

China CITIC Bank International Limited Macau Branch

(In accordance with the requirements set out in Macau Financial System Act approved by Decree-Law No. 32/93/M of 5 July 1993)

Balance Sheet as at 30 June 2014

MOP

Assets	Total Amount	Provision, Accumulated Depreciation and Impairment	Net Amount
Cash			
Deposits with AMCM	31,844,431.73		31,844,431.73
Account Receivable	-		-
Due from other local credit institutions	14,969,729.47		14,969,729.47
Due from other foreign credit institutions	29,909,379.28		29,909,379.28
Gold and Silver			
Other Current Assets			
Loans and advances to customers	794,200,167.32		794,200,167.32
Placements with local credit institutions	93,000,000.00		93,000,000.00
Placements with foreign credit institutions	97,500,445.74		97,500,445.74
Shares, Bonds and Equity			
Debtors			
Other Investments			
Financial Investments			
Real Estate			
Equipment	5,131,443.46	4,441,269.35	690,174.11
Deferred Expenses			
Pre-opening Expenses			
Fixed assets in progress			-
Other Fixed Assets	2,427,167.30	2,058,877.52	368,289.78
Internal and Adjustment accounts	103,409,246.01		103,409,246.01
TOTAL	1,172,392,010.31	6,500,146.87	1,165,891,863.44

China CITIC Bank International Limited Macau Branch

Balance Sheet as at 30 June 2014

MOP

Liabilities	Sub-total	Total
Saving Deposits	353,099,755.60	458,116,842.37
Demand Deposits and Deposits at short notice		
Time Deposits	105,017,086.77	
Public sector deposits		529,108,435.51
Due to local credit institutions		
Due to other local credit institutions		
Foreign currency takings	528,801,173.42	
Cheques and orders payable	19,594.31	
Creditors	287,667.78	
Other Liabilities		
Internal and Adjustment accounts	108,125,522.41	
Provisions	8,647,123.92	
Capital	50,000,000.00	
Legal Reserve		169,246,874.38
Voluntary Reserve		
* Other Reserves	2,474,228.05	
Profit and loss accumulated balance		9,419,711.18
Profit & Loss for the period	9,419,711.18	
TOTAL		1,165,891,863.44

Note:

Other reserves include MOP2,474,228.06 for general provision. The Branch adopts Macau Financial Reporting Standards to prepare its financial statements and to provide collective impairment allowance. Such collective impairment allowance may be lower than the minimum general provision requirement of AMCM Rule 18/93. The Branch will transfer the amount equal to the difference between the minimum requirement of AMCM and the collective impairment allowance to other reserve (after considering the deferred tax liabilities of MOP337,394.74). This additional general provision is shown as "Additional provision under AMCM rules" in this summarized financial statements. In the income statement of the interim review report, this adjustment is shown between "Profit for the period" and "Result for the period under AMCM rules".

China CITIC Bank International Limited Macau Branch

Operating Result for the period ended 30 June 2014

MOP

Debit	Amount	Credit	Amount
Costs of credit operations	1,975,282.85	Income from credit operations	10,328,100.85
Personnel costs		Income from banking services	7,582,011.34
Directors and Supervisory Council Expenses		Income from other banking services	600,692.57
Staff Expenses	5,786,185.00	Income from securities and equity investments	
Fixed Staff Benefits	323,048.48	Other banking income	
Other personnel costs	622,021.16	Income from non-banking operations	
Third party supply	87,421.32	Operatmg Loss	
Third party services	2,076,539.79		
Other banking costs	43,307.26		
Taxation	(66,099.75)		
Costs of non-banking operations			
Depreciation allowances	285,153.30		
Provision allowances			
Operating Profit	7,377,945.35		
TOTAL	18,510,804.76	TOTAL	18,510,804.76

China CITIC Bank International Limited Macau Branch

Profit and Loss Account for the period ended 30 June 2014

MOP

Debit	Amount	Credit	Amount
Operating Loss		Operating Profit	7,377,945.35
Losses related to previous years		Profit related to previous years	
Exceptional Losses		Exceptional Profits	
Profit tax provision	1,350,629.89	Provisions charged back	2,907,508.83
Operating Result (Profit)	9,419,711.18	Release of additional provision under AMCM rules	484,886.89
		Operating Result (Loss)	
TOTAL	10,770,341.07	TOTAL	10,770,341.07

