

China CITIC Bank International  
Limited Macau Branch

30 June 2024

Independent Assurance Report

# Independent assurance report to the 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 issued by Monetary Authority of Macau (“the Disclosure Rules”) for the period ended 30 June 2024

Pursuant to our engagement letter dated 6 September 2023, we have been requested to report on the Branch’s disclosures of financial information for the period ended 30 June 2024 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 management**

The Branch’s 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 issued by the Monetary Authority of Macao under Circular No. 004/B/2024-DSB/AMCM and for the information contained therein.

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 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 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 Management**

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 the relevant requirements as set out in the Macau Auditing Standards issued under Notice No. 2/2021/CPC of the Professional Committee of Accountants of Macau Special Administrative Region, and International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

# Independent assurance report to the 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 issued by Monetary Authority of Macau (“the Disclosure Rules”) for the period ended 30 June 2024 (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 limited assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the International Auditing and Assurance Standards Board. That standard requires that we comply with ethical requirements, including independence requirements, and plan and perform our procedures to obtain a meaningful level of assurance about whether the Branch’s disclosure of financial information is compiled, in all material respects, from the books and records of the Branch made available to us in accordance with Annex 4 of the Disclosure Rules, as the basis for our limited assurance conclusion.

The procedures selected depend on our understanding of the Branch’s financial disclosures and other engagement circumstances, and our consideration of areas where a material misstatement is likely to arise.

In obtaining an understanding of the Branch’s financial disclosures and other engagement circumstances, we have considered the process used to prepare and present 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 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 issued by Monetary Authority of Macau (“the Disclosure Rules”) for the period ended 30 June 2024 (continued)

## **Our 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 obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

## **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, nothing has come to our attention that the Branch’s financial disclosures have not been correctly compiled, in all material respects, from the books and records of the Branch in accordance with the Disclosure Rules.

## **Other matter**

Pursuant to paragraph 8 of the Disclosure Rules, credit institutions should ensure the disclosures are appropriately verified and take the necessary steps to ensure their reliability. 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 Disclosure 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.

KPMG  
Certified Public Accountants

Macao, 13 Sep 2024

China CITIC Bank International  
Limited Macau Branch

30 June 2024

# 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 2024 has been prepared in accordance with the disclosure requirements of the Guideline on Disclosure of Financial Information and Annex 4 under the Circular No.004/B/2024-DSB/AMCM on 28 March 2024 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 10 and note 15, 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 Statement of financial position at 30 June 2024 (Expressed in Macao Patacas)

	30 June 2024 MOP	31 December 2023 MOP
<b>ASSETS</b>		
Cash and balances with banks	659,710,483	901,258,410
Deposits with AMCM	77,206,291	55,996,694
Loans and advances to customers	1,326,932,936	1,520,420,627
Other assets	6,366,739	1,246,536
Property, plant and equipment	6,742,827	7,348,072
<b>Total Assets</b>	<u>2,076,959,276</u>	<u>2,486,270,339</u>
<b>LIABILITIES</b>		
Deposits from customers and banks	1,942,618,841	2,122,500,373
Deposits and balances from Head Office	41,230,535	229,919,309
Current taxation	1,884,600	1,333,844
Other liabilities	2,350,291	6,817,292
	<u>1,988,084,267</u>	<u>2,360,570,818</u>

## Disclosure of Financial Information (continued)

### 1 Statement of financial position at 30 June 2024 (continued) (Expressed in Macao Patacas)

	30 June 2024 MOP	31 December 2023 MOP
<b>HEAD OFFICE ACCOUNT</b>		
Working capital	50,000,000	50,000,000
General regulatory reserve	14,072,719	14,836,133
Retained profits	24,802,290	60,863,388
	<u>88,875,009</u>	<u>125,699,521</u>
<b>Total Head Office Account and Liabilities</b>	<u>2,076,959,276</u>	<u>2,486,270,339</u>

## Disclosure of Financial Information (continued)

### 2 Statement of profit or loss and other comprehensive income for the six months ended 30 June 2024 (Expressed in Macao Patacas)

	30 June 2024 MOP	30 June 2023 MOP
Interest income	62,133,910	65,133,592
Interest expense	(54,963,202)	(45,729,045)
<b>Net interest income</b>	<b>7,170,708</b>	<b>19,404,547</b>
Fee and commission income	1,416,167	1,435,801
Other operating income	333,563	597,583
<b>Operating income</b>	<b>8,920,438</b>	<b>21,437,931</b>
<b>Operating expenses</b>	<b>(15,720,618)</b>	<b>(15,980,037)</b>
<b>Operating profit before expected credit losses and impairment</b>	<b>(6,800,180)</b>	<b>5,457,894</b>
Bad debt recovery	11,138,130	-
Expected credit losses ("ECL") written-back on loans and advances to customers	251,681	2,007,251
<b>Profit before taxation</b>	<b>4,589,631</b>	<b>7,465,145</b>
Income tax charged	(550,755)	(895,817)
<b>Profit and total comprehensive income for the period</b>	<b>4,038,876</b>	<b>6,569,328</b>



