

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH
REVIEW REPORT ON INTERIM FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED
30 JUNE 2022

**INDEPENDENT PRACTITIONER'S REVIEW REPORT
TO MANAGEMENT OF CHINA CITIC BANK INTERNATIONAL LIMITED MACAU
BRANCH**

We have reviewed the interim financial information of China CITIC Bank International Limited Macau Branch ("the Branch") set out on pages 1 to 20, which comprise the condensed statement of financial position as at 30 June 2022, and the condensed statement of comprehensive income, the condensed statement of changes in equity and the condensed cash flow statement for the six months period then ended, and notes to the interim financial information including the basis of preparation.

Responsibility of the Branch's management for the Interim Financial Information

The Branch's management is responsible for the preparation and presentation of the interim financial information in accordance with the relevant requirements of the Guideline on the Disclosure of Financial Information and Annex 4 under the Circular No.006/B/2022-DSB/AMCM on 5 August 2022 (the "Circular") issued by the Monetary Authority of Macau ("AMCM") as set out in Note 1 of the interim financial information, and for such internal control as management determines is necessary to enable the preparation of interim financial information that is free from material misstatement, whether due to fraud or error.

Practitioner's responsibility

Our responsibility is to express a conclusion on the interim financial information 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.

We conducted our review in accordance with International Standard on Review Engagements ("ISRE") 2400 (Revised), "Engagements to Review Historical Financial Statements". ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial information, taken as a whole, is not prepared in all material respects in accordance with the relevant requirements of the Circular issued by the AMCM as set out in Note 1 of the interim financial information. This Standard also requires us to comply with relevant ethical requirements.

A review of interim financial information in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on this interim financial information.

INDEPENDENT PRACTITIONER'S REVIEW REPORT (CONTINUED)
TO MANAGEMENT OF CHINA CITIC BANK INTERNATIONAL LIMITED MACAU
BRANCH

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with the relevant requirements of the Circular issued by the AMCM as set out in Note 1 of the interim financial information.

Restriction on distribution and use

The interim financial information is prepared and presented in connection with the filing requirement stated in the Circular issued by AMCM. As a result, the interim financial information may not be suitable for another purpose. Our report is intended solely for management of the Branch and should not be distributed to or used by any other parties for any purpose.

PricewaterhouseCoopers
Certified Public Accountants

Macao, 9 September 2022

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2022**

(Expressed in Macao Patacas)

	30 June 2022 MOP	30 June 2021 MOP
Interest income	26,705,280	42,441,252
Interest expense	(7,402,049)	(4,625,856)
Net interest income	19,303,231	37,815,396
Fee and commission income	1,095,568	9,115,302
Other operating income	269,843	306,787
Operating income	20,668,642	47,237,485
Operating expenses	(14,547,031)	(13,635,564)
Other losses	(8,076)	-
Operating profit before expected credit losses / impairment	6,113,535	33,601,921
Expected credit losses / impairment losses written-back / (charged) on loans and advances to customers	(541,212)	11,490,902
Profit before taxation	5,572,323	45,092,823
Income tax charged	(668,679)	(5,411,154)
Profit and total comprehensive income for the period	4,903,644	39,681,669

Approved by the Branch management on 9 September 2022 and signed on behalf by:

Felix Xia, Branch Manager

Emily Sio, Finance Manager

The accompanying notes from page 6 to 20 form an integral part of these interim financial information disclosure.

