

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

**INTERIM FINANCIAL DISCLOSURE STATEMENTS
FOR THE SIX MONTHS ENDED
30 JUNE 2019**

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

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DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED BALANCE SHEET AS AT 30 JUNE 2019

MOP

Assets	Total assets	Provision, accumulated depreciation and impairments	Net total assets
Cash	45,118,080.37		45,118,080.37
Deposits with AMCM	122,134,637.97		122,134,637.97
Interbank assets with local credit institutions	100,150,006.99		100,150,006.99
Interbank assets with credit institutions abroad	718,392,539.09		718,392,539.09
Loans and advances	2,005,180,105.51	1,144,240.13	2,004,035,865.38
Applications in local credit institutions	349,855,649.33		349,855,649.33
Equipment	1,487,231.92	1,289,419.59	197,812.33
Installation expenditure	2,982,733.13	2,716,150.93	266,582.20
Other fixed assets	580,165.97	580,165.97	-
Internal and adjustment accounts	306,905,255.11		306,905,255.11
Total	3,652,786,405.39	5,729,976.62	3,647,056,428.77

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED BALANCE SHEET AS AT 30 JUNE 2019

		MOP
Liabilities	Sub-total	Total
Demand deposits and saving accounts	1,535,636,427.24	
Call deposits	85,056.66	
Time deposits	593,126,850.86	2,128,848,334.76
Interbank liabilities to credit institutions abroad	1,144,572,322.09	
Cheques and orders payable	14,366,099.30	
Other liabilities	294,193,216.28	1,453,131,637.67
Internal and adjustment accounts	26,967,467.46	
Exposure provisions	22,765,693.65	49,733,161.11
Results from previous financial period		
Profit & loss for the period	15,343,295.23	15,343,295.23
Total		3,647,056,428.77

		MOP
Memorandum accounts		Total
Bills for collection		23,442,246.66
Collaterals		11,206,584,588.92
Guarantees on account of customers		17,765,476.64
Letter of credit outstanding		165,883,591.25
Forward exchange contracts purchase		-
Forward exchange contracts sale		-
Other memorandum items		4,605,805,636.85

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

**UNAUDITED PROFIT & LOSS STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

Operating profit & loss

MOP

Debit	Amount	Credit	Amount
Costs of credit operations	12,481,098.11	Income from credit operations	41,313,465.34
Personnel costs		Income from banking services	3,828,971.84
Staff remuneration	8,370,810.21	Income from other banking services	2,126,706.46
Staff welfare	710,626.18	Other banking income	1,267,992.49
Other staff costs	380,546.96	Provision write back	-
Third party supply	186,452.17		
Third party services	11,561,865.52		
Other banking costs	338,768.95		
Taxation	93,009.56		
Costs of non-banking operations	86,143.98		
Depreciation allowances	93,178.27		
Operating profit	14,234,636.22		
Total	48,537,136.13	Total	48,537,136.13

Profit & loss account

MOP

Debit	Amount	Credit	Amount
Operating loss	-	Operating profit	14,234,636.22
Loss related to previous year	-	Profit related to previous years	3,128,659.01
Profit tax provision	2,020,000.00	Provisions used up	-
Profit for the period	15,343,295.23	Loss for the period	-
Total	17,363,295.23	Total	17,363,295.23

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED INCOME STATEMENT

		For the six months ended	
	Note	30 June 2019 MOP'000	30 June 2018 MOP'000
Interest income		41,313	40,864
Interest expense		(12,481)	(10,567)
Net interest income		28,832	30,297
Net fee and commission income	3	3,668	5,196
Other income	3	3,234	2,993
Total income		35,734	38,486
Total expenses	4	(21,499)	(21,776)
Profit before provisions		14,235	16,710
Provision write-back for bad and doubtful debts	10	3,128	11,247
Profit before income tax		17,363	27,957
Income tax expense	5	(2,020)	(3,290)
Profit for the period		15,343	24,667

