

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH
NON AUDIT ASSURANCE ENGAGEMENT REPORT ON
INTERIM FINANCIAL INFORMATION DISCLOSURE
FOR THE SIX MONTHS ENDED
30 JUNE 2017

INDEPENDENT PRACTITIONER'S ASSURANCE REPORT

TO THE MANAGEMENT OF CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

We have been engaged to perform a limited assurance engagement on the accompanying disclosure of interim financial information, which comprises the balance sheet of China CITIC Bank International Limited Macau Branch ("the Branch") as at 30 June 2017, the related income statement and the cash flow statement for the six-month period then ended, and other disclosures in accordance with Annex 4 of the Guideline on the Disclosure of Financial Information ("Disclosure Rules") set out under Circular No.026/B/2012-DSB/AMCM on 16 November 2012 issued by the Monetary Authority of Macau ("AMCM").

Branch management's Responsibility for the disclosure of interim financial information

Pursuant to the Disclosure Rules, the Branch management is responsible for the preparation and presentation of the disclosure of interim financial information. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the disclosure of interim financial information that are free from material misstatements, whether due to fraud or error; applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Registered Auditors issued by the Government of the Macao Special Administrative Region, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibility

It is our responsibility to express a conclusion on the disclosure of interim financial information based on our work performed and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Within the scope of our engagement, we did not perform any audit or review procedures to verify the Branch's disclosure of interim financial information or the underlying records or other sources from which the Branch's disclosure of interim financial information were extracted.

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". This Standard requires that we plan and perform our work to form the conclusion.

INDEPENDENT PRACTITIONER'S ASSURANCE REPORT (CONTINUED)

Practitioner's Responsibilities (Continued)

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The extent of procedures selected depends on the auditor's judgment and our assessment of the engagement risk. Within the scope of our work we performed amongst others the following procedures:

- Comparing the Branch's disclosure of interim financial information to the requirements of the Disclosure Rules;
- Obtaining an understanding of the Branch's process for compiling its disclosure of interim financial information with management;
- Agreeing, on a sample basis, data presented in the Branch's disclosure of interim financial information back to the underlying financial accounting systems or management prepared schedules;
- Agreeing manual adjustments, on a sample basis, to data extracted from the underlying financial accounting systems or management prepared schedules.

Conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the disclosure of interim financial information does not comply in all material respects with the Disclosure Rules.

Purpose and Restriction on Use and Distribution

Without modifying our conclusion, we draw attention to the fact that the disclosure of interim financial information was prepared for the use of the Branch management using the Disclosure Rules designed for this purpose. As a result, the disclosure of interim financial information may not be suitable for another purpose. This report is not intended to be, and should not be distributed to any other parties or used for any other purpose.

PricewaterhouseCoopers
Certified Public Accountant

Macao, 8 September 2017

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH
DISCLOSURE OF INTERIM SUMMARY FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
30 JUNE 2017

China CITIC Bank International Limited Macau Branch

Summary Financial Statements

(In accordance with the requirements set out in Article 76 of Macau Financial System Act approved by Decree-Law No. 32/93/M of 5 July 1993)

Balance Sheet as at 30 June 2017

			MOP
Assets	Total Amount	Provision, Accumulated Depreciation and Impairment	Net Amount
Cash	-	-	-
Deposits with AMCM	86,097,564.54	-	86,097,564.54
Account Receivable	3,857,675.48	-	3,857,675.48
Due from other local credit institutions	6,302,558.18	-	6,302,558.18
Due from other foreign credit institutions	1,031,299,859.31	-	1,031,299,859.31
Gold and Silver	-	-	-
Other Current Assets	-	-	-
Loans and advances to customers	850,554,507.66	-	850,554,507.66
Placements with local credit institutions	81,000,000.00	-	81,000,000.00
Placements with foreign credit institutions	379,967.70	-	379,967.70
Shares, Bonds and Equity	-	-	-
Debtors	-	-	-
Other Investments	-	-	-
Financial Investments	-	-	-
Real Estate	-	-	-
Equipment	7,111,205.99	6,079,404.97	1,031,801.02
Deferred Expenses	-	-	-
Pre-opening Expenses	-	-	-
Fixed assets in progress	-	-	-
Other Fixed Assets	1,458,773.00	1,458,773.00	-
Internal and Adjustment accounts	76,917,223.10	-	76,917,223.10
TOTAL	2,144,979,334.96	7,538,177.97	2,137,441,156.99

