

China CITIC Bank International
Limited Macau Branch

30 June 2023

Independent Assurance Report

Independent assurance report to the Senior Management of China CITIC Bank International Limited Macau Branch (“the Branch”) on the Branch’s financial disclosures under the Guideline on the Disclosure of Financial Information and Annex 4 under Circular No.006/B/2022-DSB/AMCM on 5 August 2022 issued by Monetary Authority of Macau (“the Disclosure Rules”) for the period ended 30 June 2023

Pursuant to our engagement letter dated 6 September 2023, we have been requested to report the Branch’s disclosures of financial information for the period ended 30 June 2023 set out in the attached appendix, in the form of an independent reasonable assurance conclusion about whether the Branch’s financial disclosures are correctly compiled, in all material respects, from the books and records of the Branch in accordance with the Disclosure Rules.

Responsibilities of the Branch’s senior management

The Branch’s senior management is responsible for the preparation and presentation of the Branch’s financial disclosures that are correctly compiled from the books and records of the Branch and free from material misstatement in accordance with the Disclosure Rules.

This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the financial disclosures that are free from material misstatements, whether due to fraud or error. It also includes ensuring that the Branch complies with the Disclosure Rules, making estimates and judgements that are reasonable in the circumstances and for maintaining adequate records in relation to the financial disclosures.

The Branch’s senior management is also responsible for preventing and detecting fraud and for identifying and ensuring that the Branch complies with laws and regulations applicable to its activities.

The Branch’s senior management is responsible for ensuring that staff involved with the preparation and presentation of the financial disclosures are properly trained, information systems are properly updated and that any changes in reporting encompass all significant business units.

Our Independence and Quality Control

We have complied with the independence and other ethical *International Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants (“IESBA”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control (“ISQC”) 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, incorporated in the Macau Auditing Standards issued under Notice No. 2/2021/CPC of the Professional Committee of Accountants of Macau Special Administrative Region, 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.

Independent assurance report to the Senior Management of China CITIC Bank International Limited Macau Branch (“the Branch”) on the Branch’s financial disclosures under the Guideline on the Disclosure of Financial Information and Annex 4 under Circular No.006/B/2022-DSB/AMCM on 5 August 2022 issued by Monetary Authority of Macau (“the Disclosure Rules”) for the period ended 30 June 2023
(continued)

Our responsibilities

Our responsibility is to examine the financial disclosures prepared by the Branch and to report thereon in the form of an independent reasonable assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” issued by the International Auditing and Assurance Standards Board (“IAASB”) , except for the matter described above on the application of ISQC 1. That standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the Branch’s financial disclosures are correctly compiled, in all material respects, from the books and records of the Branch in accordance with the Disclosure Rules.

The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial disclosures, whether due to fraud or error.

In making those risk assessments, we have considered internal controls relevant to the preparation and presentation of the financial disclosures in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Branch’s internal control over the preparation and presentation of the financial disclosures.

Our procedures included:

- Obtaining an understanding of the Branch’s process for compiling its financial disclosures; and
- Comparing the Branch’s financial disclosures to the requirements of the Disclosure Rules.

This report relates only to the financial disclosures specified above and does not extend to any financial statements of the Branch, taken as a whole.

As part of this engagement, we have not performed any procedures by way of audit, review or verification of the financial disclosures nor of the underlying records or other sources from which the Branch’s financial disclosures were extracted.

Independent assurance report to the Senior Management of China CITIC Bank International Limited Macau Branch (“the Branch”) on the Branch’s financial disclosures under the Guideline on the Disclosure of Financial Information and Annex 4 under Circular No.006/B/2022-DSB/AMCM on 5 August 2022 issued by Monetary Authority of Macau (“the Disclosure Rules”) for the period ended 30 June 2023
(continued)

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In our opinion, the Branch’s financial disclosures have been correctly compiled, in all material respects, from the books and records of the Branch in accordance with the Disclosure Rules.

Other matter

We draw your attention to the fact that our work does not constitute an internal review or a verification of the disclosures for the purpose of Disclosures Rules.

Restriction on distribution and use

This report has been prepared for the purpose of assisting the Branch to comply with the Disclosure Rules. It should not be relied upon by any other party for any other purpose and we expressly disclaim any liability or duty to any other party in this respect. It should not be disclosed, referred to or quoted in whole or in part without our prior written consent.