Executive Deputy General Manager & Branch Manager
 Desmond Wong

Assistant Vice President
 Emily Sio

**China CITIC Bank International
Limited Macau Branch**

中信銀行(國際)有限公司澳門分行

**Disclosure of Interim Financial Information
for the six months ended 30 June 2014**

Income statement

for the six months ended 30 June 2014

(Expressed in Macau Patacas)

	<i>30 June 2014 MOP</i>	<i>30 June 2013 MOP</i>
Interest income	10,328,101	8,906,905
Interest expense	(1,975,283)	(1,003,568)
Net interest income	8,352,818	7,903,337
Fee and commission income	6,756,806	3,810,736
Other operating income	1,425,898	1,287,380
Operating income	16,535,522	13,001,453
Operating expenses	(9,223,677)	(8,815,768)
Operating profit before impairment	7,311,845	4,185,685
Impairment losses released on loans and advances to customers	2,907,509	24,322,573
Profit before taxation	10,219,354	28,508,258
Income tax charged	(1,284,530)	(3,037,524)
Profit for the period	8,934,824	25,470,734
Effects of additional provision for loans under Autoridade Monetária de Macau (“AMCM”) rules		
Profit for the period	8,934,824	25,470,734
Release of/(additional) provision under AMCM rules, net of tax	484,887	(3,176,017)
Result for the period under AMCM rules	9,419,711	22,294,717

Balance sheet at 30 June 2014

(Expressed in Macau Patacas)

	<i>30 June</i> <i>2014</i> MOP	<i>31 December</i> <i>2013</i> MOP
Assets		
Cash and balances with banks	44,879,109	109,960,282
Placements with bank	97,500,446	87,854,800
Deposits with AMCM	31,844,432	41,679,556
Trading assets	23,886	693,924
Held-to-maturity investments	92,925,599	79,986,481
Loans and advances to customers	785,553,043	792,576,885
Fixed assets	1,058,464	1,141,812
Other assets	103,385,360	239,608,007
TOTAL ASSETS	<u>1,157,170,339</u>	<u>1,353,501,747</u>
Liabilities		
Deposits from customers	458,116,842	690,852,536
Deposits and balances from Head Office	528,801,174	375,380,387
Trading liabilities	19,850	676,109
Current taxation	2,646,250	1,295,621
Deferred tax liabilities	337,395	403,516
Other liabilities	105,354,889	200,429,820
	<u>1,095,276,400</u>	<u>1,269,037,989</u>

Balance sheet at 30 June 2014 (continued)

(Expressed in Macau Patacas)

	<i>30 June 2014 MOP</i>	<i>31 December 2013 MOP</i>
Head Office account		
Establishment fund	50,000,000	50,000,000
Provision under AMCM Rules		
– Regulatory reserve	2,474,228	2,959,115
Retained profits	9,419,711	31,504,643
	<u>61,893,939</u>	<u>84,463,758</u>
TOTAL HEAD OFFICE ACCOUNT AND LIABILITIES	<u>1,157,170,339</u>	<u>1,353,501,747</u>

Cash flow statement

for the six months ended 30 June 2014

(Expressed in Macau Patacas)

	<i>30 June</i> <i>2014</i> MOP	<i>30 June</i> <i>2013</i> MOP
Operating activities		
Profit before taxation	10,219,354	28,508,258
Adjustments for:		
Depreciation expense	285,153	275,596
Impairment losses released on loans and advances to customers	(2,907,509)	(24,322,573)
	<u>7,596,998</u>	<u>4,461,281</u>
Decrease/(increase) in operating assets:		
Placements with bank with original maturity beyond three months	(1,849,906)	425,875
Deposits with AMCM	9,835,124	(7,781,892)
Trading assets	670,039	(413,011)
Loans and advances to customers	9,931,351	(159,773,418)
Other assets	136,222,646	(259,048,470)
	<u>154,809,254</u>	<u>(426,590,916)</u>
(Decrease)/increase in operating liabilities:		
Deposits from customers	(232,735,694)	(147,842,761)
Deposits and balances from Head Office	153,420,787	194,370,287
Trading liabilities	(656,259)	407,681
Other liabilities	(95,171,546)	233,966,245
	<u>(175,142,712)</u>	<u>280,901,452</u>
Cash used in operations	(12,736,460)	(141,228,183)
Tax paid	(21)	(56,394)
Net cash used in operating activities	<u>(12,736,481)</u>	<u>(141,284,577)</u>