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED BALANCE SHEET

	Notes	As at 30 June 2019 MOP'000	As at 31 December 2018 MOP'000
ASSETS			
Cash and balances with banks	6	223,733	178,687
Deposits with Autoridade Monetaria de Macao ("AMCM")	7	122,135	148,842
Amount due from Head Office		639,927	467,165
AMCM Monetary bills	8	349,856	319,713
Loan and advances to customers	9	1,981,271	2,090,399
Other assets	11	292,554	496,749
Fixed assets	12	464	557
		3,609,940	3,702,112
LIABILITIES			
Deposits from customers	13	2,128,848	1,961,064
Amount due to Head Office		1,144,572	1,121,121
Other liabilities	15	314,058	577,093
Current income tax liabilities		7,119	5,099
		3,594,597	3,664,377
NET ASSETS		15,343	37,735
REPRESENTED BY			
Reserve		15,343	37,735

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED STATEMENT OF CHANGES IN RESERVE

	Note	As at 30 June 2019 MOP'000	As at 31 December 2018 MOP'000
Balance at 1 January		37,735	47,030
Profit for the period/year		15,343	37,735
Transfer to Head Office	16	(37,735)	(47,030)
Balance at 30 June/31 December		<u>15,343</u>	<u>37,735</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED CASH FLOW STATEMENT

		For the six months ended	
	Notes	30 June 2019	30 June 2018
		MOP'000	MOP'000
Cash flow from operating activities			
Profit before income tax		17,363	27,957
Adjustments for non-cash items:			
Depreciation	12	93	72
Provision write-back for bad and doubtful debts	10	(3,128)	(11,247)
Profit before changes in operating assets and liabilities		<u>14,328</u>	<u>16,782</u>
Decrease in loans and advances to customers		112,256	761,240
Decrease/(increase) in minimum deposits with AMCM	7	861	(1,011)
Decrease in other assets		204,195	373,487
Increase in deposits from customers		167,784	563,205
Decrease in other liabilities		(263,035)	(316,689)
Increase/(decrease) in amount due to Head Office		23,451	(661,152)
Cash inflow from operating activities		<u>259,840</u>	<u>735,862</u>
Profit Repatriation to Head Office	16	<u>(37,735)</u>	<u>-</u>
Increase in cash and cash equivalents		<u>222,105</u>	<u>735,862</u>
Cash and cash equivalents at 1 January		<u>1,066,690</u>	<u>797,627</u>
Cash and cash equivalents at 30 June		<u><u>1,288,795</u></u>	<u><u>1,533,489</u></u>

Analysis of the balances of cash and cash equivalents:

For the purpose of the cash flow statement, cash and cash equivalents comprise the following balances with less than three months maturity from the date of acquisition.

		As at	As at
	Notes	30 June 2019	30 June 2018
		MOP'000	MOP'000
Cash and balances with banks	6	223,733	191,706
Deposits with AMCM in excess of minimum requirement	7	75,279	76,067
Amount due from Head Office		639,927	855,897
AMCM monetary bills	8	349,856	409,819
		<u>1,288,795</u>	<u>1,533,489</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS

1 General Information

The principal activities of DBS Bank (Hong Kong) Limited - Macau Branch (the "Branch") are the provision of banking and related financial services. The address of the Branch's registered office is Rua Santa Clara 5-7E, Lojas C, D, Edif. Ribeiro Macao.

The Branch's head office is DBS Bank (Hong Kong) Limited ("Head Office") and is a bank incorporated and domiciled in Hong Kong. DHB Limited is the immediate holding company and DBS Bank Ltd is the intermediate holding company ("Intermediate Holding Company") of DBS Bank (Hong Kong) Limited. The ultimate holding company is DBS Group Holdings Ltd ("DBSH") which is listed, incorporated and domiciled in the Republic of Singapore.

2 Accounting policies

The accounting policies applied in preparing this interim financial report are the same as those applied in preparing the financial statements for the year ended 31 December 2018 as disclosed in the Annual Report for 2018.