Certified Public Accountants

Unit B&C, 12th Floor
Finance and IT Center of Macau
320 Avenida Doutor Mario Soares

Macau

18 September 2023

China CITIC Bank International
Limited Macau Branch

30 June 2023

Disclosure of Financial Information

The Disclosure of Financial Information of China CITIC Bank International Limited Macau Branch ("the Branch") for the six months ended 30 June 2023 has been prepared in accordance with the 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 Autoridade Monetaria de Macao ("AMCM").

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. For note 3, note 4, note 9 and note 14, all information disclosed are extracted from the corresponding information in the most recently available consolidated accounts of Head Office of which the Branch is a member.

1 Balance sheet at 30 June 2023 (Expressed in Macao Patacas)

	30 June 2023 MOP	31 December 2022 MOP
ASSETS		
Cash and balances with banks	556,440,386	222,092,295
Deposits with AMCM	55,192,301	65,662,902
AMCM Monetary bills	49,811,166	59,501,815
Loans and advances to customers	2,194,896,863	1,843,615,466
Other assets	3,128,683	1,641,304
Property, plant and equipment	8,144,215	8,550,563
Total Assets	2,867,613,614	2,201,064,345
LIABILITIES		
Deposits from customers	2,034,983,481	1,916,215,349
Deposits and balances from Head Office and other banks	697,626,004	131,732,767
Current taxation	3,742,846	2,847,029
Other liabilities	7,468,195	14,460,227
	2,743,820,526	2,065,255,372

Disclosure of Financial Information (continued)

1 Balance sheet at 30 June 2023 (continued)

	30 June 2023 MOP	31 December 2022 MOP
HEAD OFFICE ACCOUNT		
Establishment fund	50,000,000	50,000,000
General regulatory reserve	19,285,867	13,914,775
Retained profits	54,507,221	71,894,198
	<u>123,793,088</u>	<u>135,808,973</u>
Total Head Office Account and Liabilities	<u>2,867,613,614</u>	<u>2,201,064,345</u>

2 Profit and loss account for the six months ended 30 June 2023 (Expressed in Macao Patacas)

	30 June 2023 MOP	30 June 2022 MOP
Interest income	65,133,592	26,705,280
Interest expense	(45,729,045)	(7,402,049)
Net interest income	<u>19,404,547</u>	<u>19,303,231</u>
Fee and commission income	1,435,801	1,095,568
Other operating income	597,583	269,843
Operating income	<u>21,437,931</u>	<u>20,668,642</u>
Operating expenses	<u>(15,980,037)</u>	<u>(14,547,031)</u>
Other losses	-	(8,076)
Operating profit before expected credit losses and impairment	<u>5,457,894</u>	<u>6,113,535</u>
Expected credit losses ("ECL") written-back/(charged) on loans and advances to customers	2,007,251	(541,212)
Profit before taxation	<u>7,465,145</u>	<u>5,572,323</u>
Income tax charged	(895,817)	(668,679)
Profit and total comprehensive income for the period	<u>6,569,328</u>	<u>4,903,644</u>

Disclosure of Financial Information (continued)

3 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 2023, the directors of the Bank 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.

4 Name of members of the company boards

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

Chairman

Mr. GUO Danghuai

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)

Non-executive Directors

Mr. FANG Heying
Mr. Hu Gang

Independent Non-executive Directors

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

Disclosure of Financial Information (continued)

5 Cash flow statement for the six months ended 30 June 2023 (Expressed in Macao Patacas)

	30 June 2023 MOP	30 June 2022 MOP
Operating activities		
Profit before taxation	7,465,145	5,572,323
Adjustments for non-cash items:		
Depreciation expense	1,067,556	1,250,979
Expected credit losses (written-back)/charged on loans and advances to customers	(2,007,251)	541,212
Loss on disposal of fixed assets	-	8,076
Operating profit before changes in working capital	6,525,450	7,372,590
Net (increase)/decrease in operating assets:		
AMCM Monetary bills with original maturity of more than three months	9,993,799	-
Minimum statutory deposits with AMCM	(7,897,000)	(2,770,000)
Loans and advances to customers	(349,564,773)	(278,908,260)
Other assets	(1,487,379)	1,025,265
	(348,955,353)	(280,652,995)
Net increase/(decrease) in operating liabilities:		
Deposits from customers	118,768,132	617,653,761
Deposits and balances from Head Office and other banks	565,893,237	(37,446,181)
Other liabilities	(6,696,482)	(39,417,408)
	677,964,887	540,790,172
Cash generated from operating activities	335,534,984	267,509,767
Tax paid	-	-
Net cash generated from operating activities	335,534,984	267,509,767