Cash flow statement
for the six months ended 30 June 2014 (continued)
(Expressed in Macau Patacas)

	<i>30 June</i> <i>2014</i> MOP	<i>30 June</i> <i>2013</i> MOP
Investing activity		
Purchase of fixed assets	(105,191)	(252,314)
Net cash used in investing activity	(105,191)	(252,314)
Financing activity		
Retained profits remitted to Head Office	(31,504,643)	(32,741,649)
Net cash used in financing activity	(31,504,643)	(32,741,649)
Net decrease in cash and cash equivalents	(44,346,315)	(174,278,540)
Cash and cash equivalents at 1 January	277,801,563	313,625,144
Cash and cash equivalents at 30 June	233,455,248	139,346,604
Cash flows from operating activities include:		
Interest received	9,638,536	8,474,814
Interest paid	(1,977,015)	(1,390,243)

Disclosures of financial information for the six months ended 30 June 2014 (Expressed in Macau Patacas)

1 Off-balance sheet exposures

(a) *Contingent liabilities and commitments to extend credit*

The following is a summary of the contractual amounts of each significant class of contingent liabilities and commitments:

	<i>30 June</i> <i>2014</i> MOP	<i>31 December</i> <i>2013</i> MOP
Transaction-related contingencies	155,305,065	154,591,761
Trade-related contingencies	94,127,145	337,262,139
	<u>249,432,210</u>	<u>491,853,900</u>
Other commitments:		
– with an original maturity of not more than 1 year	3,873,074,567	3,416,430,030
– with an original maturity of more than 1 year	-	-
	<u>3,873,074,567</u>	<u>3,416,430,030</u>
	<u>4,122,506,777</u>	<u>3,908,283,930</u>

Contingent liabilities and commitments are credit-related instruments which include letters of credits, guarantees and commitments to extend credit. The risk involved is essentially the same as the credit risk involved in extending loan facilities to customers. The contractual amounts represent the amounts at risk should the contract be fully drawn upon and the client default. As the facilities may expire without being drawn upon, the contractual amounts do not represent expected future cash flows.

1 Off-balance sheet exposures (continued)

(b) Derivatives

The use of derivatives for sale to customers as risk management products is an integral part of the Branch's business activities. These instruments are also used to manage the Branch's own exposures to market risk as part of its asset and liability management process. The principal derivative instruments used by the Branch are foreign exchange related contracts, which are primarily over-the-counter derivatives. Most of the Branch's derivative positions have been entered into to meet customer demand.

(i) Notional amounts of derivatives

Derivatives are contracts whose value depends on the value of one or more underlying financial instruments, interest or exchange rates or indices. The notional amounts of these instruments indicate the volume of transactions outstanding and do not represent amounts at risk.

The following is a summary of the notional amounts of each significant type of derivative entered into by the Branch:

	<i>30 June 2014 MOP</i>	<i>31 December 2013 MOP</i>
Exchange rate contracts	<u>55,892,775</u>	<u>58,396,602</u>

(ii) Fair values and credit risk-weighted amounts of derivatives

	<i>30 June 2014</i>			<i>31 December 2013</i>		
	<i>Fair value assets MOP</i>	<i>Fair value liabilities MOP</i>	<i>Credit risk- weighted amount MOP</i>	<i>Fair value assets MOP</i>	<i>Fair value liabilities MOP</i>	<i>Credit risk- weighted amount MOP</i>
Exchange rate contracts	<u>23,886</u>	<u>19,850</u>	<u>325,000</u>	<u>693,924</u>	<u>676,109</u>	<u>411,000</u>

Credit risk-weighted amount refers to the amount as computed in accordance with AMCM Guideline Notice 013/93-AMCM on capital adequacy and depends on the status of the counterparty and the maturity characteristics. The risk weights used range from 0% to 50% for exchange rate and interest rate contracts and from 0% to 100% for other derivative contracts.