Executive Deputy General Manager & Branch Manager
Olivia Ding

Assistant Vice President
Emily Sio

Macao, 8 September 2017

China CITIC Bank International Limited Macau Branch

Summary Financial Statements

Balance Sheet as at 30 June 2017

MOP

Liabilities	Sub-total	Total
Saving Deposits	1,204,756,923.29	1,273,177,361.90
Deposits at short notice	-	
Time Deposits	68,420,438.61	
Public sector deposits	-	
Due to local credit institutions	-	690,099,628.34
Due to other local credit institutions	-	
Foreign currency takings	687,363,645.00	
Cheques and orders payable	148,726.73	
Creditors	2,587,256.61	149,211,923.16
Other Liabilities	-	
Internal and Adjustment accounts	88,543,695.39	
Provisions	10,668,227.77	
Capital	50,000,000.00	24,952,243.59
Legal Reserve	-	
Voluntary Reserve	-	
Other Reserves	-	
Profit and loss accumulated balance	-	2,137,441,156.99
Profit & Loss for the period	24,952,243.59	
TOTAL		

Executive Deputy General Manager & Branch Manager
 Olivia Ding

Assistant Vice President
 Emily Sio

Macao, 8 September 2017

China CITIC Bank International Limited Macau Branch
Summary Financial Statements

Operating Result for the six months ended 30 June 2017

MOP

Debit	Amount	Credit	Amount
Costs of credit operations	4,236,960.73	Income from credit operations	20,651,672.07
Personnel costs		Income from banking services	4,931,112.37
Directors and Supervisory Council Expenses	-	Income from other banking services	405,547.44
Staff Expenses	6,840,891.00	Income from securities and equity investments	-
Fixed Staff Benefits	394,510.75	Other banking income	-
Other personnel costs	242,135.79	Income from non-banking operations	-
Third party supply	149,551.05	Operating Loss	-
Third party services	2,365,882.88		
Other banking costs	59,327.97		
Taxation	16.20		
Costs of non-banking operations	-		
Depreciation allowances	211,069.66		
Provision allowances	-		
Operating Profit	11,487,985.85		
TOTAL	25,988,331.88	TOTAL	25,988,331.88

Profit and Loss Account for the six months ended 30 June 2017

MOP

Debit	Amount	Credit	Amount
Operating Loss	-	Operating Profit	11,487,985.85
Losses related to previous years	-	Profit related to previous years	2,811,900.00
Exceptional Losses	-	Exceptional Profits	-
Profit tax provision	3,402,580.88	Provisions charged back	14,054,938.62
Operating Result (Profit)	24,952,243.59	Operating Result (Loss)	-
TOTAL	28,354,824.47	TOTAL	28,354,824.47

 Executive Deputy General Manager & Branch Manager
 Olivia Ding

 Assistant Vice President
 Emily Sio

Macao, 8 September 2017

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH
DISCLOSURE OF INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED
30 JUNE 2017

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2017
(Expressed in Macao Patacas)

	30 June 2017 MOP	30 June 2016 MOP
Interest income	20,651,672	28,827,592
Interest expense	(4,236,961)	(3,637,381)
Net interest income	16,414,711	25,190,211
Fee and commission income	4,356,370	6,590,860
Other operating income	980,290	1,186,755
Operating income	21,751,371	32,967,826
Operating expenses	(10,263,369)	(10,804,292)
Operating profit before impairment	11,488,002	22,163,534
Impairment losses written-back/(charged) on loans and advances to customers	14,054,939	(847,558)
Recoveries of loans previously written off	2,811,900	303,207
Profit before taxation	28,354,841	21,619,183
Income tax charged	(3,402,597)	(2,594,318)
Profit for the period	24,952,244	19,024,865

Approved by the Branch management on 8 September 2017

Executive Deputy General Manager
& Branch Manager

Assistant Vice President

The accompanying notes form an integral part of these interim financial information disclosure.