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

CONDENSED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2022

(Expressed in Macao Patacas)

	30 June 2022 MOP	31 December 2021 MOP
ASSETS		
Cash and balances with banks	840,501,056	521,894,463
Deposits with AMCM	88,353,954	141,792,910
AMCM Monetary bills	59,829,693	54,982,088
Loans and advances to customers	1,996,170,632	1,705,968,307
Other assets	2,101,650	3,126,915
Property and equipment	9,879,746	10,954,942
Total Assets	2,996,836,731	2,438,719,625
LIABILITIES		
Deposits from customers and banks	2,304,183,681	1,686,529,920
Deposits and balances from Head Office	537,060,538	574,506,719
Current taxation	11,321,343	9,286,469
Other liabilities	16,112,544	51,055,259
	2,868,678,106	2,321,378,367
HEAD OFFICE ACCOUNT		
Establishment fund	50,000,000	50,000,000
General regulatory reserve	12,285,590	-
Retained profits	65,873,035	67,341,258
	128,158,625	117,341,258
Total Head Office Account and Liabilities	2,996,836,731	2,438,719,625

Approved by the Branch management on 9 September 2022
and signed on behalf by:

Felix Xia, Branch Manager

Emily Sio, Finance Manager

The accompanying notes from page 6 to 20 form an integral part of these interim financial information disclosure.

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

**CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2022**

(Expressed in Macao Patacas)

	Establishment fund MOP	Regulatory reserve MOP (Note 2)	Retained profits MOP (Note 2)	Total MOP
Head Office account at 1 January 2022	50,000,000	11,384,962	61,870,019	123,254,981
Transfer to Regulatory Reserve	-	900,628	(900,628)	-
Profit and total comprehensive income for the period	-	-	4,903,644	4,903,644
Head Office account at 30 June 2022	<u>50,000,000</u>	<u>12,285,590</u>	<u>65,873,035</u>	<u>128,158,625</u>
		Establishment fund MOP	Retained profits MOP	Total MOP
Head Office account at 1 January 2021		50,000,000	19,753,152	69,753,152
Transfer to Head Office		-	(19,753,152)	(19,753,152)
Profit for the year		-	67,341,258	67,341,258
Head Office account at 31 December 2021		<u>50,000,000</u>	<u>67,341,258</u>	<u>117,341,258</u>

The accompanying notes from page 6 to 20 form an integral part of these interim financial information disclosure.

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

**CONDENSED CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2022**

(Expressed in Macao Patacas)

	30 June 2022 MOP	30 June 2021 MOP
Operating activities		
Profit before taxation	5,572,323	45,092,823
Adjustments for:		
Depreciation expense	1,250,979	1,250,143
Expected credit losses/impairment losses charged/(written-back) on loans and advances to customers	541,212	(11,490,902)
Loss on disposal of fixed assets	8,076	-
	<u>7,372,590</u>	<u>34,852,064</u>
(Increase)/decrease in operating assets:		
Minimum statutory deposits with AMCM	(2,770,000)	(9,966,000)
Loans and advances to customers	(278,908,260)	1,143,417,194
Other assets	1,025,265	5,835,425
	<u>(280,652,995)</u>	<u>1,139,286,619</u>
(Decrease)/increase in operating liabilities:		
Deposits from customers and banks	617,653,761	78,898,964
Deposits and balances from Head Office	(37,446,181)	(1,883,409,060)
Other liabilities	(39,417,408)	19,224,813
	<u>540,790,172</u>	<u>(1,785,285,283)</u>
Cash generated from/(used in) operating activities	<u>267,509,767</u>	<u>(611,146,600)</u>
Tax paid	-	(15)
Net cash generated from/(used in) operating activities	<u>267,509,767</u>	<u>(611,146,615)</u>

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

CONDENSED CASH FLOW STATEMENT (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2022
 (Expressed in Macao Patacas)

	30 June 2022 MOP	30 June 2021 MOP
Investing activity		
Purchase of fixed assets	(183,859)	(93,345)
Net cash used in investing activity	(183,859)	(93,345)
Financing activity		
Retained profits remitted to Head Office	-	(19,753,152)
Net cash used in financing activity	-	(19,753,152)
Net increase/(decrease) in cash and cash equivalents	267,325,908	(630,993,112)
Cash and cash equivalents at 1 January	698,646,794	989,247,309
Cash and cash equivalents at 30 June	965,972,702	358,254,197
Cash flows from operating activities include:		
Interest received	23,875,491	48,115,601
Interest paid	(4,358,977)	(4,776,595)
Analysis of the balances of cash and cash equivalents		
Cash and balances with banks	840,501,056	52,668,332
Placements with original maturity within three months	-	179,447,200
Deposits with AMCM in excess of minimum statutory requirement	65,641,953	71,148,628
AMCM monetary bills with original maturity within three months	59,829,693	54,990,037
Cash and cash equivalents	965,972,702	358,254,197