The Branch did not enter into any bilateral netting arrangements during the year and accordingly these amounts are shown on a gross basis.

1 Off-balance sheet exposures (continued)

(c) Operating lease commitments

At 30 June 2014, the total future minimum lease payment under non-cancellable operating leases are payable as follows:

	<i>30 June 2014 MOP</i>	<i>31 December 2013 MOP</i>
Properties:		
- Within one year	834,659	1,425,869
- After one year but within five years	22,660	139,185
	<u>857,319</u>	<u>1,565,054</u>
Others:		
- Within one year	-	33,125
- After one year but within five years	-	79,862
	<u>-</u>	<u>112,987</u>

The Branch leases two properties under operating leases. The lease for property typically runs for an initial period of two years, with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

2 Material related party transactions

The amounts of related party transactions during the period and outstanding balances at the end of the period are set out below:

	<i>30 June 2014 MOP</i>	<i>31 December 2013 MOP</i>
Interest income	44,814	69,941
Interest expense	1,077,127	1,526,966
Net trading gain/(loss) from exchange rate contracts entered with Head Office	<u>19,993</u>	<u>(599,084)</u>

2 Material related party transactions (continued)

The amounts of related party transactions during the period and outstanding balances at the end of the period are set out below: (continued)

	<i>30 June</i> <i>2014</i> MOP	<i>31 December</i> <i>2013</i> MOP
Placements with Head Office:		
At 1 January	87,854,800	160,105,875
At 30 June 2014/31 December 2013	97,500,446	87,854,800
Average for the period/year	<u>13,736,064</u>	<u>23,228,986</u>
Interest receivables from Head Office and other branch:		
At 1 January	228	60,351
At 30 June 2014/31 December 2013	30,736	228
Average for the period/year	<u>8,083</u>	<u>3,489</u>
Deposits and balances from Head Office:		
At 1 January	375,380,387	499,441,316
At 30 June 2014/31 December 2013	528,801,174	375,380,387
Average for the period/year	<u>484,293,578</u>	<u>522,254,371</u>
Interest payables to Head Office:		
At 1 January	63,043	30,485
At 30 June 2014/31 December 2013	59,603	63,043
Average for the period/year	<u>70,141</u>	<u>39,004</u>
Off-balance sheet items entered with Head Office:		
Forward contracts - notional amounts	<u>39,124,897</u>	<u>28,880,838</u>

3 Credit risk

(a) Geographical analysis of loans and advances to customers and commitments

Distribution of loans and advances to customers and commitments by region over or equal 10% of total loans and commitments.

<i>30 June 2014</i>				
<i>Region</i>	<i>Gross loans and advances to customers and commitments</i> MOP	<i>Past due or impaired loans and advances to customers</i> MOP	<i>Individually assessed impairment allowance</i> MOP	<i>Collectively assessed impairment allowance</i> MOP
Macau SAR	4,499,190,959	9,506,655	-	8,335,713
Total	<u>4,499,190,959</u>	<u>9,506,655</u>	<u>-</u>	<u>8,335,713</u>

<i>31 December 2013</i>				
<i>Region</i>	<i>Gross loans and advances to customers and commitments</i> MOP	<i>Past due or impaired loans and advances to customers</i> MOP	<i>Individually assessed impairment allowance</i> MOP	<i>Collectively assessed impairment allowance</i> MOP
Macau SAR	4,049,643,763	660,014	-	11,086,711
Total	<u>4,049,643,763</u>	<u>660,014</u>	<u>-</u>	<u>11,086,711</u>

The geographical analysis is classified based on the countries where the counterparties were incorporated, without taking into account the transfer of risk. In general, risk transfer applies when the exposure is guaranteed by a party situated in an area different from the counterparty.