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

BALANCE SHEET

AT 30 JUNE 2017

(Expressed in Macao Patacas)

	30 June 2017 MOP	31 December 2016 MOP
ASSETS		
Cash and balances with banks	1,037,602,417	458,035,244
Placements with bank	379,968	6,490,276
Deposits with AMCM	86,097,564	66,918,002
Held-to-maturity investments	80,965,471	86,970,823
Loans and advances to customers	839,886,280	1,978,346,849
Other assets	80,774,899	142,872,698
Fixed assets	1,031,801	886,461
Total Assets	2,126,738,400	2,740,520,353
LIABILITIES		
Deposits from customers	1,273,177,362	1,089,821,441
Deposits and balances from Head Office	687,363,645	1,400,482,291
Current taxation	10,001,098	6,598,517
Other liabilities	81,244,051	144,590,634
	2,051,786,156	2,641,492,883
Head Office account		
Establishment fund	50,000,000	50,000,000
Retained profits	24,952,244	49,027,470
	74,952,244	99,027,470
Total Head Office Account And Liabilities	2,126,738,400	2,740,520,353

Approved by the Branch management on 8 September 2017

Executive Deputy General Manager
& Branch Manager

Assistant Vice President

The accompanying notes form an integral part of these interim financial information disclosure.

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2017
(Expressed in Macao Patacas)

	30 June 2017 MOP	30 June 2016 MOP
Operating activities		
Profit before taxation	28,354,841	21,619,183
Adjustments for:		
Depreciation expense	211,069	206,333
Impairment losses (written-back)/ charged on loans and advances to customers	(14,054,939)	847,558
	<u>14,510,971</u>	<u>22,673,074</u>
Decrease/(increase) in operating assets:		
Placements with bank with original maturity beyond three months	4,294,132	2,032,706
Minimum statutory deposits with AMCM	3,330,000	(2,787,000)
Loans and advances to customers	1,152,515,508	(399,640,345)
Other assets	62,097,799	17,533,401
	<u>1,222,237,439</u>	<u>(382,861,238)</u>
(Decrease)/increase in operating liabilities:		
Deposits from customers	183,355,921	(85,761,116)
Deposits and balances from Head Office	(713,118,646)	497,392,620
Other liabilities	(63,346,583)	(18,344,968)
	<u>(593,109,308)</u>	<u>393,286,536</u>
Cash generated from operations	643,639,102	33,098,372
Tax paid	(16)	(16)
Net cash generated from operating activities	<u>643,639,086</u>	<u>33,098,356</u>

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

CASH FLOW STATEMENT (Continued)
FOR THE SIX MONTHS ENDED 30 JUNE 2017
 (Expressed in Macao Patacas)

	30 June 2017 MOP	30 June 2016 MOP
Investing activities		
Purchase of fixed assets	(356,409)	(113,483)
Net cash used in investing activities	(356,409)	(113,483)
Financing activities		
Retained profits remitted to Head Office	(49,027,470)	(35,571,876)
Net cash used in financing activities	(49,027,470)	(35,571,876)
Net increase/(decrease) in cash and cash equivalents	594,255,207	(2,587,003)
Cash and cash equivalents at 1 January	575,581,245	215,028,539
Cash and cash equivalents at 30 June	1,169,836,452	212,441,536
Cash flows from operating activities include:		
Interest received	23,074,123	28,243,170
Interest paid	(4,496,107)	(3,769,427)
Analysis of the balances of cash and cash equivalents		
Cash and balances with banks	1,037,602,417	85,626,228
Placements with original maturity within three months	-	1,873,248
Deposits with AMCM in excess of minimum statutory requirement	51,268,564	39,961,604
Treasury bills with original maturity within three months	80,965,471	84,980,456
Cash and cash equivalents	1,169,836,452	212,441,536

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURES OF FINANCIAL INFORMATION

1 Basis of preparation

The disclosure of interim financial information of China CITIC Bank International Limited Macau Branch for the six months ended 30 June 2017 has been prepared in accordance with the requirements of the Annex 4 of the Guideline on Disclosure of Financial Information set out under Circular No.026/B/2012-DSB/AMCM on 16 November 2012 issued by the Autoridade Monetaria de Macao ("AMCM").