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURE OF INTERIM 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 2022 has been prepared in accordance with the relevant disclosure requirements of the Guideline on Disclosure of Financial Information and Annex 4 under the Circular No.006/B/2022-DSB/AMCM on 5 August 2022 issued by the Monetary Authority of Macau (“AMCM”).

The accounting policies used in the preparation of the interim financial information for the six months period ended 30 June 2022 are consistent with those of the previous financial year ended 31 December 2021 and corresponding interim reporting period except for the following developments.

i) New and amended standards and interpretations adopted

Effective from 28 March 2020, Financial Reporting Standards issued by the Government of Macau under Administrative Regulation No. 25/2005 on 9 December 2005 (“MFRS”) were replaced by Financial Reporting Standards issued by the Directive of Secretaria para a Economia e Finanças No. 44/2020 on 17 March 2020 (“New MFRS”). The branch has adopted the New MFRS in preparing the interim financial information.

The adoption of the New MFRS does not result in significant changes to the Branch’s accounting policies applied in the interim financial information for the period presented. The following set out the standards and amendments that have significant changes in accounting policies for the current and opening balances reflected in this interim financial information.

- IAS 1 (Revised), Presentation of Financial Statements
- IFRS 9, Financial Instruments

The branch had to change its accounting policies and make certain adjustments in accordance with the transitional provisions of IFRS 9. Most of the other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future period.

ii) Establishment of regulatory reserve

The regulatory reserve is maintained to satisfy the provisions of the AMCM for prudential supervision purposes by appropriated amounts in respect of losses which the Branch will or may incur on credit exposures in addition to expected credit loss recognised in accordance with AMCM Guideline Notice 012/2021-AMCM. Movements in the regulatory reserve are appropriated directly through unappropriated profits and in consultation with the AMCM. As at 30 June 2022, the balance of general regulatory reserves is MOP 12,285,590 and nil for specific regulatory reserves.

2 Comparative figures

(a) Reconciliation between MFRS and Previous Standards

The following tables show the impacts on the interim financial information of the branch upon adoption of new and amended standards and interpretations and establishment of regulatory reserve on:

- the statement of financial position at 31 December 2021 (note i)
- the statement of changes in equity at 31 December 2021 (note ii)

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURE OF INTERIM FINANCIAL INFORMATION

2 Comparative figures (Continued)

(i) Reconciliation of statement of financial position at 31 December 2021 and 1 January 2022

	31 December 2021 As originally presented MOP	Effect of adoption of IFRS 9 MOP	Establishment of regulatory reserve MOP	1 January 2022 MOP
ASSETS				
Cash and balances with banks	521,894,463	(30,037)	-	521,864,426
Deposits with AMCM	141,792,910	(47,430)	-	141,745,480
AMCM Monetary bills	54,982,088	(3,200)	-	54,978,888
Loans and advances to customers	1,705,968,307	11,835,278	-	1,717,803,585
Other assets	3,126,915	-	-	3,126,915
Property and equipment	10,954,942	-	-	10,954,942
Total Assets	2,438,719,625	11,754,611	-	2,450,474,236
LIABILITIES				
Deposits from customers and banks	1,686,529,920	-	-	1,686,529,920
Deposits and balances from Head Office	574,506,719	-	-	574,506,719
Current taxation	9,286,469	1,366,195	-	10,652,664
Other liabilities	51,055,259	4,474,693	-	55,529,952
	2,321,378,367	5,840,888	-	2,327,219,255
HEAD OFFICE ACCOUNT				
Establishment fund	50,000,000	-	-	50,000,000
General regulatory reserve	-	-	11,384,962	11,384,962
Retained profits	67,341,258	5,913,723	(11,384,962)	61,870,019
	117,341,258	5,913,723	-	123,254,981
Total Head Office Account and Liabilities	2,438,719,625	11,754,611	-	2,450,474,236