3 Net fee and commission income and other income

	For the six months ended	
	30 June 2019	30 June 2018
	MOP'000	MOP'000
Fee and commission income	3,990	5,539
Less: Fee and commission expense	(322)	(343)
Net fee and commission income	<u>3,668</u>	<u>5,196</u>
Net trading income from foreign exchange	1,966	1,708
Others	1,268	1,285
Other income	<u>3,234</u>	<u>2,993</u>

4 Total expenses

		For the six months ended	
	Note	30 June 2019	30 June 2018
		MOP'000	MOP'000
Employee benefits		9,403	8,858
Computerisation expenses		3,936	5,649
Management service fees		1,740	2,177
Rental of premises		2,991	1,630
Auditor's remuneration		135	135
Depreciation	12	93	72
Other operating expenses		3,201	3,255
		<u>21,499</u>	<u>21,776</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 Income tax expense

Current tax comprises of Macao complementary tax. According to Macao complementary tax law, Macao complementary tax is levied at progressive rates ranging from 3% to 9% on the taxable income above MOP32,000 but below MOP300,000, and thereafter at a fixed rate at 12%. For the year 2019 and year 2018, the special tax incentive is provided to effect that the tax free income threshold is increased from MOP32,000 to MOP600,000 and the profit thereafter being taxed at a fixed rate of 12%. The tax on the Branch's profit before tax differs from the theoretical amount that would arise using the Macao complementary tax rate applicable to profits of the Branch and as follows:

	For the six months ended	
	30 June 2019	30 June 2018
	MOP'000	MOP'000
Profit before income tax	17,363	27,957
Tax calculated at 12%	2,084	3,355
Effect of progressive tax rate before 12%	(17)	(17)
Special complementary tax incentives	(55)	(55)
Others	8	7
Income tax expense	2,020	3,290

No deferred taxation has been provided as there were no significant temporary differences at the balance sheet date (as at 30 June 2018: Nil).

6 Cash and balance with banks

	As at	As at
	30 June	31 December
	2019	2018
	MOP'000	MOP'000
Cash in hand	45,118	18,815
Balances with banks	178,615	159,872
	223,733	178,687

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Deposits with AMCM

	As at 30 June 2019 MOP'000	As at 31 December 2018 MOP'000
Balance with AMCM	<u>122,135</u>	<u>148,842</u>

According to the statutory requirement, the Branch is required to maintain a minimum deposit balance with AMCM for liquidity purposes. The required MOP current deposit balance should not be less than 70% of the aggregate of the following amount:

- (a) 3% of all liabilities which are repayable on demand;
- (b) 2% of all liabilities which are repayable within 3 months (3 months inclusive) except for those already counted in (a);
- (c) 1% of all liabilities which are repayable beyond 3 months.

At 30 June 2019, the minimum deposit required were MOP46,856,000 (31 December 2018: MOP 47,717,000).

8 AMCM monetary bills

	As at 30 June 2019 MOP'000	As at 31 December 2018 MOP'000
Monetary bills issued by AMCM, at amortised cost	<u>349,856</u>	<u>319,713</u>

9 Loans and advances to customers

	As at 30 June 2018 MOP'000	As at 31 December 2018 MOP'000
Gross loans and advances to customers	1,997,442	2,020,280
Trade bills	7,739	97,157
Less: Specific provision (note 10)	(1,144)	(1,144)
General provision (note 10)	(22,766)	(25,894)
	<u>1,981,271</u>	<u>2,090,399</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10 Provision for bad and doubtful debts

	Specific provision MOP'000	General provision MOP'000	Total MOP'000
2019			
At 1 January 2019	1,144	25,894	27,038
Write-back to income statement	-	(3,128)	(3,128)
	<u>1,144</u>	<u>22,766</u>	<u>23,910</u>
At 30 June 2019 (note 9)	<u>1,144</u>	<u>22,766</u>	<u>23,910</u>
2018			
At 1 January 2018	554	37,607	38,161
(Write-back)/charge to income statement	590	(11,713)	(11,123)
	<u>1,144</u>	<u>25,894</u>	<u>27,038</u>
At 31 December 2018 (note 9)	<u>1,144</u>	<u>25,894</u>	<u>27,038</u>

11 Other assets

	As at 30 June 2019 MOP'000	As at 31 December 2018 MOP'000
Accrued interest receivables	3,638	4,287
Acceptances (note 15)	281,455	487,916
Others	7,461	4,546
	<u>292,554</u>	<u>496,749</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12 Fixed assets – Furniture, fixtures and equipment