Disclosure of Financial Information (continued)

5 Cash flow statement for the six months ended 30 June 2023 (continued) (Expressed in Macao Patacas)

	30 June 2023 MOP	30 June 2022 MOP
Investing activity		
Purchase of fixed assets	(661,208)	(183,859)
Net cash used in investing activity	(661,208)	(183,859)
Financing activity		
Retained profits remitted to Head Office	(18,585,215)	-
Net cash used in financing activity	(18,585,215)	-
Net increase in cash and cash equivalents	316,288,561	267,325,908
Cash and cash equivalents at 1 January	317,697,572	698,646,794
Cash and cash equivalents at 30 June	633,986,133	965,972,702
Cash flows from operating activities include:		
Interest received	60,645,688	23,875,491
Interest paid	(24,166,818)	(4,358,977)
Analysis of the balances of cash and cash equivalents		
Cash and balances with banks	556,457,636	840,501,056
Deposits with AMCM in excess of minimum statutory requirement	27,714,787	65,641,953
AMCM monetary bills with original maturity within three months	49,813,710	59,829,693
Cash and cash equivalents	633,986,133	965,972,702

Disclosure of Financial Information (continued)

6 Off-balance sheet exposures other than derivative transaction

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

	30 June 2023 MOP	31 December 2022 MOP
Loan commitment	340,436,168	315,656,662
Letters of guarantee	48,616,000	58,120,840
	<u>389,052,168</u>	<u>373,777,502</u>

(b) *Operating lease commitments*

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

	30 June 2023 MOP	31 December 2022 MOP
Properties:		
- Within one year	1,800,180	5,441,226
- After one year but within five years	-	-
	<u>1,800,180</u>	<u>5,441,226</u>

7 Derivative transaction

For the six months ended 30 June 2023 and 2022, there is no derivative transaction taken. As at 30 June 2023 and 31 December 2022, the Branch did not hold derivative financial instruments (including exchange rate contracts, interest rate contracts, equities contracts, commodities contracts).

Disclosure of Financial Information (continued)

8 Related party transactions: quantitative - transactions and outstanding balances

(a) Transactions for the period ended 30 June:

	30 June 2023 MOP	30 June 2022 MOP
Interest income from Head office and other branches	8,701,319	344,663
Interest expense to Head office	5,880,241	918,861

(b) Outstanding balances from/ (to) the Head Offices and other branches:

	30 June 2023 MOP	31 December 2022 MOP
Cash and balances with Head Office and other branches:		
At 1 January	214,786,063	514,348,997
At 30 June 2023/31 December 2022	553,425,566	214,786,063
Average for the period/year	400,622,523	507,834,879

Accrued interest/ Interest receivables from Head Office and other branches:

At 1 January	31,604	391
At 30 June 2023/31 December 2022	77,993	31,604
Average for the period/year	98,784	29,672

Deposits and balances from Head Office:

At 1 January	(131,716,068)	(574,506,719)
At 30 June 2023/31 December 2022	(647,248,848)	(131,716,068)
Average for the period/year	(371,518,288)	(567,297,602)

Accrued interest/ Interest payables to Head Office:

At 1 January	(16,699)	(1,894)
At 30 June 2023/31 December 2022	(86,746)	(16,699)
Average for the period/year	(128,434)	(46,944)

Disclosure of Financial Information (continued)

9 Capital: quantitative – consolidated capital adequacy ratios of the credit institution

The following information is extracted from the corresponding information in the most recently available consolidated accounts of Head Office of which the Branch is a member.

	<i>30 June 2023 %</i>	<i>31 December 2022 %</i>
Common Equity Tier 1 capital ratio	11.9	12.0
Tier 1 capital ratio	16.0	16.2
Total capital ratio	<u>18.3</u>	<u>18.6</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.

	<i>30 June 2023 HK\$'000</i>	<i>31 December 2022 HK\$'000</i>
Equity		
Share capital	18,404,013	18,404,013
Reserves	24,606,582	23,047,414
Other equity instruments	<u>13,242,724</u>	<u>13,242,724</u>
Total equity	<u>56,253,319</u>	<u>54,694,151</u>

Disclosure of Financial Information (continued)

10 Credit risk

(a) Geographical distribution

The followings table details the distribution of loans and advances to customers and commitments by region over or equal to 10% of total loans and commitments.