The portion of collectively assessed impairment allowance of MOP311,411 (31 December 2013: MOP467,922) was not allocated to the above geographical areas.

3 Credit risk (continued)

(b) Geographical analysis of debt securities and derivatives

Debt investments (including AMCM Monetary Bills) and derivatives by geographical areas over or equal 10% of total credit exposure. The carrying value below represents the amount of the financial asset in the balance sheet.

<i>Region</i>	<i>30 June 2014</i>			
	<i>Debt Investments</i>		<i>Derivatives</i>	
	<i>Notional</i>	<i>Carrying</i>	<i>Notional</i>	<i>Carrying</i>
	<i>amounts</i>	<i>value</i>	<i>amounts</i>	<i>value</i>
	MOP	MOP	MOP	MOP
Macau SAR	93,000,000	92,925,599	16,767,878	(15,957)
Hong Kong SAR	-	-	39,124,897	19,993
Total	<u>93,000,000</u>	<u>92,925,599</u>	<u>55,892,775</u>	<u>4,036</u>

<i>Region</i>	<i>31 December 2013</i>			
	<i>Debt Investments</i>		<i>Derivatives</i>	
	<i>Notional</i>	<i>Carrying</i>	<i>Notional</i>	<i>Carrying</i>
	<i>amounts</i>	<i>value</i>	<i>amounts</i>	<i>value</i>
	MOP	MOP	MOP	MOP
Macau SAR	80,000,000	79,986,481	29,515,763	616,900
Hong Kong SAR	-	-	28,880,839	(599,085)
Total	<u>80,000,000</u>	<u>79,986,481</u>	<u>58,396,602</u>	<u>17,815</u>

At 30 June 2014 and 31 December 2013, the Branch only had held-to-maturity investments in unlisted monetary bills issued by AMCM.

3 Credit risk (continued)

(c) Loans and advances to customers analysed by industry sectors

The information concerning loans and advances to customers by industry sectors is prepared by classifying the loans and advances according to the usage of the loans and advances and is stated gross of any impairment allowances.

	30 June 2014					31 December 2013				
	Gross loans and advances to customers MOP	Past due or impaired loans and advances to customers MOP	Individually assessed impairment allowance MOP	Collectively assessed impairment allowance MOP	Impairment allowance written off during the year MOP	Gross loans and advances to customers MOP	Past due or impaired loans and advances to customers MOP	Individually assessed impairment allowance MOP	Collectively assessed impairment allowance MOP	Impairment allowance written off during the year MOP
Loans and advances for use in Macau										
Industrial, commercial and financial:										
– Property investment	4,682,846	-	-	50,986	-	4,961,000	-	-	71,285	-
– Wholesale and retail trade	12,642,444	3,423,632	-	137,649	-	195,087,974	-	-	2,803,235	-
– Manufacturing	33,581,558	-	-	365,631	-	64,520,014	660,014	-	927,093	-
– Others	87,635,947	-	-	954,166	-	91,678,214	-	-	1,317,332	-
	138,542,795	3,423,632	-	1,508,432	-	356,247,202	660,014	-	5,118,945	-

3 Credit risk (continued)

(c) *Loans and advances to customers analysed by industry sectors (continued)*

	30 June 2014					31 December 2013				
	Gross loans and advances to customers MOP	Past due or impaired loans and advances to customers MOP	Individually assessed impairment allowance MOP	Collectively assessed impairment allowance MOP	Impairment allowance written off during the year MOP	Gross loans and advances to customers MOP	Past due or impaired loans and advances to customers MOP	Individually assessed impairment allowance MOP	Collectively assessed impairment allowance MOP	Impairment allowance written off during the year MOP
Loans and advances for use in Macau (continued)										
Individuals:										
– Loans and advances for the purchase of other residential properties	40,841,903	-	-	444,680	-	34,170,495	-	-	490,999	-
– Loans and advances for the purchase of other properties for investment purpose	30,384,212	-	-	330,819	-	7,552,741	-	-	108,526	-
	71,226,115	-	-	775,499	-	41,723,236	-	-	599,525	-
Trade finance	348,551,657	-	-	3,794,974	-	358,240,280	-	-	5,147,585	-