## 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 2024, 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:

#### **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. LIU Cheng  
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 Statement of changes in head office account for the six months ended 30 June 2024

(Expressed in Macao Patacas)

	<i>Working capital MOP</i>	<i>General regulatory reserve MOP</i>	<i>Retained profits MOP</i>	<i>Total MOP</i>
<b>Head Office account at 1 January 2023</b>	50,000,000	13,914,775	71,894,198	135,808,973
Profit remittance to Head Office	-	-	(18,585,213)	(18,585,213)
Transfer to general regulatory reserve	-	5,371,092	(5,371,092)	-
Profit and total comprehensive income for the period	-	-	6,569,328	6,569,328
<b>Head Office account at 30 June 2023 and 1 July 2023</b>	50,000,000	19,285,867	54,507,221	123,793,088
Profit remittance to Head Office	-	-	-	-
Transfer from general regulatory reserve	-	(4,449,734)	4,449,734	-
Profit and total comprehensive income for the period	-	-	1,906,433	1,906,433
<b>Head Office account at 31 December 2023 and 1 January 2024</b>	50,000,000	14,836,133	60,863,388	125,699,521
Profit remittance to Head Office	-	-	(40,863,388)	(40,863,388)
Transfer from general regulatory reserve	-	(763,414)	763,414	-
Profit and total comprehensive income for the period	-	-	4,038,876	4,038,876
<b>Head Office account at 30 June 2024</b>	50,000,000	14,072,719	24,802,290	88,875,009

## Disclosure of Financial Information (continued)

### 6 Cash flow statement for the six months ended 30 June 2024 (Expressed in Macao Patacas)

	30 June 2024 MOP	30 June 2023 MOP
<b>Operating activities</b>		
Profit before taxation	4,589,631	7,465,145
Adjustments for non-cash items:		
Depreciation expense	834,250	1,067,556
Expected credit losses written-back on loans and advances to customers	(251,681)	(2,007,251)
Operating profit before changes in working capital	5,172,200	6,525,450
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	(3,041,000)	(7,897,000)
Loans and advances to customers	193,607,993	(349,564,773)
Other assets	(5,120,203)	(1,487,379)
	185,446,790	(348,955,353)
Net increase/(decrease) in operating liabilities:		
Deposits from customers and banks	(179,881,532)	169,058,543
Deposits and balances from Head Office	(188,688,774)	515,602,826
Other liabilities	(4,327,168)	(6,696,482)
	(372,897,474)	677,964,887
<b>Cash (used in)/generated from operating activities</b>	<b>(182,278,484)</b>	<b>335,534,984</b>
Tax paid	-	-
<b>Net cash (used in)/generated from operating activities</b>	<b>(182,278,484)</b>	<b>335,534,984</b>

## Disclosure of Financial Information (continued)

### 6 Cash flow statement for the six months ended 30 June 2024 (continued) (Expressed in Macao Patacas)

	30 June 2024 MOP	30 June 2023 MOP
<b>Investing activity</b>		
Purchase of fixed assets	(229,005)	(661,208)
<b>Net cash used in investing activity</b>	(229,005)	(661,208)
<b>Financing activity</b>		
Retained profits remitted to Head Office	(40,863,388)	(18,585,215)
<b>Net cash used in financing activity</b>	(40,863,388)	(18,585,215)
<b>Net (decrease)/increase in cash and cash equivalents</b>	(223,370,877)	316,288,561
<b>Cash and cash equivalents at 1 January</b>	934,464,424	317,697,572
<b>Cash and cash equivalents at 30 June</b>	711,093,547	633,986,133
<b>Cash flows from operating activities include:</b>		
Interest received	62,066,560	60,645,688
Interest paid	(52,355,384)	(24,166,818)
<b>Analysis of the balances of cash and cash equivalents</b>		
Cash and balances with banks	659,728,925	556,457,636
Deposits with AMCM in excess of minimum statutory requirement	51,364,622	27,714,787
AMCM monetary bills with original maturity within three months	-	49,813,710
<b>Cash and cash equivalents</b>	711,093,547	633,986,133