Region	30 June 2023		
	Gross loans and advances to customers and commitments MOP	Past due or impaired loans and advances to customers MOP	Expected credit losses allowance MOP
Macao SAR	1,049,958,163	-	1,861,795
China	403,692,223	-	458,430
British Virgin Islands	636,487,919	-	2,078,956
Hong Kong SAR	317,703,412	-	266,013
Total	2,407,841,717	-	4,665,194

Region	31 December 2022		
	Gross loans and advances to customers and commitments MOP	Past due or impaired loans and advances to customers MOP	Expected credit losses allowance MOP
Macao SAR	914,179,010	-	2,331,627
China	401,675,628	-	962,624
British Virgin Islands	345,462,215	-	3,087,312
Hong Kong SAR	356,364,578	-	293,766
Total	2,017,681,431	-	6,675,329

During the six months ended 30 June 2023, for loans and advances to customers and commitments by region of less than 10% of total loans and commitments, MOP739,169 of collectively expected credit losses allowance was made (31 December 2022: MOP487,338).

Disclosure of Financial Information (continued)

10 Credit risk (continued)

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

Region	30 June 2023		
	<i>Debt Investments</i>		
	<i>Notional amounts MOP</i>	<i>Carrying value MOP</i>	<i>Expected credit losses allowance MOP</i>
Macao SAR	50,000,000	49,813,710	2,544

Region	31 December 2022		
	<i>Debt Investments</i>		
	<i>Notional amounts MOP</i>	<i>Carrying value MOP</i>	<i>Expected credit losses allowance MOP</i>
Macao SAR	60,000,000	59,504,519	2,704

Disclosure of Financial Information (continued)

10 Credit risk (continued)

(b) Industry distribution

The information concerning loans and advances to customers by industry sectors is prepared according to the purpose of the loans and advances and is stated gross of any expected credit losses allowances.

	30 June 2023				31 December 2022			
	Gross loans and advances to customers MOP	Past due or impaired loans and advances to customers MOP	Expected credit losses allowance MOP	Expected credit losses allowance written off during the period MOP	Gross loans and advances to customers MOP	Past due or impaired loans and advances to customers MOP	Expected credit losses allowance MOP	Expected credit losses allowance written off during the year MOP
Loans and advances for use in Macao								
Construction and public works	122,403,154	-	-	-	85,385,758	-	-	-
Wholesale and retail trade	639,552,400	-	31,883	-	502,882,590	-	35,025	-
Personal loans	9,366,440	-	-	-	10,254,000	-	-	-
	<u>771,321,994</u>	<u>-</u>	<u>31,883</u>	<u>-</u>	<u>598,522,348</u>	<u>-</u>	<u>35,025</u>	<u>-</u>
Loans and advances for use outside Macao								
Manufacturing industries	130,640,755	-	428,790	-	146,456,762	-	487,338	-
Construction and public works	185,920,107	-	120,284	-	285,182,443	-	289,039	-
Non-monetary financial institutions	726,691,950	-	2,257,918	-	401,675,628	-	962,624	-
Other industries	365,025,550	-	297,561	-	396,976,753	-	3,092,039	-
Personal loans	18,445,948	-	13,005	-	19,667,597	-	-	-
	<u>1,426,724,310</u>	<u>-</u>	<u>3,117,558</u>	<u>-</u>	<u>1,249,959,183</u>	<u>-</u>	<u>4,831,040</u>	<u>-</u>
Gross loans and advances to customers	<u>2,198,046,304</u>	<u>-</u>	<u>3,149,441</u>	<u>-</u>	<u>1,848,481,531</u>	<u>-</u>	<u>4,866,065</u>	<u>-</u>

Disclosure of Financial Information (continued)