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURE OF INTERIM FINANCIAL INFORMATION

2 Comparative figures (Continued)

(ii) Reconciliation of statement of changes in equity at 31 December 2021 and 1 January 2022

	Establishment fund MOP	Regulatory reserve MOP	Retained profits MOP	Total MOP
Head Office account at 31 December 2021 under MFRS	50,000,000	-	67,341,258	117,341,258
Effect of adoption of IFRS 9	-	-	7,279,918	7,279,918
Recognition of current tax liabilities	-	-	(1,366,195)	(1,366,195)
Establishment of regulatory reserve	-	11,384,962	(11,384,962)	-
Head Office account at 1 January 2022 under New MFRS with establishment of regulatory reserve	<u>50,000,000</u>	<u>11,384,962</u>	<u>61,870,019</u>	<u>123,254,981</u>

3 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 2022 MOP	31 December 2021 MOP
Loan commitment	363,897,535	341,788,617
Letters of guarantee	58,120,840	52,035,600
	<u>422,018,375</u>	<u>393,824,217</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.

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURE OF INTERIM FINANCIAL INFORMATION

3 Off-balance sheet exposures (Continued)

(b) Operating lease commitments

The total future minimum lease payment under non-cancellable operating leases is payable as follows:

	30 June 2022 MOP	31 December 2021 MOP
Properties:		
- Within one year	7,259,432	7,293,422
- After one year but within five years	1,794,515	5,418,566
	<u>9,053,947</u>	<u>12,711,988</u>

The Branch leases two properties and two car-parks under operating leases. The lease for properties typically runs for an initial period of five years and two years respectively with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

4 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 2022 MOP	30 June 2021 MOP
Interest income from Head office and other branches	344,663	106,271
Interest expense to Head office	<u>918,861</u>	<u>675,484</u>

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURE OF INTERIM FINANCIAL INFORMATION

4 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 2022 MOP	31 December 2021 MOP
Due from Head Office and other branches:		
At 1 January	514,348,997	823,539,175
At 30 June 2022/31 December 2021	835,829,551	514,348,997
Average for the period/year	497,571,559	369,555,311
Accrued interest / Interest receivables from Head Office and other branches:		
At 1 January	391	1,646
At 30 June 2022/31 December 2021	34,032	391
Average for the period/year	3,696	1,252
Deposits and balances from Head Office:		
At 1 January	574,506,719	3,327,047,127
At 30 June 2022/31 December 2021	537,037,308	574,506,719
Average for the period/year	473,563,750	1,510,000,353
Accrued interest / Interest payables to Head Office:		
At 1 January	1,894	6,867
At 30 June 2022/31 December 2021	23,230	1,894
Average for the period/year	10,322	2,862

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

Key management personnel are deemed to be the members of the Board of Directors of the Head Office which are responsible for the planning, directing and controlling the activities of the Head Office and the Branch. Compensation of key management personnel were borne by the Head Office for both periods.

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURE OF INTERIM FINANCIAL INFORMATION

5 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 2022		
	Gross loans and advances to customers and commitments MOP	Impaired loans and advances to customers MOP	Assessed impairment allowance MOP
Region			
Macao SAR	1,083,863,311	-	2,413,561
China	404,210,422	-	1,222,378
British Virgin Islands	347,634,963	-	5,629,935
Hong Kong SAR	381,423,541	-	850,943
Total	<u>2,217,132,237</u>	<u>-</u>	<u>10,116,817</u>
	31 December 2021		
	Gross loans and advances to customers and commitments MOP	Impaired loans and advances to customers MOP	Assessed impairment allowance MOP
Region			
Macao SAR	921,064,224	-	7,926,245
China	415,749,944	-	3,577,748
British Virgin Islands	345,371,700	-	2,972,106
Hong Kong SAR	383,346,051	-	3,298,896
Total	<u>2,065,531,919</u>	<u>-</u>	<u>17,774,995</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.