## Disclosure of Financial Information (continued)

### 7 Off-balance sheet exposures other than derivative transaction

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

	30 June 2024 MOP	31 December 2023 MOP
Loan commitment	167,819,838	222,301,360
Letters of guarantee	1,969,000	50,585,000
	<u>169,788,838</u>	<u>272,886,360</u>

#### (b) *Operating lease commitments*

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

	30 June 2024 MOP	31 December 2023 MOP
Properties:		
- Within one year	5,704,119	5,721,114
- After one year but within five years	17,872,107	20,721,334
	<u>23,576,226</u>	<u>26,442,448</u>

### 8 Derivative transaction

For the six months ended 30 June 2024 and 2023, there is no derivative transaction taken. As at 30 June 2024 and 31 December 2023, the Branch did not hold derivative financial instruments (including exchange rate contracts, interest rate contracts, equity contracts, commodity contracts).

## Disclosure of Financial Information (continued)

### 9 Related party transactions: quantitative - transactions and outstanding balances

#### (a) Transactions for the period ended 30 June:

	30 June 2024 MOP	30 June 2023 MOP
Interest income from Head office and other branches	30,156,999	8,701,319
Interest expense to Head office	<u>1,049,850</u>	<u>5,880,241</u>

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

	30 June 2024 MOP	31 December 2023 MOP
<b>Cash and balances with Head Office and other branches:</b>		
At 1 January	899,317,759	214,786,063
At 30 June 2024/31 December 2023	650,122,128	899,317,759
Average for the period/year	<u>1,195,100,965</u>	<u>404,596,431</u>

#### Interest receivables from Head Office and other branches:

At 1 January	403,977	31,604
At 30 June 2024/31 December 2023	286,883	403,977
Average for the period/year	<u>365,489</u>	<u>96,709</u>

#### Deposits and balances from Head Office:

At 1 January	229,831,688	131,716,068
At 30 June 2024/31 December 2023	41,230,535	229,831,688
Average for the period/year	<u>87,114,967</u>	<u>344,292,909</u>

#### Interest payables to Head Office:

At 1 January	87,621	16,699
At 30 June 2024/31 December 2023	-	87,621
Average for the period/year	<u>84,985</u>	<u>140,900</u>

## Disclosure of Financial Information (continued)

### 10 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 2024 %</i>	<i>31 December 2023 %</i>
Common Equity Tier 1 capital ratio	13.3	13.4
Tier 1 capital ratio	16.3	16.4
Total capital ratio	<u>18.7</u>	<u>20.1</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 2024 HK\$'000</i>	<i>31 December 2023 HK\$'000</i>
Equity		
Share capital	18,404,013	18,404,013
Reserves	26,723,511	25,776,602
Other equity instruments	<u>9,335,396</u>	<u>9,335,396</u>
Total equity	<u>54,462,920</u>	<u>53,516,011</u>

## Disclosure of Financial Information (continued)

### 11 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.

	30 June 2024		
	<i>Gross loans and advances to customers and commitments</i> MOP	<i>Past due or impaired loans and advances to customers</i> MOP	<i>Expected credit losses allowance</i> MOP
<b>Region</b>			
Macao SAR	899,270,416	-	693,990
British Virgin Islands	322,643,764	-	172,752
Hong Kong SAR	273,592,062	-	536,155
<b>Total</b>	<b>1,495,506,242</b>	<b>-</b>	<b>1,402,897</b>

  

	31 December 2023		
	<i>Gross loans and advances to customers and commitments</i> MOP	<i>Past due or impaired loans and advances to customers</i> MOP	<i>Expected credit losses allowance</i> MOP
<b>Region</b>			
Macao SAR	681,188,520	-	108,430
British Virgin Islands	565,139,389	-	469,059
Hong Kong SAR	274,966,488	-	296,281
<b>Total</b>	<b>1,521,294,397</b>	<b>-</b>	<b>873,770</b>

During the six months ended 30 June 2024, for loans and advances to customers and commitments by region of less than 10% of total loans and commitments, MOP Nil of collectively expected credit losses allowance was made (31 December 2023: MOP Nil).