10 Credit risk (continued)

(c) Maturity analysis

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

	30 June 2023							Undated MOP
	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	
Assets								
Cash and balances with banks	556,440,386	556,440,386	-	-	-	-	-	-
Deposits with AMCM	55,192,301	55,192,301	-	-	-	-	-	-
AMCM Monetary Bills	49,811,166	-	49,811,166	-	-	-	-	-
Loans and advances to customers	2,194,896,863	-	639,520,518	-	1,274,961,843	132,156,343	148,258,159	-
Other assets	3,128,683	-	864,107	1,371,393	893,063	-	-	120
Property, plant and equipment	8,144,215	-	-	-	-	-	-	8,144,215
Total assets	2,867,613,614	611,632,687	690,195,791	1,371,393	1,275,854,906	132,156,343	148,258,159	8,144,335
Liabilities								
Deposits from customers	2,034,983,481	134,741,584	365,435,741	1,097,515,802	437,290,354	-	-	-
Deposits and balances from Head Office and other banks	697,626,004	49,848,847	597,486,746	50,290,411	-	-	-	-
Other liabilities	7,468,195	322,395	3,166,637	1,042,653	2,496,959	231,781	53,270	154,500
Current taxation	3,742,846	-	-	1,423,514	2,319,332	-	-	-
Total liabilities	2,743,820,526	184,912,826	966,089,124	1,150,272,380	442,106,645	231,781	53,270	154,500
Asset-liability gap	123,793,088	426,719,861	(275,893,333)	(1,148,900,987)	833,748,261	131,924,562	148,204,889	7,989,835

Disclosure of Financial Information (continued)

10 Credit risk (continued)

(c) Maturity analysis (continued)

	31 December 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	222,092,295	222,092,295	-	-	-	-	-	-
Deposits with AMCM	65,662,902	65,662,902	-	-	-	-	-	-
AMCM Monetary Bills	59,501,815	-	9,993,345	49,508,470	-	-	-	-
Loans and advances to customers	1,843,615,466	-	134,129,693	420,227,683	400,713,004	775,907,494	112,637,592	-
Other assets	1,641,304	-	80,352	78,291	1,471,211	11,330	-	120
Property, plant and equipment	8,550,563	-	-	-	-	-	-	8,550,563
Total assets	<u>2,201,064,345</u>	<u>287,755,197</u>	<u>144,203,390</u>	<u>469,814,444</u>	<u>402,184,215</u>	<u>775,918,824</u>	<u>112,637,592</u>	<u>8,550,683</u>
Liabilities								
Deposits from customers	1,916,215,349	138,164,737	712,282,542	118,031,748	947,736,322	-	-	-
Deposits and balances from Head Office and other banks	131,732,767	52,055,108	79,677,659	-	-	-	-	-
Other liabilities	14,460,227	311,375	3,262,665	1,231,465	8,492,847	906,781	100,594	154,500
Current taxation	2,847,029	-	-	-	2,847,029	-	-	-
Total liabilities	<u>2,065,255,372</u>	<u>190,531,220</u>	<u>795,222,866</u>	<u>119,263,213</u>	<u>959,076,198</u>	<u>906,781</u>	<u>100,594</u>	<u>154,500</u>
Asset-liability gap	<u>135,808,973</u>	<u>97,223,977</u>	<u>(651,019,476)</u>	<u>350,551,231</u>	<u>(556,891,983)</u>	<u>775,012,043</u>	<u>112,536,998</u>	<u>8,396,183</u>

(d) Ageing analysis of accounting past due exposures

As at 30 June 2023 and 31 December 2022, there were no exposures that have been past due for more than 3 months.

Disclosure of Financial Information (continued)

10 Credit risk (continued)

(e) Credit quality analysis under regulatory asset classification

The following table details the distribution of financial instruments to which the impairment requirements in IFRS 9 are applied by credit quality and stage distribution. Net exposure is computed by netting off gross exposure and expected credit losses allowance.

		30 June 2023				
	Gross exposure	Value of collateral	Stage I Expected credit losses allowance	Stage II Expected credit losses allowance	Stage III Expected credit losses allowance	Net Exposure
	MOP	MOP	MOP	MOP	MOP	MOP
Asset classified as Pass						
Loans and advances to customers	2,198,046,304	538,276,130	(3,149,441)	-	-	2,194,896,863
Cash and balance with bank	556,457,637	-	(17,251)	-	-	556,440,386
Deposits with AMCM	55,206,786	-	(14,485)	-	-	55,192,301
AMCM Monetary bills	49,813,710	-	(2,544)	-	-	49,811,166
	<u>2,859,524,437</u>	<u>538,276,130</u>	<u>(3,183,721)</u>	<u>-</u>	<u>-</u>	<u>2,856,340,716</u>
		31 December 2022				
	Gross exposure	Value of collateral	Stage I Expected credit losses allowance	Stage II Expected credit losses allowance	Stage III Expected credit losses allowance	Net Exposure
	MOP	MOP	MOP	MOP	MOP	MOP
Asset classified as Pass						
Loans and advances to customers	1,848,481,531	538,275,583	(4,866,065)	-	-	1,843,615,466
Cash and balance with bank	222,100,704	-	(8,409)	-	-	222,092,295
Deposits with AMCM	65,681,148	-	(18,246)	-	-	65,662,902
AMCM Monetary bills	59,504,519	-	(2,704)	-	-	59,501,815
	<u>2,195,767,902</u>	<u>538,275,583</u>	<u>(4,895,424)</u>	<u>-</u>	<u>-</u>	<u>2,190,872,478</u>