During the six months ended 30 June 2022, for loans and advances to customers and commitments by region of less than 10% of total loans and commitments, MOP638,793 of assessed impairment allowance was made (31 December 2021: nil).

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURE OF INTERIM FINANCIAL INFORMATION

5 Credit risk (Continued)

(b) Geographical analysis of debt securities

Debt investments (including AMCM Monetary Bills) 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 2022		
	Debt Investments		
	Notional amounts MOP	Carrying value MOP	Assessed impairment allowance MOP
Region			
Macao SAR	<u>60,000,000</u>	<u>59,831,669</u>	<u>1,976</u>
	31 December 2021		
	Debt Investments		
	Notional amounts MOP	Carrying value MOP	Assessed impairment allowance MOP
Region			
Macao SAR	<u>55,000,000</u>	<u>54,982,088</u>	<u>-</u>

At 30 June 2022 and 31 December 2021, the Branch only had hold-to-collect/held-to-maturity investments in unlisted monetary bills issued by AMCM.

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURE OF INTERIM FINANCIAL INFORMATION

5 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 2022				31 December 2021			
	Gross loans and advances to customers MOP	Impaired loans and advances to customers MOP	Assessed impairment allowances MOP	Impairment allowance written off during the period MOP	Gross loans and advances to customers MOP	Impaired loans and advances to customers MOP	Assessed impairment allowances MOP	Impairment allowance written off during the year MOP
Loans and advances for use in Macao								
Construction and public works	72,791,480	-	-	-	59,241,383	-	610,889	-
Wholesale and retail trade	661,734,244	-	64,661	-	512,493,544	-	5,284,760	-
Personal loans	21,093,897	-	-	-	22,462,435	-	231,630	-
	<u>755,619,621</u>	<u>-</u>	<u>64,661</u>	<u>-</u>	<u>594,197,362</u>	<u>-</u>	<u>6,127,279</u>	<u>-</u>
Loans and advances for use outside Macao								
Manufacturing industries	151,044,252	-	632,987	-	-	-	-	-
Construction and public works	273,370,543	-	505,915	-	309,000,000	-	3,186,364	-
Non-monetary financial institutions	404,210,422	-	1,222,378	-	401,595,000	-	4,141,190	-
Other industries	399,147,762	-	5,682,380	-	396,871,700	-	4,092,484	-
Personal loans	20,886,353	-	-	-	22,079,240	-	227,678	-
	<u>1,248,659,332</u>	<u>-</u>	<u>8,043,660</u>	<u>-</u>	<u>1,129,545,940</u>	<u>-</u>	<u>11,647,716</u>	<u>-</u>
Gross loans and advances to customers	<u>2,004,278,953</u>	<u>-</u>	<u>8,108,321</u>	<u>-</u>	<u>1,723,743,302</u>	<u>-</u>	<u>17,774,995</u>	<u>-</u>

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURE OF INTERIM FINANCIAL INFORMATION

5 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 2022							
	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	840,501,056	840,501,056	-	-	-	-	-	-
Deposits with AMCM	88,353,954	88,353,954	-	-	-	-	-	-
Unlisted monetary bills issued by AMCM	59,829,693	-	9,998,995	49,830,698	-	-	-	-
Loans and advances to customers	1,996,170,632	-	372,534,136	289,135,447	51,460,354	1,170,990,611	112,050,084	-
Other assets	2,101,530	-	-	-	910,839	1,190,691	-	-
Undated assets	9,879,866	-	-	-	-	-	-	9,879,866
Total assets	2,996,836,731	928,855,010	382,533,131	338,966,145	52,371,193	1,172,181,302	112,050,084	9,879,866
Liabilities								
Deposits from customers and banks	2,304,183,681	130,815,934	820,898,013	897,093,123	455,376,611	-	-	-
Deposits and balances from Head Office	537,060,538	21,133,308	515,927,230	-	-	-	-	-
Other liabilities	27,279,387	274,979	3,716,858	6,369,972	12,826,609	4,009,302	81,667	-
Undated liabilities	154,500	-	-	-	-	-	-	154,500
Total liabilities	2,868,678,106	152,224,221	1,340,542,101	903,463,095	468,203,220	4,009,302	81,667	154,500
Asset-liability gap		776,630,789	(958,008,970)	(564,496,950)	(415,832,027)	1,168,172,000	111,968,417	