2 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:

	30 June 2017 MOP	31 December 2016 MOP
Loan commitment	3,139,249,023	2,685,692,185
Letters of guarantee	49,155,162	114,431,805
Letters of credit	91,349,102	212,981,761
	<u>3,279,753,287</u>	<u>3,013,105,751</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.

(b) Derivatives

The use of derivatives for sale to customers as risk management products is 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.

The Branch did not enter into any derivative arrangements for the 6 months period ended 30 June 2017 and 31 December 2016 respectively.

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURES OF FINANCIAL INFORMATION

2 Off-balance sheet exposures (Continued)

(c) Operating lease commitments

At 30 June 2017, the total future minimum lease payment under non-cancellable operating leases is payable as follows:

	30 June 2017 MOP	31 December 2016 MOP
Properties:		
- Within one year	1,998,196	2,048,019
- After one year but within five years	1,152,396	1,975,536
	<u>3,150,592</u>	<u>4,023,555</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.

3 Material related party transactions

During the period, the Branch entered into a number of transactions with the Head Office and other branches, in the normal course of its banking business including, inter alia, lending, the acceptance and placement of inter-bank deposits, correspondent banking transactions and foreign exchange transactions. The transactions were priced based on relevant market rates at the time of each transaction, and were under the same terms as those available to other counterparties and customers of the Branch. In the opinion of the Branch management, these transactions were conducted on normal commercial terms.

- (a) During the respective six-month periods, the Branch earned income and incurred expense on balances with group companies as follows:

	30 June 2017 MOP	30 June 2016 MOP
Interest income from Head office and other branches	463,428	197,408
Interest expense to Head office	<u>3,893,590</u>	<u>3,275,945</u>

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURES OF FINANCIAL INFORMATION

3 Material related party transactions (Continued)

- (b) Balances with group companies and related parties included in various balance sheet items are shown as follows:

	30 June 2017 MOP	31 December 2016 MOP
Due from Head Office and other branches:		
At 1 January	413,983,754	30,795,629
At 30 June 2017/31 December 2016	1,026,999,464	413,983,754
Average for the period/year	683,485,745	194,803,385
Interest receivables from Head Office and other branches:		
At 1 January	131,997	219,837
At 30 June 2017/31 December 2016	15,188	131,997
Average for the period/year	97,044	112,948
Deposits and balances from Head Office:		
At 1 January	1,400,482,291	1,391,296,607
At 30 June 2017/31 December 2016	687,363,645	1,400,482,291
Average for the period/year	1,029,818,300	1,646,892,855
Interest payables to Head Office:		
At 1 January	141,461	60,668
At 30 June 2017/31 December 2016	58,292	141,461
Average for the period/year	57,203	142,720

No impairment allowances were made in respect of the above placements with related parties.

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURES OF FINANCIAL INFORMATION

4 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.

	30 June 2017			
	Gross loans and advances to customers and commitments MOP	Past due or impaired loans and advances to customers MOP	Individually assessed impairment allowance MOP	Collectively assessed impairment allowance MOP
Region				
Hong Kong SAR	398,600,326	-	-	1,065,807
Macao SAR	2,688,813,434	-	-	7,189,546
British Virgin Islands	878,622,255	-	-	2,349,324
Total	<u>3,966,036,015</u>	<u>-</u>	<u>-</u>	<u>10,604,677</u>
	31 December 2016			
	Gross loans and advances to customers and commitments MOP	Past due or impaired loans and advances to customers MOP	Individually assessed impairment allowance MOP	Collectively assessed impairment allowance MOP
Region				
Hong Kong SAR	1,329,881,419	-	-	7,012,273
Macao SAR	2,403,609,743	-	-	12,673,887
British Virgin Islands	929,933,805	-	-	4,903,407
Total	<u>4,663,424,967</u>	<u>-</u>	<u>-</u>	<u>24,589,567</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 MOP63,551 (31 December 2016: MOP133,600) was not allocated to the above geographical areas.