3 Credit risk (continued)

(c) Loans and advances to customers analysed by industry sectors (continued)

	30 June 2014					31 December 2013				
	Gross loans and advances to customers MOP	Past due or impaired loans and advances to customers MOP	Individually assessed impairment allowance MOP	Collectively assessed impairment allowance MOP	Impairment allowance written off during the year MOP	Gross loans and advances to customers MOP	Past due or impaired loans and advances to customers MOP	Individually assessed impairment allowance MOP	Collectively assessed impairment allowance MOP	Impairment allowance written off during the year MOP
Loans and advances for use outside Macau										
Industrial, commercial and financial:										
– Property and investment	-	-	-	-	-	23,960,400	-	-	344,289	-
– Wholesale and retail trade	235,879,600	-	-	2,568,219	-	23,960,400	-	-	344,289	-
	<u>235,879,600</u>	<u>-</u>	<u>-</u>	<u>2,568,219</u>	<u>-</u>	<u>47,920,800</u>	<u>-</u>	<u>-</u>	<u>688,578</u>	<u>-</u>
Gross loans and advances to customers	<u>794,200,167</u>	<u>3,423,632</u>	<u>-</u>	<u>8,647,124</u>	<u>-</u>	<u>804,131,518</u>	<u>660,014</u>	<u>-</u>	<u>11,554,633</u>	<u>-</u>

3 Credit risk (continued)

(d) Analysis of assets and liabilities by remaining maturity

The following maturity profile is based on the remaining period at the balance sheet date to the contractual maturity date.

	30 June 2014							
	Total MOP	Repayable on demand MOP	Within 1 month MOP	3 months or less but over 1 month MOP	1 year or less but over 3 months MOP	3 years or less but over 1 year MOP	Over 3 years MOP	Undated MOP
Assets								
Cash and balances with banks	44,879,109	44,879,109	-	-	-	-	-	-
Placements with bank	97,500,446	-	75,050,540	20,600,000	1,849,906	-	-	-
Deposits with AMCM	31,844,432	31,844,432	-	-	-	-	-	-
Trading assets	23,886	-	2,103	3,723	18,060	-	-	-
Held-to-maturity investments	92,925,599	-	10,999,109	31,983,669	49,942,821	-	-	-
Loans and advances to customers	785,553,043	5,547,798	388,829,230	157,581,797	60,871,817	39,089,807	133,632,594	-
Undated assets	104,443,824	-	-	-	-	-	-	104,443,824
Total assets	<u>1,157,170,339</u>	<u>82,271,339</u>	<u>474,880,982</u>	<u>210,169,189</u>	<u>112,682,604</u>	<u>39,089,807</u>	<u>133,632,594</u>	<u>104,443,824</u>
Liabilities								
Deposits from customers	458,116,842	353,099,756	64,757,023	-	40,260,063	-	-	-
Deposits and balances from Head Office	528,801,174	47,232,040	460,969,134	-	20,600,000	-	-	-
Trading liabilities	19,850	-	229	1,561	18,060	-	-	-
Undated liabilities	108,338,534	-	-	-	-	-	-	108,338,534
Total liabilities	<u>1,095,276,400</u>	<u>400,331,796</u>	<u>525,726,386</u>	<u>1,561</u>	<u>60,878,123</u>	<u>-</u>	<u>-</u>	<u>108,338,534</u>
Asset-liability gap		<u>(318,060,457)</u>	<u>(50,845,404)</u>	<u>210,167,628</u>	<u>51,804,481</u>	<u>39,089,807</u>	<u>133,632,594</u>	

3 Credit risk (continued)

(d) Analysis of assets and liabilities by remaining maturity (continued)

