

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

**INTERIM FINANCIAL DISCLOSURE STATEMENTS
FOR THE SIX MONTHS ENDED
30 JUNE 2020**

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 2020

MOP

Assets	Total assets	Provision, accumulated depreciation and impairments	Net total assets
Cash	44,766,620.27		44,766,620.27
Deposits with AMCM	131,352,652.45		131,352,652.45
Interbank assets with local credit institutions	89,046,595.99		89,046,595.99
Interbank assets with credit institutions abroad	470,063,816.56		470,063,816.56
Loans and advances	1,562,608,149.40	1,144,240.13	1,561,463,909.27
Applications in local credit institutions	339,952,903.71		339,952,903.71
Equipment	1,628,485.50	1,394,781.33	233,704.17
Installation expenditure	3,129,731.13	2,828,040.19	301,690.94
Other fixed assets	951,995.97	648,334.82	303,661.15
Internal and adjustment accounts	287,119,177.66		287,119,177.66
Total	2,930,620,128.64	6,015,396.47	2,924,604,732.17

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED BALANCE SHEET AS AT 30 JUNE 2020

		MOP
Liabilities	Sub-total	Total
Demand deposits and saving accounts	1,298,735,338.84	
Call deposits	84,351.87	
Time deposits	733,007,382.32	2,031,827,073.03
Interbank liabilities to credit institutions abroad	568,355,159.03	
Cheques and orders payable	14,132,885.47	
Other liabilities	259,964,294.84	842,452,339.34
Internal and adjustment accounts	24,124,674.36	
Exposure provisions	18,004,839.85	42,129,514.21
Profit & loss for the period	8,195,805.59	8,195,805.59
Total		2,924,604,732.17

		MOP
Memorandum accounts		Total
Bills for collection		11,836,010.05
Collaterals		9,655,139,609.92
Guarantees on account of customers		17,584,048.24
Letter of credit outstanding		490,114,549.95
Forward exchange contracts purchase		-
Forward exchange contracts sale		-
Other memorandum items		3,612,701,043.93

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

**UNAUDITED PROFIT & LOSS STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2020**

Operating profit & loss

MOP

Debit	Amount	Credit	Amount
Costs of credit operations	10,039,154.31	Income from credit operations	31,884,237.61
Personnel costs		Income from banking services	3,000,534.51
Staff remuneration	8,369,232.22	Income from other banking services	1,806,657.07
Staff welfare	708,587.30	Other banking income	1,115,455.37
Other staff costs	336,619.79		
Third party supply	205,053.31		
Third party services	11,878,248.21		
Other banking costs	590,179.15		
Taxation	81,169.98		
Costs of non-banking operations	96,644.08		
Depreciation allowances	151,596.66		
Operating profit	5,350,399.55		
Total	37,806,884.56	Total	37,806,884.56

Profit & loss account

MOP

Debit	Amount	Credit	Amount
Operating loss	-	Operating profit	5,350,399.55
Loss related to previous year	-	Profit related to previous years	3,885,406.04
Profit tax provision	1,040,000.00	Provisions used up	-
Profit for the period	8,195,805.59	Loss for the period	-
Total	9,235,805.59	Total	9,235,805.59

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED INCOME STATEMENT

		For the six months ended	
	Note	30 June 2020 MOP'000	30 June 2019 MOP'000
Interest income		31,884	41,313
Interest expense		(10,039)	(12,481)
Net interest income		21,845	28,832
Net fee and commission income	3	3,071	3,668
Other income	3	2,353	3,234
Total income		27,269	35,734
Total expenses	4	(21,846)	(21,499)
Profit before provisions		5,423	14,235
Provision write-back for bad and doubtful debts	10	3,813	3,128
Profit before income tax		9,236	17,363
Income tax expense	5	(1,040)	(2,020)
Profit for the period		8,196	15,343

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED BALANCE SHEET

	Notes	As at 30 June 2020 MOP'000	As at 31 December 2019 MOP'000
ASSETS			
Cash and balances with banks	6	150,498	160,370
Deposits with Autoridade Monetaria de Macao ("AMCM")	7	131,353	102,294
Amount due from Head Office		453,379	304,381
AMCM Monetary bills	8	339,953	419,623
Loan and advances to customers	9	1,543,459	1,914,070
Other assets	11	271,924	249,767
Fixed assets	12	838	890
		2,891,404	3,151,395
LIABILITIES			
Deposits from customers	13	2,031,827	1,863,629
Amount due to Head Office		568,355	984,477
Other liabilities	15	278,348	272,581
Current income tax liabilities		4,678	3,638
		2,883,208	3,124,325
NET ASSETS		8,196	27,070
REPRESENTED BY			
Reserve		8,196	27,070