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURES OF FINANCIAL INFORMATION

4 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.

	30 June 2017			
	Debt Investments		Derivatives	
	Notional amounts MOP	Carrying value MOP	Notional amounts MOP	Carrying value MOP
Region				
Macao SAR	81,000,000	80,965,471	-	-
	<u>81,000,000</u>	<u>80,965,471</u>	<u>-</u>	<u>-</u>
	31 December 2016			
	Debt Investments		Derivatives	
	Notional amounts MOP	Carrying value MOP	Notional amounts MOP	Carrying value MOP
Region				
Macao SAR	87,000,000	86,970,823	-	-
	<u>87,000,000</u>	<u>86,970,823</u>	<u>-</u>	<u>-</u>

At 30 June 2017 and 31 December 2016, the Branch only had held-to-maturity investments in unlisted monetary bills issued by AMCM.

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURES OF FINANCIAL INFORMATION

4 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 2017					31 December 2016				
	Gross loans and advances to customers	Past due or impaired loans and advances to customers	Individually assessed impairment allowance	Collectively assessed impairment allowances	Impairment allowance written off during the period	Gross loans and advances to customers	Past due or impaired loans and advances to customers	Individually assessed impairment allowance	Collectively assessed impairment allowances	Impairment allowance written off during the year
	MOP	MOP	MOP	MOP	MOP	MOP	MOP	MOP	MOP	MOP
Loans and advances for use in Macao										
Industrial, commercial and financial:										
- Restaurants and hotels	-	-	-	-	-	-	-	-	-	-
- Construction and public works	-	-	-	-	-	-	-	-	-	-
- Wholesale and retail trade	4,671,537	-	-	58,594	-	282,982,329	-	-	3,492,748	-
- Manufacturing	41,614,040	-	-	521,951	-	41,649,848	-	-	514,069	-
- Others	182,158,860	-	-	2,284,760	-	166,824,742	-	-	2,059,057	-
	<u>228,444,437</u>	<u>-</u>	<u>-</u>	<u>2,865,305</u>	<u>-</u>	<u>491,456,919</u>	<u>-</u>	<u>-</u>	<u>6,065,874</u>	<u>-</u>
Individuals:										
- Loans and advances for the purchase of other residential properties	17,679,436	-	-	221,747	-	18,540,905	-	-	228,844	-
- Loans and advances for the purchase of other properties for investment purpose	<u>32,935,219</u>	<u>-</u>	<u>-</u>	<u>413,096</u>	<u>-</u>	<u>34,770,923</u>	<u>16,490,552</u>	<u>-</u>	<u>429,165</u>	<u>-</u>
	<u>50,614,655</u>	<u>-</u>	<u>-</u>	<u>634,843</u>	<u>-</u>	<u>53,311,828</u>	<u>16,490,552</u>	<u>-</u>	<u>658,009</u>	<u>-</u>
Trade finance	<u>153,974,914</u>	<u>-</u>	<u>-</u>	<u>1,931,257</u>	<u>-</u>	<u>525,342,461</u>	<u>-</u>	<u>-</u>	<u>6,484,111</u>	<u>-</u>

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURES OF FINANCIAL INFORMATION