	As at 30 June 2019 MOP'000	As at 31 December 2018 MOP'000
Cost:		
At 1 January	5,050	4,526
Additions	-	524
	<hr/>	<hr/>
At 30 June/31 December	5,050	5,050
	<hr/>	<hr/>
Accumulated depreciation:		
At 1 January	4,493	4,286
Charge for the period/year	93	207
	<hr/>	<hr/>
At 30 June/31 December	4,586	4,493
	<hr/>	<hr/>
Net book value:		
At 30 June/31 December	464	557
	<hr/> <hr/>	<hr/> <hr/>

13 Deposits from customers

	As at 30 June 2019 MOP'000	As at 31 December 2018 MOP'000
Demand deposits and current accounts	605,908	529,488
Savings deposits	929,728	848,677
Time and call deposits	593,212	582,899
	<hr/>	<hr/>
	2,128,848	1,961,064
	<hr/> <hr/>	<hr/> <hr/>

14 Amount due from/to Head Office

During the period, the Branch entered into transactions with Head Office in the ordinary course of its banking business.

All balances are unsecured and bear interest rates as determined from time to time by Head Office.

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15 Other liabilities

	As at 30 June 2019 MOP'000	As at 31 December 2018 MOP'000
Accrued interest payable	1,784	2,449
Acceptances (note 11)	281,455	487,916
Other liabilities and provisions	30,819	86,728
	<u>314,058</u>	<u>577,093</u>

16 Transfer to Head Office

During the six months ended 30 June 2019, the Branch transferred an amount of MOP37,735,000 from its retained earnings (2018: MOP47,030,000) to Head Office.

17 Off-balance sheet exposures

(a) *Contingent liabilities and commitments*

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

	As at 30 June 2019 MOP'000	As at 31 December 2018 MOP'000
Transaction-related contingencies	14,596	19,838
Trade-related contingencies	169,053	403,308
Other commitments which are unconditionally cancellable	4,593,303	4,406,607
	<u>4,776,952</u>	<u>4,829,753</u>

(b) *Lease commitments*

At the end of the reporting period, the total future minimum lease payments under non-cancellable operating leases are as follows:

	As at 30 June 2019 MOP'000	As at 31 December 2018 MOP'000
Not later than one year	1,679	664
Late than one year and not later than five years	3,217	-
	<u>4,896</u>	<u>664</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18 Material related party transactions

(i) Income and expenses with Head Office and Intermediate Holding Company:

	For the six months ended	
	30 June 2019 MOP'000	30 June 2018 MOP'000
Interest income	4,567	1,209
Interest expense	(6,426)	(6,185)
Other income	744	716
Total expenses charged	(7,979)	(8,749)

(ii) Balances with Head Office:

	As at	As at
	30 June 2019 MOP'000	31 December 2018 MOP'000
Amount due from Head Office	639,927	467,165
	<u>639,927</u>	<u>467,165</u>
Amount due to Head Office	1,144,572	1,121,121
Other liabilities	2,525	2,640
	<u>1,147,097</u>	<u>1,123,761</u>

(iii) Contingent liabilities and commitments with Head Office and Intermediate Holding Company:

As at 30 June 2019, total contingent liabilities and commitments with Head Office and Intermediate Holding Companies amounted to MOP7,088,000 (31 December 2018: MOP13,438,000).

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED SUPPLEMENTARY INFORMATION

The following disclosures are prepared in accordance with the "Guideline on Disclosure of Financial Information" issued by AMCM.

1 Financial Risk Management

(a) Credit risk

Loans and advances to customers by credit quality

	As at 30 June 2019 MOP'000	As at 31 December 2018 MOP'000
Neither past due nor impaired	1,976,729	2,074,891
Past due but not impaired	621	3,462
Impaired	27,831	39,084
	<u>2,005,181</u>	<u>2,117,437</u>

Past due loans are customer loans overdue up to 90 days; whereas impaired loans are non-performing loans subject to specific provision.