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED STATEMENT OF CHANGES IN RESERVE

	Note	As at 30 June 2020 MOP'000	As at 31 December 2019 MOP'000
Balance at 1 January		27,070	37,735
Profit for the period/year		8,196	27,070
Transfer to Head Office	16	(27,070)	(37,735)
Balance at 30 June/31 December		<u>8,196</u>	<u>27,070</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED CASH FLOW STATEMENT

		For the six months ended	
	Notes	30 June 2020	30 June 2019
		MOP'000	MOP'000
Cash flow from operating activities			
Profit before income tax		9,236	17,363
Adjustments for non-cash items:			
Depreciation	12	152	93
Provision write-back for bad and doubtful debts	10	(3,813)	(3,128)
		<hr/>	<hr/>
Profit before changes in operating assets and liabilities		5,575	14,328
Decrease in loans and advances to customers		374,424	112,256
(Increase)/decrease in minimum deposits with AMCM	7	(1,393)	861
(Increase)/decrease in other assets		(22,157)	204,195
Increase in deposits from customers		168,198	167,784
Increase/(decrease) in other liabilities		5,767	(263,035)
(Decrease)/increase in amount due to Head Office		(416,122)	23,451
		<hr/>	<hr/>
Cash inflow from operating activities		114,292	259,840
Cash flow from investing activities			
Purchase of fixed assts	12	(100)	-
Cash outflow from transfer to Head Office	16	(27,070)	(37,735)
		<hr/>	<hr/>
Increase in cash and cash equivalents		87,122	222,105
Cash and cash equivalents at 1 January		944,936	1,066,690
		<hr/>	<hr/>
Cash and cash equivalents at 30 June		1,032,058	1,288,795
		<hr/> <hr/>	<hr/> <hr/>

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 2020	30 June 2019
		MOP'000	MOP'000
Cash and balances with banks	6	150,498	223,733
Deposits with AMCM in excess of minimum requirement	7	88,228	75,279
Amount due from Head Office		453,379	639,927
AMCM monetary bills	8	339,953	349,856
		<hr/>	<hr/>
		1,032,058	1,288,795
		<hr/> <hr/>	<hr/> <hr/>

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 2019 as disclosed in the Annual Report for 2019.

3 Net fee and commission income and other income

	For the six months ended	
	30 June 2020	30 June 2019
	MOP'000	MOP'000
Fee and commission income	3,157	3,990
Less: Fee and commission expense	(86)	(322)
Net fee and commission income	3,071	3,668
Net trading income from foreign exchange	1,165	1,966
Others	1,188	1,268
Other income	2,353	3,234

4 Total expenses

		For the six months ended	
	Note	30 June 2020	30 June 2019
		MOP'000	MOP'000
Employee benefits		9,357	9,403
Computerisation expenses		4,263	3,936
Management service fees		2,975	2,991
Rental of premises		1,774	1,740
Auditor's remuneration		135	135
Depreciation	12	152	93
Other operating expenses		3,190	3,201
		21,846	21,499

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 2020 and year 2019, 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 2020	30 June 2019
	MOP'000	MOP'000
Profit before income tax	9,236	17,363
Tax calculated at 12%	1,108	2,084
Effect of progressive tax rate before 12%	(17)	(17)
Special complementary tax incentives	(55)	(55)
Others	4	8
Income tax expense	1,040	2,020

No deferred taxation has been provided as there were no significant temporary differences at the balance sheet date (as at 30 June 2019: Nil).

6 Cash and balance with banks

	As at	As at
	30 June	31 December
	2020	2019
	MOP'000	MOP'000
Cash in hand	44,767	28,617
Balances with banks	105,731	131,753
	150,498	160,370

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 Deposits with AMCM

	As at 30 June 2020 MOP'000	As at 31 December 2019 MOP'000
Balance with AMCM	<u>131,353</u>	<u>102,294</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 2020, the minimum deposit required were MOP43,125,000 (31 December 2019: MOP 41,732,000).