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURE OF INTERIM FINANCIAL INFORMATION

5 Credit risk (Continued)

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

	31 December 2021							
	Total	Repayable on	Within	3 months or	1 year or less	3 years or less	Over 3 years	Undated
	MOP	demand	1 month	less but over	but over	but over	MOP	MOP
		MOP	MOP	1 month	3 months	1 year		
Assets								
Cash and balances with banks	521,894,463	521,894,463	-	-	-	-	-	-
Deposits with AMCM	141,792,910	141,792,910	-	-	-	-	-	-
Unlisted monetary bills issued by AMCM	54,982,088	-	4,999,971	49,982,117	-	-	-	-
Loans and advances to customers	1,705,968,307	-	345,582,373	212,595,350	-	1,048,367,534	99,423,050	-
Other assets	3,126,795	-	1,242,402	297,957	181,858	1,358,631	45,947	-
Undated assets	10,955,062	-	-	-	-	-	-	10,955,062
Total assets	2,438,719,625	663,687,373	351,824,746	262,875,424	181,858	1,049,726,165	99,468,997	10,955,062
Liabilities								
Deposits from customers and banks	1,686,529,920	216,138,838	242,540,181	413,460,251	814,390,650	-	-	-
Deposits and balances from Head Office	574,506,719	21,533,219	552,973,500	-	-	-	-	-
Other liabilities	60,187,228	257,186	31,709,099	1,696,344	19,637,285	6,777,647	109,667	-
Undated liabilities	154,500	-	-	-	-	-	-	154,500
Total liabilities	2,321,378,367	237,929,243	827,222,780	415,156,595	834,027,935	6,777,647	109,667	154,500
Asset-liability gap		425,758,130	(475,398,034)	(152,281,171)	(833,846,077)	1,042,948,518	99,359,330	

(e) Analysis on past due exposures

As at 30 June 2022 and 31 December 2021, there were no exposures that have been past due for more than 3 months.

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURE OF INTERIM FINANCIAL INFORMATION

5 Credit risk (Continued)

(f) Credit quality analysis under regulatory asset classification

30 June 2022					
	Total MOP	Value of collateral MOP	Stage I ECL MOP	Stage II ECL MOP	Stage III ECL MOP
Asset classified as Pass					
Loans and advances	2,004,278,953	557,433,033	8,108,321	-	-
Nostro accounts	100,783,626	-	44,424	-	-
Money market	828,120,000	-	4,192	-	-
Treasury bills	59,831,669	-	1,976	-	-
	<u>2,993,014,248</u>	<u>557,433,033</u>	<u>8,158,913</u>	<u>-</u>	<u>-</u>
31 December 2021					
	Total MOP	Value of collateral MOP	General Provision MOP	Specific Provision MOP	
Asset classified as Pass					
Loans and advances	1,723,743,302	557,432,485	17,774,995	-	-
Nostro accounts	165,084,323	-	-	-	-
Money market	498,603,050	-	-	-	-
Treasury bills	54,982,088	-	-	-	-
	<u>2,442,412,763</u>	<u>557,432,485</u>	<u>17,774,995</u>	<u>-</u>	<u>-</u>

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURE OF INTERIM FINANCIAL INFORMATION

6 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 Asset-Liability Committee.