4 Credit risk (Continued)

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

	30 June 2017					31 December 2016				
	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 allowances MOP	Impairment allowance written off during the period 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 allowances MOP	Impairment allowance written off during the year MOP
Loans and advances for use outside Macao										
Industrial, commercial and financial:										
- Wholesale and retail trade	-	-	-	-	-	531,786,787	-	-	6,563,651	-
- Others	382,638,839	-	-	4,799,314	-	365,184,030	-	-	4,507,335	-
	<u>382,638,839</u>	<u>-</u>	<u>-</u>	<u>4,799,314</u>	<u>-</u>	<u>896,970,817</u>	<u>-</u>	<u>-</u>	<u>11,070,986</u>	<u>-</u>
Individuals:										
- Loans and advances for the purchase of other residential properties	2,617,476	-	-	32,830	-	2,664,909	-	-	32,892	-
- Loans and advances for the purchase of other properties for investment purpose	32,264,187	-	-	404,679	-	33,323,082	-	-	411,295	-
	<u>34,881,663</u>	<u>-</u>	<u>-</u>	<u>437,509</u>	<u>-</u>	<u>35,987,991</u>	<u>-</u>	<u>-</u>	<u>444,187</u>	<u>-</u>
Gross loans and advances to customers	<u>850,554,508</u>	<u>-</u>	<u>-</u>	<u>10,668,228</u>	<u>-</u>	<u>2,003,070,016</u>	<u>16,490,552</u>	<u>-</u>	<u>24,723,167</u>	<u>-</u>

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURES OF FINANCIAL INFORMATION

4 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 2017							
	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	1,037,602,417	16,605,273	1,020,997,144	-	-	-	-	-
Placements with bank	379,968	-	-	-	379,968	-	-	-
Deposits with AMCM	86,097,564	86,097,564	-	-	-	-	-	-
Held-to-maturity investments	80,965,471	-	69,973,029	10,992,442	-	-	-	-
Loans and advances to customers	839,886,280	3,700,931	427,777,253	56,530,308	173,452,948	1,139,861	177,284,979	-
Other assets	79,730,164	-	61,408,902	17,974,423	247,123	1,456	98,260	-
Undated assets	2,076,536	-	-	-	-	-	-	2,076,536
Total assets	2,126,738,400	106,403,768	1,580,156,328	85,497,173	174,080,039	1,141,317	177,383,239	2,076,536
Liabilities								
Deposits from customers	1,273,177,362	1,204,756,923	68,040,806	-	379,633	-	-	-
Deposits and balances from Head Office	687,363,645	66,936,359	620,427,286	-	-	-	-	-
Other liabilities	87,740,323	-	59,591,943	21,025,072	3,588,228	3,468,830	66,250	-
Undated liabilities	3,504,826	-	-	-	-	-	-	3,504,826
Total liabilities	2,051,786,156	1,271,693,282	748,060,035	21,025,072	3,967,861	3,468,830	66,250	3,504,826
Asset-liability gap		(1,165,289,514)	832,096,293	64,472,101	170,112,178	(2,327,513)	177,316,989	

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURES OF FINANCIAL INFORMATION

4 Credit risk (Continued)

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

	Total	Repayable on demand	Within 1 month	31 December 2016		3 years or less but over 1 year	Over 3 years	Undated
	MOP	MOP	MOP	3 months or less but over 1 month	1 year or less but over 3 months	MOP	MOP	MOP
Assets								
Cash and balances with banks	458,035,244	56,660,686	401,374,558	-	-	-	-	-
Placements with bank	6,490,276	-	-	3,581,871	2,908,405	-	-	-
Deposits with AMCM	66,918,002	66,918,002	-	-	-	-	-	-
Held-to-maturity investments	86,970,823	-	70,980,938	15,989,885	-	-	-	-
Loans and advances to customers	1,978,346,849	3,620,092	841,414,165	719,255,692	246,877,614	1,759,875	165,419,411	-
Other assets	142,271,371	-	43,747,240	94,814,126	3,536,807	2,454	170,744	-
Undated assets	1,487,788	-	-	-	-	-	-	1,487,788
Total assets	2,740,520,353	127,198,780	1,357,516,901	833,641,574	253,322,826	1,762,329	165,590,155	1,487,788
Liabilities								
Deposits from customers	1,089,821,441	1,005,425,959	51,776,423	7,062,670	25,556,389	-	-	-
Deposits and balances from Head Office	1,400,482,291	16,441,225	1,384,041,066	-	-	-	-	-
Other liabilities	147,245,487	132,459	43,969,351	92,770,344	10,373,333	-	-	-
Undated liabilities	3,943,664	-	-	-	-	-	-	3,943,664
Total liabilities	2,641,492,883	1,021,999,643	1,479,786,840	99,833,014	35,929,722	-	-	3,943,664
Asset-liability gap		(894,800,863)	(122,269,939)	733,808,560	217,393,104	1,762,329	165,590,155	

(e) Analysis on past due assets

As at 30 June 2017 and 31 December 2016, there were no assets that have been past due for more than 3 months.