Disclosure of Financial Information (continued)

11 Foreign exchange risk

The following table details the exposure at the end of the reporting period to currency risk arising from major monetary assets or liabilities. For presentation purpose, the amount of exposures are shown at equivalent in MOP.

	30 June 2023 (MOP equivalent)							
	Euro dollars	United states dollars	Pound sterlings	Japanese yen	Chinese yuan	Hong Kong dollars	Other currencies	Total
Spot assets	879,420	1,612,644,112	12,717	9,521	222,428	1,020,302,302	16,857	2,634,087,357
Spot liabilities	(865,248)	(1,612,679,818)	(9,530)	(5,739)	(225,240)	(1,021,020,858)	(23,462)	(2,634,829,895)
Net long/(short) position	14,172	(35,706)	3,187	3,782	(2,812)	(718,556)	(6,605)	(742,538)
	31 December 2022 (MOP equivalent)							
	Euro dollars	United States dollars	Pound sterlings	Japanese yen	Chinese yuan	Hong Kong dollars	Other currencies	Total
Spot assets	343,301	1,012,933,732	12,091	9,147	3,125,350	964,552,980	17,067	1,980,993,668
Spot liabilities	(332,182)	(1,016,954,527)	(9,578)	(5,672)	(3,056,697)	(966,635,096)	(23,698)	(1,987,017,450)
Net long/(short) position	11,119	(4,020,795)	2,513	3,475	68,653	(2,082,116)	(6,631)	(6,023,782)

Disclosure of Financial Information (continued)

12 Liquidity risk

The following table indicates the arithmetic mean of liquid assets held and liquidity ratios for the periods ended 30 June 2023 and for the year ended 31 December 2022 for the Branch:

	<i>30 June 2023 MOP</i>	<i>31 December 2022 MOP</i>
Minimum weekly amount of cash in hand required to be held	30,471,000	33,874,000
Average weekly amount of cash in hand	76,253,000	91,026,000
Specified liquid assets at the end of each month	<u>856,262,000</u>	<u>1,214,819,000</u>
	<i>30 June 2023 %</i>	<i>31 December 2022 %</i>
Average ratio of specified liquid asset to total basic liabilities at the end of each month	47	66
One-month liquidity ratio in the last week of each month	113	149
Three-month liquidity ratio in the last week of each month	<u>83</u>	<u>93</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.

Disclosure of Financial Information (continued)

13 Other information

As defined under AMCM Guideline Annex 4, the Branch should disclose any other information that may provide a better understanding of the conditions of the Branch, including but not limited to assets that are pledged as security for the liabilities of the Branch or the credit institution or a third party; and outstanding litigations which may have a significant impact on the financial position of the Branch.

(a) *Assets pledged as security*

The Branch has no assets that are pledged as security for the liabilities of the Branch or the credit institution or a third party as at 30 June 2023 and 31 December 2022.

(b) *Outstanding litigation*

The Branch is not involved in any legal action that would be significant to the financial position of the Branch as at 30 June 2023 and 31 December 2022.

14 Consolidated assets, liabilities and profit positions

The following information is extracted from the corresponding information in the most recently available consolidated accounts of Head Office of which the Branch is a member.

	30 June 2023 HK\$'000	31 December 2022 HK\$'000
Total assets	468,234,759	451,650,934
Total liabilities	411,981,440	396,956,783
Loans and advances to customers and other accounts	262,474,656	255,793,387
Deposits and balances of banks and other financial institutions	13,435,003	9,239,533
Deposits from customers	323,974,829	340,487,879
Profit before taxation	2,043,566	2,549,723