## Disclosure of Financial Information (continued)

### 11 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 2024		
	<i>Debt Investments</i>		
	<i>Notional amounts MOP</i>	<i>Carrying value MOP</i>	<i>Expected credit losses allowance MOP</i>
Macao SAR	-	-	-

Region	31 December 2023		
	<i>Debt Investments</i>		
	<i>Notional amounts MOP</i>	<i>Carrying value MOP</i>	<i>Expected credit losses allowance MOP</i>
Macao SAR	-	-	-

## Disclosure of Financial Information (continued)

### 11 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 2024				31 December 2023			
	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
<b>Loans and advances for use in Macao</b>								
Construction and public works	232,235,970	-	-	-	178,771,350	-	-	-
Wholesale and retail trade	494,203,326	-	44,560	-	493,948,506	-	108,430	-
Personal loans	5,011,282	-	-	-	8,468,664	-	-	-
	<u>731,450,578</u>	<u>-</u>	<u>44,560</u>	<u>-</u>	<u>681,188,520</u>	<u>-</u>	<u>108,430</u>	<u>-</u>
<b>Loans and advances for use outside Macao</b>								
Non-monetary financial institutions	322,643,764	-	172,752	-	322,172,985	-	374,278	-
Other industries	257,635,982	-	536,156	-	500,718,810	-	390,517	-
Personal loans	15,956,080	-	-	-	17,214,082	-	545	-
	<u>596,235,826</u>	<u>-</u>	<u>708,908</u>	<u>-</u>	<u>840,105,877</u>	<u>-</u>	<u>765,340</u>	<u>-</u>
Gross loans and advances to customers	<u>1,327,686,404</u>	<u>-</u>	<u>753,468</u>	<u>-</u>	<u>1,521,294,397</u>	<u>-</u>	<u>873,770</u>	<u>-</u>

## Disclosure of Financial Information (continued)

### 11 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 2024							
	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
<b>Assets</b>								
Cash and balances with banks	659,710,483	659,710,483	-	-	-	-	-	-
Deposits with AMCM	77,206,291	77,206,291	-	-	-	-	-	-
Loans and advances to customers	1,326,932,936	-	494,158,765	-	579,570,839	232,477,224	20,726,108	-
Other assets	6,366,739	5,027,079	6,321	-	406,798	11,330	915,121	90
<b>Total assets</b>	<u>2,070,216,449</u>	<u>741,943,853</u>	<u>494,165,086</u>	<u>-</u>	<u>579,977,637</u>	<u>232,488,554</u>	<u>21,641,229</u>	<u>90</u>
<b>Liabilities</b>								
Deposits from customers	1,812,569,156	199,285,460	705,979,885	895,656,097	11,647,714	-	-	-
Deposits from other banks	130,049,685	-	130,049,685	-	-	-	-	-
Deposits and balances from Head Office	41,230,535	41,230,535	-	-	-	-	-	-
Other liabilities	2,350,291	632,612	1,153,917	14,854	406,512	142,396	-	-
<b>Total liabilities</b>	<u>1,986,199,667</u>	<u>241,148,607</u>	<u>837,183,487</u>	<u>895,670,951</u>	<u>12,054,226</u>	<u>142,396</u>	<u>-</u>	<u>-</u>
<b>Asset-liability gap</b>	<u>84,016,782</u>	<u>500,795,246</u>	<u>(343,018,401)</u>	<u>(895,670,951)</u>	<u>567,923,411</u>	<u>232,346,158</u>	<u>21,641,229</u>	<u>90</u>

## Disclosure of Financial Information (continued)

### 11 Credit risk (continued)

#### (c) Maturity analysis (continued)

	31 December 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	
<b>Assets</b>								
Cash and balances with banks	901,258,410	901,258,410	-	-	-	-	-	-
Deposits with AMCM	55,996,694	55,996,694	-	-	-	-	-	-
Loans and advances to customers	1,520,420,627	-	377,877,786	167,498,697	771,448,675	179,120,949	24,474,520	-
Other assets	1,246,536	-	-	-	319,995	-	926,451	90
<b>Total assets</b>	<u>2,478,922,267</u>	<u>957,255,104</u>	<u>377,877,786</u>	<u>167,498,697</u>	<u>771,768,670</u>	<u>179,120,949</u>	<u>25,400,971</u>	<u>90</u>
<b>Liabilities</b>								
Deposits from customers	2,060,459,667	156,011,053	459,466,202	1,110,462,807	334,519,605	-	-	-
Deposits from other banks	62,040,706	-	62,040,706	-	-	-	-	-
Deposits and balances from Head Office	229,919,309	229,919,309	-	-	-	-	-	-
Other liabilities	6,817,292	201,898	1,202,639	379,474	4,491,823	375,916	11,042	154,500
<b>Total liabilities</b>	<u>2,359,236,974</u>	<u>386,132,260</u>	<u>522,709,547</u>	<u>1,110,842,281</u>	<u>339,011,428</u>	<u>375,916</u>	<u>11,042</u>	<u>154,500</u>
<b>Asset-liability gap</b>	<u>119,685,293</u>	<u>571,122,844</u>	<u>(144,831,761)</u>	<u>(943,343,584)</u>	<u>432,757,242</u>	<u>178,745,033</u>	<u>25,389,929</u>	<u>(154,410)</u>

#### (d) Ageing analysis of accounting past due exposures

As at 30 June 2024 and 31 December 2023, there were no exposures that have been past due for more than 3 months.