8 AMCM monetary bills

	As at 30 June 2020 MOP'000	As at 31 December 2019 MOP'000
Monetary bills issued by AMCM, at amortised cost	<u>339,953</u>	<u>419,623</u>

9 Loans and advances to customers

	As at 30 June 2020 MOP'000	As at 31 December 2019 MOP'000
Gross loans and advances to customers	1,302,697	1,783,400
Trade bills	259,911	153,632
Less: Specific provision (note 10)	(1,144)	(1,144)
General provision (note 10)	(18,005)	(21,818)
	<u>1,543,459</u>	<u>1,914,070</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
2020			
At 1 January 2020	1,144	21,818	22,962
Write-back to income statement	-	(3,813)	(3,813)
	<u>1,144</u>	<u>18,005</u>	<u>19,149</u>
At 30 June 2020 (note 9)	<u>1,144</u>	<u>18,005</u>	<u>19,149</u>
2019			
At 1 January 2019	1,144	25,894	27,038
Write-back to income statement	-	(4,076)	(4,076)
	<u>1,144</u>	<u>21,818</u>	<u>22,962</u>
At 31 December 2019 (note 9)	<u>1,144</u>	<u>21,818</u>	<u>22,962</u>

11 Other assets

	As at 30 June 2020 MOP'000	As at 31 December 2019 MOP'000
Accrued interest receivables	1,768	2,843
Acceptances (note 15)	232,652	192,127
Others	37,504	54,797
	<u>271,924</u>	<u>249,767</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12 Fixed assets

	Furniture, fixtures and equipment MOP'000	Motor vehicles MOP'000	Total MOP'000
Cost:			
As at 1 January 2020	5,238	372	5,610
Additions	100	-	100
	<u>5,338</u>	<u>372</u>	<u>5,710</u>
As at 30 June 2020			
Accumulated depreciation:			
As at 1 January 2020	4,689	31	4,720
Charge for the period	115	37	152
	<u>4,804</u>	<u>68</u>	<u>4,872</u>
As at 30 June 2020			
Net book value:			
As at 30 June 2020	<u>534</u>	<u>304</u>	<u>838</u>

	Furniture, fixtures and equipment MOP'000	Motor vehicles MOP'000	Total MOP'000
Cost:			
As at 1 January 2019	5,050	-	5,050
Additions	188	372	560
	<u>5,238</u>	<u>372</u>	<u>5,610</u>
As at 31 December 2019			
Accumulated depreciation:			
As at 1 January 2019	4,493	-	4,493
Charge for the year	196	31	227
	<u>4,689</u>	<u>31</u>	<u>4,720</u>
As at 31 December 2019			
Net book value			
As at 31 December 2019	<u>549</u>	<u>341</u>	<u>890</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13 Deposits from customers

	As at 30 June 2020 MOP'000	As at 31 December 2019 MOP'000
Demand deposits and current accounts	489,476	483,671
Savings deposits	809,259	763,823
Time and call deposits	733,092	616,135
	<u>2,031,827</u>	<u>1,863,629</u>

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 repayable on demand and bearing interest rates as determined from time to time by Head Office.

15 Other liabilities

	As at 30 June 2020 MOP'000	As at 31 December 2019 MOP'000
Accrued interest payable	1,335	2,196
Acceptances (note 11)	232,652	192,127
Other liabilities and provisions	44,361	78,258
	<u>278,348</u>	<u>272,581</u>

16 Transfer to Head Office

During the six months ended 30 June 2020, the Branch transferred an amount of MOP27,070,000 from its retained earnings (2019: MOP37,735,000) to Head Office.

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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 2020 MOP'000	As at 31 December 2019 MOP'000
Transaction-related contingencies	14,415	58,502
Trade-related contingencies	493,284	157,575
Other commitments which are unconditionally cancellable	3,612,406	4,499,472
	<u>4,120,105</u>	<u>4,715,549</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 2020 MOP'000	As at 31 December 2019 MOP'000
Not later than one year	1,679	1,679
Late than one year and not later than five years	699	2,378
	<u>2,378</u>	<u>4,057</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 2020 MOP'000	30 June 2019 MOP'000
Interest income	807	4,567
Interest expense	(5,077)	(6,426)
Other income	772	744
Total expenses charged	(7,878)	(7,979)

(ii) Balances with Head Office:

	As at	As at
	30 June 2020 MOP'000	31 December 2019 MOP'000
Amount due from Head Office	453,379	304,381
	<u>453,379</u>	<u>304,381</u>
Amount due to Head Office	568,355	984,477
Other liabilities	2,530	2,438
	<u>570,885</u>	<u>986,915</u>

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

As at 30 June 2020, total contingent liabilities and commitments with Head Office and Intermediate Holding Companies amounted to MOP5,909,000 (31 December 2019: MOP44,276,000).

