Financial investments	425,564	6,553,686	446,274	6,868,157
Prepayments, accrued income and other assets	272,785	4,200,889	139,982	2,154,323
Current tax assets	1,230	18,942	970	14,928
Interests in associates and joint ventures	29,254	450,512	29,609	455,683
Goodwill and intangible assets	21,321	328,343	20,622	317,373
Deferred tax assets	7,498	115,469	4,624	71,163
Total assets	2,966,530	45,684,562	2,957,939	45,522,681
Liabilities and equity				
LIABILITIES				
Hong Kong currency notes in circulation	43,787	674,320	42,578	655,275
Deposits by banks	66,722	1,027,519	101,152	1,556,729
Customer accounts	1,570,303	24,182,666	1,710,574	26,325,734
Repurchase agreements - non-trading	127,747	1,967,304	126,670	1,949,451
Items in the course of transmission to other banks	7,864	121,106	5,214	80,243
Trading liabilities	72,353	1,114,236	84,904	1,306,673
Financial liabilities designated at fair value	127,327	1,960,836	145,502	2,239,276
Derivatives	285,764	4,400,766	191,064	2,940,475
Debt securities in issue	78,149	1,203,495	78,557	1,208,992
Accruals, deferred income and other liabilities	247,837	3,816,690	123,778	1,904,943
Current tax liabilities	1,135	17,479	698	10,742
Liabilities under insurance contracts	114,844	1,768,598	112,745	1,735,146
Provisions	1,958	30,153	2,566	39,491
Deferred tax liabilities	2,422	37,299	4,673	71,917
Subordinated liabilities	22,290	343,266	20,487	315,295
Total liabilities	2,770,502	42,665,731	2,751,162	42,340,383
EQUITY				
Called-up share capital	10,147	156,264	10,316	158,763
Share premium account	14,664	225,826	14,602	224,725
Other equity instruments	19,746	304,088	22,414	344,951
Other reserves	(9,141)	(140,771)	6,460	99,419
Retained earnings	152,068	2,341,847	144,458	2,223,209
Total shareholders' equity	187,484	2,887,254	198,250	3,051,068
Non-controlling interests	8,544	131,578	8,527	131,231
Total equity	196,028	3,018,831	206,777	3,182,298
Total liabilities and equity	2,966,530	45,684,562	2,957,939	45,522,681

Malé Branch

9F, Zoneyria Building, H. Zoneyria, Boduthakurufaanu Magu, Malé, Republic of Maldives

BRANCH STATEMENT OF INCOME

For the year-ended 31 December 2022	2022	2021
	MVR '000	MVR '000
Interest and Fee Income:		
Interest and fees on loans	113,192	65,959
Interest on deposits in other banks	23,517	5,731
Interest on investment securities	42,368	35,094
Interest on excess funds sold	–	–
Total interest income	179,077	106,784
Interest Expense:		
Checking deposits	–	–
Savings deposits	(143)	(30)
Time deposits	(10,616)	(8,952)
Borrowed money - Head Office	(2)	(9)
Lease expenses	(869)	(1,257)
Total Interest Expense	(11,630)	(10,248)
Net Interest Income	167,447	96,536
Provision for loan losses	(3,196)	(8,664)
Net interest income after provisions for loan losses	164,251	87,872
Other Operating Income:	75,078	63,480
Service charges and fees on deposits	63,848	54,564
Other income	11,230	8,916
Other Operating Expenses:	(42,579)	(45,032)
Salaries and employee benefits	(14,726)	(16,683)
Occupancy expenses	(587)	(2,025)
General, administrative and other expenses	(27,266)	(26,324)
Net income before taxation	196,750	106,320
Less: Income taxes	(52,218)	(29,743)
Net Income	144,532	76,577
Less: Dividends	–	–
Other additions (reductions) to capital accounts	780	56
Net charge in Capital Accounts for Period	145,312	76,633

BRANCH STATEMENT OF CONDITION

As at 31 December 2022	2022	2021
	MVR '000	MVR '000
Assets		
Cash and due from Banks	538,316	287,394
Interest bearing deposits in other banks	1,459,110	1,775,351
Investment securities	1,110,115	1,080,658
Loans	1,796,070	1,497,713
Less: allowance for loan losses	(11,138)	(7,534)
Net loans	1,784,932	1,490,179
Accrued interest receivable	12,836	13,577
Premises and equipment, net	5,503	6,861
Other assets	36,692	48,183
Due from Head Office or Affiliated branches	14,159	55,502
Total Assets	4,961,663	4,757,705
Liabilities and Equity		
Deposits:		
Non-interest bearing	2,699,478	2,442,156
Interest bearing	1,119,786	1,263,170
Total deposits	3,819,264	3,705,326
Accrued interest payable	1,501	1,562
Borrowed money - Head Office	–	–
Borrowed money - Other	–	–
Other liabilities	130,495	124,247
Total Liabilities	3,951,261	3,831,135
Assigned Capital	153,162	153,162
Due to Head Office	857,241	773,408
Total Home Office Equity	1,010,403	926,570
Total Liability and Equity	4,961,663	4,757,705