## Disclosure of Financial Information (continued)

### 11 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 2024						
	Gross exposure MOP	Value of collateral MOP	Stage I Expected credit losses allowance MOP	Stage II Expected credit losses allowance MOP	Stage III Expected credit losses allowance MOP	Net Exposure MOP
<b>Asset classified as Pass</b>						
Loans and advances to customers	1,327,686,404	466,023,000	(753,468)	-	-	1,326,932,936
Cash and balance with bank	659,728,925	-	(18,442)	-	-	659,710,483
Deposits with AMCM	77,206,622	-	(331)	-	-	77,206,291
	<u>2,064,621,951</u>	<u>466,023,000</u>	<u>(772,241)</u>	<u>-</u>	<u>-</u>	<u>2,063,849,710</u>
31 December 2023						
	Gross exposure MOP	Value of collateral MOP	Stage I Expected credit losses allowance MOP	Stage II Expected credit losses allowance MOP	Stage III Expected credit losses allowance MOP	Net Exposure MOP
<b>Asset classified as Pass</b>						
Loans and advances to customers	1,521,294,397	538,276,680	(873,770)	-	-	1,520,420,627
Cash and balance with bank	901,268,519	-	(10,109)	-	-	901,258,410
Deposits with AMCM	55,996,905	-	(211)	-	-	55,996,694
	<u>2,478,559,821</u>	<u>538,276,680</u>	<u>(884,090)</u>	<u>-</u>	<u>-</u>	<u>2,477,675,731</u>

## Disclosure of Financial Information (continued)

### 12 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 2024 (MOP equivalent)							
	Euro dollars	United states dollars	Pound sterling	Japanese yen	Chinese yuan	Hong Kong dollars	Other currencies	Total
Spot assets	366,901	963,535,408	12,683	8,220	760,994	785,380,789	5,805,653	1,755,870,648
Spot liabilities	(367,340)	(964,029,957)	(8,467)	(4,587)	(762,755)	(785,583,687)	(5,796,866)	(1,756,553,659)
Net long/(short) position	(439)	(494,549)	4,216	3,633	(1,761)	(202,898)	8,787	(683,011)
	31 December 2023 (MOP equivalent)							
	Euro dollars	United States dollars	Pound sterling	Japanese yen	Chinese yuan	Hong Kong dollars	Other currencies	Total
Spot assets	424,213	1,259,027,243	12,803	9,360	365,881	977,295,445	6,996,424	2,244,131,369
Spot liabilities	(401,928)	(1,259,259,130)	(9,595)	(5,223)	(383,731)	(977,727,908)	(6,992,714)	(2,244,780,229)
Net long/(short) position	22,285	(231,887)	3,208	4,137	(17,850)	(432,463)	3,710	(648,860)

## Disclosure of Financial Information (continued)

### 13 Liquidity risk

The following table indicates the arithmetic mean of liquid assets held and liquidity ratios for the periods ended 30 June 2024 and for the year ended 31 December 2023 for the Branch:

	<i>30 June 2024 MOP</i>	<i>31 December 2023 MOP</i>
Minimum weekly amount of cash in hand required to be held	43,836,000	32,169,000
Average weekly amount of cash in hand	76,320,000	69,273,000
Specified liquid assets at the end of each month	<u>1,652,773,000</u>	<u>974,527,000</u>
	<i>30 June 2024 %</i>	<i>31 December 2023 %</i>
Average ratio of specified liquid asset to total basic liabilities at the end of each month	76	55
One-month liquidity ratio in the last week of each month	153	96
Three-month liquidity ratio in the last week of each month	<u>78</u>	<u>73</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)

### 14 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 2024 and 31 December 2023.

#### (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 2024 and 31 December 2023.

### 15 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 2024 HK\$'000	31 December 2023 HK\$'000
Total assets	459,719,391	470,386,931
Total liabilities	405,256,471	416,870,920
Loans and advances to customers and other accounts	243,805,822	237,502,834
Deposits and balances of banks and other financial institutions	9,890,369	11,531,352
Deposits from customers	334,578,409	340,730,699
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	30 June 2024 HK\$'000	30 June 2023 HK\$'000
Profit before taxation	1,240,752	2,043,566
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