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 2020 MOP'000	As at 31 December 2019 MOP'000
Neither past due nor impaired	1,550,172	1,926,766
Past due but not impaired	75	1,234
Impaired	12,361	9,032
	<u>1,562,608</u>	<u>1,937,032</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 2020	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	1,377,789	75	12,361	1,144	16,003
Hong Kong	163,707	-	-	-	1,901
Others	8,676	-	-	-	101
	<u>1,550,172</u>	<u>75</u>	<u>12,361</u>	<u>1,144</u>	<u>18,005</u>

As at 31 December 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	1,763,958	1,234	9,032	1,144	19,976
Hong Kong	154,568	-	-	-	1,749
Others	8,240	-	-	-	93
	<u>1,926,766</u>	<u>1,234</u>	<u>9,032</u>	<u>1,144</u>	<u>21,818</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 2020 MOP'000	As at 31 December 2019 MOP'000
Manufacturing	205,644	464,418
Construction and public works	57,206	52,657
Trade (wholesale and retail)	828,740	962,815
Personal housing loans	16,123	17,200
Personal credits	13,372	13,326
Others	429,087	416,350
	<u>1,550,172</u>	<u>1,926,766</u>

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

As at 30 June 2020	Past due		
	Less than 1 month MOP'000	1-2 months MOP'000	Total MOP'000
Manufacturing	-	-	-
Construction and public works	-	-	-
Trade (wholesale and retail)	-	-	-
Personal housing loans	75	-	75
Personal credits	-	-	-
Others	-	-	-
	<u>75</u>	<u>-</u>	<u>75</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)

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

As at 31 December 2019	Past due		
	Less than 1 month MOP'000	1-2 months MOP'000	Total MOP'000
Manufacturing	-	-	-
Construction and public works	-	-	-
Trade (wholesale and retail)	-	-	-
Personal housing loans	1,144	90	1,234
Personal credits	-	-	-
Others	-	-	-
	<u>1,144</u>	<u>90</u>	<u>1,234</u>

(iii) Impaired loans and advances to customers

	As at 30 June 2020 MOP'000	As at 31 December 2019 MOP'000
Manufacturing	4,417	1,144
Construction and public works	-	-
Trade (wholesale and retail)	5,062	5,006
Personal housing loans	-	-
Personal credits	-	-
Others	2,882	2,882
	<u>12,361</u>	<u>9,032</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED SUPPLEMENTARY INFORMATION (CONTINUED)

1 Financial Risk Management (continued)

(a) Credit risk (continued)

As at 30 June 2020	More than 3 months but not more than 6 months MOP'000	More than 1 year MOP'000
Gross impaired loans and advances	3,273	9,088
Specific provision	-	(1,144)
	<u>3,273</u>	<u>7,944</u>
Impaired loans and advances covered by collateral	<u>3,273</u>	<u>7,944</u>
% of gross loans and advances to customers	0.21	0.58
As at 31 December 2019	More than 3 months but not more than 6 months MOP'000	More than 1 year MOP'000
Gross impaired loans and advances	-	9,032
Specific provision	-	(1,144)
	<u>-</u>	<u>7,888</u>
Impaired loans and advances covered by collateral	<u>-</u>	<u>7,888</u>
% of gross loans and advances to customers	-	0.47

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED SUPPLEMENTARY INFORMATION (CONTINUED)

1 Financial Risk Management (continued)

(b) Credit risk (continued)

Analysis of specific provision

	As at 1 January 2020 MOP'000	Net charge to income statement MOP'000	As at 30 June 2020 MOP'000
Manufacturing	1,144	-	1,144
Construction and public works	-	-	-
Trade (wholesale and retail)	-	-	-
Personal housing loans	-	-	-
Personal credits	-	-	-
Others	-	-	-
	<u>1,144</u>	<u>-</u>	<u>1,144</u>
	<u>1,144</u>	<u>-</u>	<u>1,144</u>

	As at 1 January 2019 MOP'000	Net charge to income statement MOP'000	As at 31 December 2019 MOP'000
Manufacturing	1,144	-	1,144
Construction and public works	-	-	-
Trade (wholesale and retail)	-	-	-
Personal housing loans	-	-	-
Personal credits	-	-	-
Others	-	-	-
	<u>1,144</u>	<u>-</u>	<u>1,144</u>
	<u>1,144</u>	<u>-</u>	<u>1,144</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED SUPPLEMENTARY INFORMATION (CONTINUED)