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURES OF FINANCIAL INFORMATION

5 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:

30 June 2017								
	Euro dollars MOP	United States dollars MOP	Pound sterlings MOP	Japanese yen MOP	Chinese yuan MOP	Hong Kong dollars MOP	Australian dollars MOP	Total MOP
Spot assets	568,860	449,007,690	7,087	3,273,462	1,122,974	1,438,994,204	587,758	1,893,562,035
Spot liabilities	(594,742)	(448,924,484)	(13,842)	(3,271,795)	(856,546)	(1,439,176,044)	(554,463)	(1,893,391,916)
Net (short)/long position	<u>(25,882)</u>	<u>83,206</u>	<u>(6,755)</u>	<u>1,667</u>	<u>266,428</u>	<u>(181,840)</u>	<u>33,295</u>	<u>170,119</u>
31 December 2016								
	Euro dollars MOP	United States dollars MOP	Pound sterlings MOP	Japanese yen MOP	Chinese yuan MOP	Hong Kong dollars MOP	Australian dollars MOP	Total MOP
Spot assets	520,700	1,280,346,394	6,773	687,942	9,722,193	1,139,312,024	40,890,181	2,471,486,207
Spot liabilities	(546,726)	(1,280,188,542)	(12,987)	(680,556)	(9,500,198)	(1,139,438,219)	(40,889,506)	(2,471,256,734)
Net (short)/long position	<u>(26,026)</u>	<u>157,852</u>	<u>(6,214)</u>	<u>7,386</u>	<u>221,995</u>	<u>(126,195)</u>	<u>675</u>	<u>229,473</u>

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURES OF FINANCIAL INFORMATION

6 Liquidity risk

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

	30 June 2017 MOP	30 June 2016 MOP
Minimum weekly amount of cash in hand required to be held	32,446,000	11,065,000
Average weekly amount of cash in hand	67,283,000	44,206,000
Specified liquid assets at the end of each month	1,095,051,000	470,674,000
	30 June 2017 %	30 June 2016 %
Average ratio of specified liquid asset to total basic liabilities at the end of each month	101	122
One-month liquidity ratio in the last week of each month	87	70
Three-month liquidity ratio in the last week of each month	100	111

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.

7 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

	30 June 2017 %	31 December 2016 %
Common Equity Tier 1 capital ratio	11.0	10.8
Tier 1 capital ratio	13.9	13.7
Total capital ratio	17.5	17.8

Capital adequacy ratios (“CAR”) are complied 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.

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURES OF FINANCIAL INFORMATION

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

(a) Consolidated capital adequacy ratios (Continued)

	30 June 2017 HK\$	31 December 2016 HK\$
Equity		
Share capital	9,366,271,000	9,366,271,000
Reserves	17,797,826,000	16,414,493,000
Additional equity instruments	6,173,252,000	6,173,252,000
Total equity	<u>33,337,349,000</u>	<u>31,954,016,000</u>

(b) Consolidated assets, liabilities and profit positions

	30 June 2017 HK\$	31 December 2016 HK\$
Total assets	327,554,954,000	306,416,955,000
Total liabilities	294,217,605,000	274,462,939,000
Loans and advances to customers and other accounts	201,841,157,000	191,286,538,000
Deposits and balances of banks and other financial institutions	6,401,044,000	5,256,660,000
Deposits from customers	252,915,937,000	235,574,700,000
Profit before taxation	<u>1,620,745,000</u>	<u>3,053,239,000</u>

(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 2017, 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.

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURES OF FINANCIAL INFORMATION

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

(d) Members of the company boards

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

Chairman

Mr. SUN Deshun

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. ZHANG Qiang

Mr. FANG Heying

Independent Non-executive Directors

Mr. TANG Shisheng

Ms. TSANG King Suen Katherine

Mr. WANG Guoliang

Mr. WU Jiesi