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

	30 June 2022							
	Euro dollars MOP	United states dollars MOP	Pound sterlings MOP	Japanese yen MOP	Chinese yuan MOP	Hong Kong dollars MOP	Other currencies MOP	Total MOP
Spot assets	361,468	1,574,339,718	2,435	8,929	263,622	1,197,928,747	17,120	2,772,922,039
Spot liabilities	(352,994)	(1,574,063,922)	(18)	(5,535)	(193,278)	(1,198,264,261)	(23,528)	(2,772,903,536)
Net long/(short) position	8,474	275,796	2,417	3,394	70,344	(335,514)	(6,408)	18,503
	31 December 2021							
	Euro dollars MOP	United States dollars MOP	Pound sterlings MOP	Japanese yen MOP	Chinese yuan MOP	Hong Kong dollars MOP	Other currencies MOP	Total MOP
Spot assets	3,448,235	1,349,791,578	2,693	10,534	1,667,651	832,661,062	926,989	2,188,508,742
Spot liabilities	(3,444,709)	(1,349,425,119)	(20)	(8,442)	(1,463,033)	(833,883,445)	(898,821)	(2,189,123,589)
Net long/(short) position	3,526	366,459	2,673	2,092	204,618	(1,222,383)	28,168	(614,847)

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURE OF INTERIM FINANCIAL INFORMATION

7 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 2022 MOP	30 June 2021 MOP
Minimum weekly amount of cash in hand required to be held	35,353,000	34,616,000
Average weekly amount of cash in hand	96,370,000	102,032,000
Specified liquid assets at the end of each month	<u>1,380,507,000</u>	<u>1,380,008,000</u>
	30 June 2022 %	30 June 2021 %
Average ratio of specified liquid asset to total basic liabilities at the end of each month	67	88
One-month liquidity ratio in the last week of each month	132	108
Three-month liquidity ratio in the last week of each month	<u>92</u>	<u>99</u>

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.

8 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 2022 %	31 December 2021 %
Common Equity Tier 1 capital ratio	11.9	12.2
Tier 1 capital ratio	16.1	14.9
Total capital ratio	<u>18.5</u>	<u>17.4</u>

Capital adequacy ratios (“CAR”) comply 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

DISCLOSURE OF INTERIM FINANCIAL INFORMATION

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

(a) Consolidated capital adequacy ratios (Continued)

	30 June 2022 HK\$	31 December 2021 HK\$
Equity		
Share capital	18,404,013,000	18,404,013,000
Reserves	22,833,474,000	22,827,746,000
Additional equity instruments	13,242,724,000	8,554,817,000
Total equity	<u>54,480,211,000</u>	<u>49,786,576,000</u>

(b) Consolidated assets, liabilities and profit positions

	30 June 2022 HK\$	31 December 2021 HK\$
Total assets	449,497,008,000	417,472,035,000
Total liabilities	395,016,797,000	367,685,459,000
Loans and advances to customers and other accounts	267,498,378,000	249,416,421,000
Deposits and balances of banks and other financial institutions	10,306,883,000	13,584,427,000
Deposits from customers	336,054,315,000	327,768,033,000
Profit before taxation	<u>1,480,707,000</u>	<u>2,500,399,000</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 2022, 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 People's Republic of China.

CHINA CITIC BANK INTERNATIONAL LIMITED MACAU BRANCH

DISCLOSURE OF INTERIM FINANCIAL INFORMATION

8 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. Yang Yu

Executive Directors

Mr. BI Mingqiang (President and Chief Executive Officer)
Mrs. KAN NG Chau Yuk Helen (Deputy Chief Executive Officer)
Mr. BAI Lijun (Deputy Chief Executive Officer)
Mr. TANG Nai Pan (Deputy Chief Executive Officer)

Non-executive Directors

Mr. FANG Heying
Mr. GUO Danghuai
Mr. HU Gang

Independent Non-executive Directors

Ms. LI Shuk Yin Edwina
Mr. TANG Shisheng
Ms. TSANG King Suen Katherine
Mr. WANG Guoliang