	31 December 2013							
	Total MOP	Repayable on demand MOP	Within 1 month MOP	3 months or less but over 1 month MOP	1 year or less but over 3 months MOP	3 years or less but over 1 year MOP	Over 3 years MOP	Undated MOP
Assets								
Cash and balances with banks	109,960,282	109,960,282	-	-	-	-	-	-
Placements with bank	87,854,800	-	87,854,800	-	-	-	-	-
Deposits with AMCM	41,679,556	41,679,556	-	-	-	-	-	-
Trading assets	693,924	-	-	655,412	38,512	-	-	-
Held-to-maturity investments	79,986,481	-	70,990,079	8,996,402	-	-	-	-
Loans and advances to customers	792,576,885	4,199,748	353,802,438	169,426,429	125,312,412	26,847,441	112,988,417	-
Undated assets	240,749,819	-	-	-	-	-	-	240,749,819
Total assets	<u>1,353,501,747</u>	<u>155,839,586</u>	<u>512,647,317</u>	<u>179,078,243</u>	<u>125,350,924</u>	<u>26,847,441</u>	<u>112,988,417</u>	<u>240,749,819</u>
Liabilities								
Deposits from customers	690,852,536	325,773,691	253,635,751	10,300,000	101,143,094	-	-	-
Deposits and balances from Head Office	375,380,387	20,446,101	354,934,286	-	-	-	-	-
Trading liabilities	676,109	-	-	637,597	38,512	-	-	-
Undated liabilities	202,128,957	-	-	-	-	-	-	202,128,957
Total liabilities	<u>1,269,037,989</u>	<u>346,219,792</u>	<u>608,570,037</u>	<u>10,937,597</u>	<u>101,181,606</u>	<u>-</u>	<u>-</u>	<u>202,128,957</u>
Asset-liability gap		(190,380,206)	(95,922,720)	168,140,646	24,169,318	26,847,441	112,988,417	

3 Credit risk (continued)

(e) Analysis on past due assets

As at 30 June 2014 and 31 December 2013, there were no assets that have been past due for more than 3 months.

4 Currency risk

The Branch's foreign exchange risk stems from taking foreign exchange positions. All foreign exchange positions are subject to exposure limits approved by ALCO.

Significant foreign currency exposures (at equivalent in MOP) at the balance sheet date were as follows:

	<i>30 June 2014</i>					
	<i>United States dollars MOP</i>	<i>Hong Kong dollars MOP</i>	<i>Japanese yen MOP</i>	<i>Chinese yuan MOP</i>	<i>Other currencies MOP</i>	<i>Total MOP</i>
Spot assets	314,338,143	619,942,695	1,932,786	2,097,770	783,573	939,094,967
Spot liabilities	(314,263,988)	(619,908,038)	(1,893,637)	(2,058,414)	(790,038)	(938,914,115)
Forward purchases	21,557,070	21,557,107	-	-	-	43,114,177
Forward sales	(21,557,070)	(21,557,107)	-	-	-	(43,114,177)
Net long position	<u>74,155</u>	<u>34,657</u>	<u>39,149</u>	<u>39,356</u>	<u>(6,465)</u>	<u>180,852</u>

	<i>31 December 2013</i>				
	<i>Euro dollars MOP</i>	<i>United States dollars MOP</i>	<i>Hong Kong dollars MOP</i>	<i>Other currencies MOP</i>	<i>Total MOP</i>
Spot assets	1,726,270	416,968,676	589,084,961	39,273,585	1,047,053,492
Spot liabilities	(1,711,944)	(416,905,235)	(589,145,499)	(39,207,141)	(1,046,969,819)
Forward purchases	-	-	13,524,345	12,907,238	26,431,583
Forward sales	-	-	(13,524,345)	(12,907,238)	(26,431,583)
Net long/(short) position	<u>14,326</u>	<u>63,441</u>	<u>(60,538)</u>	<u>66,444</u>	<u>83,673</u>

5 Liquidity risk

The following table indicates the arithmetic mean of liquid assets held and liquidity ratios for the period ended 30 June for the Branch:

	<i>30 June 2014 MOP</i>	<i>30 June 2013 MOP</i>
Minimum weekly amount of cash in hand required to be held	13,688,000	9,443,000
Average weekly amount of cash in hand	35,439,000	20,714,000
Specified liquid assets at the end of each month	470,754,000	423,521,000
	<i>30 June 2014 %</i>	<i>30 June 2013 %</i>
Average ratio of specified liquid asset to total basic liabilities at the end of each month	108	116
One-month liquidity ratio in the last week of each month	84	85
Three-month liquidity ratio in the last week of each month	107	108

The liquid assets held and average liquidity ratio for the period are determined and calculated in accordance with the rules on cash in hand and minimum liquidity requirements as set out and defined in the AMCM Guideline Notice no. 002/2013-AMCM.