Loans and advances to customers analysed by geographic area

As at 30 June 2019	Neither past due nor impaired MOP'000	Past due but not impaired MOP'000	Impaired MOP'000	Specific provision MOP'000	General provision MOP'000
Macau	1,807,700	621	27,831	1,144	20,820
Hong Kong	169,029	-	-	-	1,946
	<u>1,976,729</u>	<u>621</u>	<u>27,831</u>	<u>1,144</u>	<u>22,766</u>
As at 31 December 2018	Neither past due nor impaired MOP'000	Past due but not impaired MOP'000	Impaired MOP'000	Specific provision MOP'000	General provision MOP'000
Macau	1,926,532	3,462	39,084	1,144	24,046
Hong Kong	148,359	-	-	-	1,848
	<u>2,074,891</u>	<u>3,462</u>	<u>39,084</u>	<u>1,144</u>	<u>25,894</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED SUPPLEMENTARY INFORMATION (CONTINUED)

1 Financial Risk Management (continued)

(a) Credit risk (continued)

Loans and advances to customers analysed by industry groups

(i) Loans and advances to customers that were neither past due nor impaired

	As at 30 June 2019 MOP'000	As at 31 December 2018 MOP'000
Manufacturing	765,122	528,764
Construction and public works	30,066	36,502
Trade (wholesale and retail)	679,095	1,042,761
Personal housing loans	19,624	21,109
Personal credits	13,423	13,304
Others	469,399	432,451
	<u>1,976,729</u>	<u>2,074,891</u>

(ii) Loans and advances to customers that were past due but not impaired

	Past due		
	Less than 1 month MOP'000	1-3 months MOP'000	Total MOP'000
As at 30 June 2019			
Manufacturing	-	-	-
Personal housing loans	524	97	621
	<u>524</u>	<u>97</u>	<u>621</u>
	<u>524</u>	<u>97</u>	<u>621</u>
As at 31 December 2018			
Manufacturing	2,369	-	2,369
Personal housing loans	984	109	1,093
	<u>3,353</u>	<u>109</u>	<u>3,462</u>
	<u>3,353</u>	<u>109</u>	<u>3,462</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED SUPPLEMENTARY INFORMATION (CONTINUED)

1 Financial Risk Management (continued)

(a) Credit risk (continued)

Loans and advances to customers analysed by industry groups (continued)

(iii) Impaired loans and advances to customers

	As at 30 June 2019 MOP'000	As at 31 December 2018 MOP'000
Manufacturing	1,144	1,144
Trade (wholesale and retail)	23,805	35,058
Others	2,882	2,882
	<u>27,831</u>	<u>39,084</u>

As at 30 June 2019	More than 6 months but not more than 1 year MOP'000	More than 1 year MOP'000
Gross impaired loans and advances	1,144	26,687
Specific provision	(1,144)	-
	<u>-</u>	<u>26,687</u>
Impaired loans and advances covered by collateral	<u>-</u>	<u>26,687</u>
% of gross loans and advances to customers	0.06	1.33

As at 31 December 2018	More than 3 months but not more than 6 months MOP'000	More than 1 year MOP'000
Gross impaired loans and advances	1,144	37,940
Specific provision	(1,144)	-
	<u>-</u>	<u>37,940</u>
Impaired loans and advances covered by collateral	<u>-</u>	<u>37,940</u>
% of gross loans and advances to customers	0.05	1.79

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED SUPPLEMENTARY INFORMATION (CONTINUED)

1 Financial Risk Management (continued)

(a) Credit risk (continued)

Analysis of specific provision

	As at 1 January 2019 MOP'000	Net charge to income statement MOP'000	As at 30 June 2019 MOP'000
Manufacturing	1,144	-	1,144
Trade (wholesale and retail)	-	-	-
	<u>1,144</u>	<u>-</u>	<u>1,144</u>
	<u><u>1,144</u></u>	<u><u>-</u></u>	<u><u>1,144</u></u>
	As at 1 January 2018 MOP'000	Net charge to income statement MOP'000	As at 31 December 2018 MOP'000
Manufacturing	-	1,144	1,144
Trade (wholesale and retail)	554	(554)	-
	<u>554</u>	<u>590</u>	<u>1,144</u>
	<u><u>554</u></u>	<u><u>590</u></u>	<u><u>1,144</u></u>