6 Other information in relation to positions of Head Office, China CITIC Bank International Limited

The Branch is one of the branches of China CITIC Bank International Limited (“Head Office” or “the Bank”) and therefore, it does not require to prepare consolidated accounts. Unless otherwise stated, all information disclosed is extracted from the corresponding information in the most recently available interim consolidated accounts of Head Office of which the Branch is a member.

(a) Consolidated capital adequacy ratios

	<i>30 June 2014 %</i>	<i>31 December 2013 %</i>
Common Equity Tier 1 capital ratio	10.2	10.1
Tier 1 capital ratio	11.6	10.1
Total capital ratio	17.2	16.5

6 Other information in relation to positions of Head Office, China CITIC Bank International Limited (continued)

(a) Consolidated capital adequacy ratios (continued)

Capital adequacy ratios (“CAR”) comply with in accordance with the Banking (Capital) Rules issued by the Hong Kong Monetary Authority (“HKMA”). The CAR are computed on a consolidated basis covering the Bank and certain of its subsidiaries as required by the HKMA. The Bank has adopted the “standardised approach” for calculating the risk-weighted amount for credit risk and market risk and the “basic indicator approach” for calculating operational risk.

	30 June 2014 HK\$	31 December 2013 HK\$
Equity		
Share capital	7,566,271,000	7,283,341,000
Reserves	11,209,489,000	9,892,676,000
Total equity attributable to equity shareholders of the Bank	18,775,760,000	17,176,017,000
Additional equity instruments	2,310,168,000	-
Total equity	<u>21,085,928,000</u>	<u>17,176,017,000</u>

(b) Consolidated assets, liabilities and profit positions

	30 June 2014 HK\$	31 December 2013 HK\$
Total assets	235,263,623,000	216,307,906,000
Total liabilities	214,177,695,000	199,131,889,000
Loans and advances to customers and other accounts	141,748,047,000	132,531,544,000
Deposits and balances of banks and other financial institutions	5,995,097,000	7,522,382,000
Deposits from customers	173,243,939,000	154,658,966,000
Profit before taxation	1,873,774,000	2,554,354,000

6 Other information in relation to positions of Head Office, China CITIC Bank International Limited (continued)

(c) *List of shareholders with qualifying holdings*

Qualifying holdings refers to holding which is owned directly or indirectly by the shareholder and which represents 10% or more of the share capital or voting right of the Bank or, in any other form which confers the possibility to exercise a significant influence over the management of the Bank.

At 30 June 2014, the directors consider the immediate parent of the Bank to be CITIC International Financial Holdings Limited, which is incorporated in Hong Kong, and the ultimate controlling party of the Bank to be CITIC Group Corporation, which is incorporated in the mainland China.

(d) *Members of the company boards*

As at the date of this report, the Board of Directors of the Bank comprise:

Chairman

Dr Chen Xiaoxian

Executive Directors

Mr Zhang Xiaowei (*President and Chief Executive Officer*)

Ms Margaret Man (*Deputy Chief Executive Officer*)

Mrs Kan Ng Chau Yuk Helen (*Alternate Chief Executive Officer*)

Non-executive Directors

Mr Jaime Pablo Azcoiti Leyva

Mr Cao Guoqiang

Mr Ju Weimin

Mr Sun Deshun

Mr Gonzalo Torano

Mr Zhang Qiang

Independent Non-executive Directors

Mr Rafael Gil-Tienda

Mr Tang Shisheng

Mr Tsang Yiu Keung Paul

Mr Wu Jiesi

Ms Yin Fenglan