UNAUDITED SUPPLEMENTARY INFORMATION (CONTINUED)

1 Financial Risk Management (continued)

(a) Credit risk (continued)

Analysis of general provision

	As at 1 January 2019 MOP'000	Write-back to income statement MOP'000	As at 30 June 2019 MOP'000
Manufacturing	6,617	2,192	8,809
Construction and public works	455	(109)	346
Trade (wholesale and retail)	12,991	(5,172)	7,819
Personal housing loans	277	(44)	233
Personal credits	166	(11)	155
Others	5,388	16	5,404
	<u>25,894</u>	<u>(3,128)</u>	<u>22,766</u>

	As at 1 January 2018 MOP'000	Write-back to income statement MOP'000	As at 31 December 2018 MOP'000
Manufacturing	19,885	(13,268)	6,617
Construction and public works	314	141	455
Trade (wholesale and retail)	11,879	1,112	12,991
Personal housing loans	336	(59)	277
Personal credits	154	12	166
Others	5,039	349	5,388
	<u>37,607</u>	<u>(11,713)</u>	<u>25,894</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED SUPPLEMENTARY INFORMATION (CONTINUED)

1 Financial Risk Management (continued)

(a) Credit risk (continued)

The carrying amounts of assets and liabilities analysed by the remaining period as at 30 June 2019 and 31 December 2018 to the contractual maturity dates are as follows:

	Repayable on demand	Less than 1 month	3 months or less but over 1 month	1 year or less but over 3 months	3 years or less but over 1 year	After 3 years	Balancing	Total
2019	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000
Assets								
- Cash and balances with banks	223,733	-	-	-	-	-	-	223,733
- Amount due from Head Office	639,927	-	-	-	-	-	-	639,927
- AMCM monetary bills	120,000	229,856	-	-	-	-	-	349,856
- Loans and advances to customers	170,362	855,946	193,662	197,213	179,524	357,484	27,080	1,981,271
	<u>1,154,022</u>	<u>1,085,802</u>	<u>193,662</u>	<u>197,213</u>	<u>179,524</u>	<u>357,484</u>	<u>27,080</u>	<u>3,194,787</u>
Liabilities								
- Deposits from customers	1,548,120	237,773	250,303	92,652	-	-	-	2,128,848
- Amount due to Head Office	1,144,572	-	-	-	-	-	-	1,144,572
	<u>2,692,692</u>	<u>237,773</u>	<u>250,303</u>	<u>92,652</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,273,420</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED SUPPLEMENTARY INFORMATION (CONTINUED)

1 Financial Risk Management (continued)

(a) Credit risk (continued)

2018	Repayabl e on demand MOP'000	Less than 1 month MOP'000	3 months or less but over 1 month MOP'000	1 year or less but over 3 months MOP'000	3 years or less but over 1 year MOP'000	After 3 years MOP'000	Balancing MOP'000	Total MOP'000
Assets								
- Cash and balances with banks	178,687	-	-	-	-	-	-	178,687
- Amount due from Head Office	467,165	-	-	-	-	-	-	467,165
- AMCM monetary bills	-	319,713	-	-	-	-	-	319,713
- Loans and advances to customers	185,929	584,951	404,375	300,860	189,070	384,783	40,431	2,090,399
	<u>831,781</u>	<u>904,664</u>	<u>404,375</u>	<u>300,860</u>	<u>189,070</u>	<u>384,783</u>	<u>40,431</u>	<u>3,055,964</u>
Liabilities								
- Deposits from customers	1,378,250	243,461	242,091	97,262	-	-	-	1,961,064
- Amount due to Head Office	91,121	515,000	515,000	-	-	-	-	1,121,121
	<u>1,469,371</u>	<u>758,461</u>	<u>757,091</u>	<u>97,262</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,082,185</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED SUPPLEMENTARY INFORMATION (CONTINUED)

1 Financial Risk Management (continued)

(a) Foreign exchange risk

	USD MOP'000	HKD MOP'000	CNY MOP'000	Others MOP'000	Total MOP'000
As at 30 June 2019					
Macau Patacas equivalents					
Spot assets	1,123,240	1,804,681	20,890	189,707	3,138,518
Spot liabilities	(1,117,081)	(1,877,374)	(19,557)	(188,728)	(3,202,740)
	<u>6,159</u>	<u>(72,693)</u>	<u>1,333</u>	<u>979</u>	<u>(64,222)</u>
Net position	<u><u>6,159</u></u>	<u><u>(72,693)</u></u>	<u><u>1,333</u></u>	<u><u>979</u></u>	<u><u>(64,222)</u></u>
	USD MOP'000	HKD MOP'000	CNY MOP'000	Others MOP'000	Total MOP'000
As at 31 December 2018					
Macau Patacas equivalents					
Spot assets	1,202,208	1,832,398	2,723	200,859	3,238,188
Spot liabilities	(1,195,764)	(1,843,215)	(1,562)	(200,082)	(3,240,623)
	<u>6,444</u>	<u>(10,817)</u>	<u>1,161</u>	<u>777</u>	<u>(2,435)</u>
Net position	<u><u>6,444</u></u>	<u><u>(10,817)</u></u>	<u><u>1,161</u></u>	<u><u>777</u></u>	<u><u>(2,435)</u></u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED SUPPLEMENTARY INFORMATION (CONTINUED)

1 Financial Risk Management (continued)

(c) Liquidity risk

	As at 30 June 2019 MOP'000	As at 31 December 2018 MOP'000
The arithmetic mean of the minimum weekly amount of cash in hand that is required to be held during the period/year	73,455	73,596
The arithmetic mean of the amount of cash in hand during the period/year	184,216	173,440
The arithmetic mean of the specified liquid assets at the end of each month during the period/year	1,545,517	1,582,775
	%	%
The average ratio of specified liquid asset to total basic liabilities at the end of each month during the period/year	57.4	58.4
The arithmetic mean of one-month liquidity ratio in the last week of each month during the period/year	404.0	406.6
The arithmetic mean of three-month liquidity ratio in the last week of each month during the period/year	133.8	124.3

DBS BANK (HONG KONG) LIMITED

UNAUDITED CONSOLIDATED FINANCIAL INFORMATION

1 Capital adequacy

The capital adequacy ratios as at 30 June 2019 and 31 December 2018 were compiled in accordance with the Banking (Capital) Rules issued by the Hong Kong Monetary Authority.

	As at 30 June 2019	As at 31 December 2018
Capital Adequacy Ratios		
Common Equity Tier 1	16.5%	15.1%
Tier 1	17.1%	15.7%
Total	19.0%	17.7%

2 Other financial information

	For the six months ended 30 June 2019 HK\$'M	For the six months ended 30 June 2018* HK\$'M
Profit before income tax	3,558	3,421

	As at 30 June 2019 HK\$ millions	As at 31 December 2018 HK\$ millions
Total assets	455,777	445,661
Total liabilities	414,704	407,709
Gross loans and advances to customers	157,084	164,469
Due to banks	9,889	9,880
Deposits and balances from customers	361,891	363,658
Total equity	41,073	37,952

* In accordance with the principles of merger accounting, 2018 figures have been restated due to the acquisition of DBS Vickers (Hong Kong) Limited's retail brokerage business.

DBS BANK (HONG KONG) LIMITED

UNAUDITED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

3 Directors

The directors, including Executive Director (“ED”), non-executive directors (“NED”) and independent non-executive directors (“INED”) of the Bank during the period/year and up to the date of this report are:

Seah Lim Huat, Peter (NED) – Chairman
Piyush Gupta (NED) – Vice Chairman
J. E. Sebastian Paredes Muirragui (ED) – Chief Executive
Dominic Chiu Fai Ho (INED)
Kwok Kwok Chuen (INED)
Yip Dicky Peter (INED)
Tse Sau Ling (INED)
Liu Chee Ming (INED)
Ho Hing Yuen (INED) (appointed with effect from 20 March 2019)