1 Financial Risk Management (continued)

(a) Credit risk (continued)

Analysis of general provision

	As at 1 January 2020 MOP'000	Write-back to income statement MOP'000	As at 30 June 2020 MOP'000
Manufacturing	5,255	(2,866)	2,389
Construction and public works	596	68	664
Trade (wholesale and retail)	10,895	(1,270)	9,625
Personal housing loans	209	(21)	188
Personal credits	151	4	155
Others	4,712	272	4,984
	<u>21,818</u>	<u>(3,813)</u>	<u>18,005</u>

	As at 1 January 2019 MOP'000	Write-back to income statement MOP'000	As at 31 December 2019 MOP'000
Manufacturing	6,617	(1,362)	5,255
Construction and public works	455	141	596
Trade (wholesale and retail)	12,991	(2,096)	10,895
Personal housing loans	277	(68)	209
Personal credits	166	(15)	151
Others	5,388	(676)	4,712
	<u>25,894</u>	<u>(4,076)</u>	<u>21,818</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 2020 and 31 December 2019 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
2020	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000	MOP'000
Assets								
- Cash and balances with banks	150,498	-	-	-	-	-	-	150,498
- Amount due from Head Office	453,379	-	-	-	-	-	-	453,379
- AMCM monetary bills	-	339,953	-	-	-	-	-	339,953
- Loans and advances to customers	128,227	371,713	342,080	201,289	187,341	301,161	11,648	1,543,459
	<u>732,104</u>	<u>711,666</u>	<u>342,080</u>	<u>201,289</u>	<u>187,341</u>	<u>301,161</u>	<u>11,648</u>	<u>2,487,289</u>
Liabilities								
- Deposits from customers	1,298,820	280,168	374,433	78,406	-	-	-	2,031,827
- Amount due to Head Office	568,355	-	-	-	-	-	-	568,355
	<u>1,867,175</u>	<u>280,168</u>	<u>374,433</u>	<u>78,406</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,600,182</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED SUPPLEMENTARY INFORMATION (CONTINUED)

1 Financial Risk Management (continued)

(a) Credit risk (continued)

2019	Repayable 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	160,370	-	-	-	-	-	-	160,370
- Amount due from Head Office	304,381	-	-	-	-	-	-	304,381
- AMCM monetary bills	-	419,623	-	-	-	-	-	419,623
- Loans and advances to customers	162,742	535,520	359,983	302,866	200,879	343,766	8,314	1,914,070
	<u>627,493</u>	<u>955,143</u>	<u>359,983</u>	<u>302,866</u>	<u>200,879</u>	<u>343,766</u>	<u>8,314</u>	<u>2,798,444</u>
Liabilities								
- Deposits from customers	1,247,579	260,235	271,955	83,860	-	-	-	1,863,629
- Amount due to Head Office	984,477	-	-	-	-	-	-	984,477
	<u>2,232,056</u>	<u>260,235</u>	<u>271,955</u>	<u>83,860</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,848,106</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED SUPPLEMENTARY INFORMATION (CONTINUED)

1 Financial Risk Management (continued)

(b) Foreign exchange risk

	USD MOP'000	HKD MOP'000	CNY MOP'000	Others MOP'000	Total MOP'000
As at 30 June 2020					
Macau Patacas equivalents					
Spot assets	1,189,471	1,069,334	5,077	135,635	2,399,517
Spot liabilities	(1,184,168)	(1,151,963)	(3,772)	(134,772)	(2,474,675)
Net position	<u>5,303</u>	<u>(82,629)</u>	<u>1,305</u>	<u>863</u>	<u>(75,158)</u>
As at 31 December 2019					
Macau Patacas equivalents					
Spot assets	968,819	1,459,652	27,767	136,324	2,592,562
Spot liabilities	(962,891)	(1,541,532)	(26,477)	(135,489)	(2,666,389)
Net position	<u>5,928</u>	<u>(81,880)</u>	<u>1,290</u>	<u>835</u>	<u>(73,827)</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

UNAUDITED SUPPLEMENTARY INFORMATION (CONTINUED)

1 Financial Risk Management (continued)

(c) Liquidity risk

	As at 30 June 2020 MOP'000	As at 31 December 2019 MOP'000
The arithmetic mean of the minimum weekly amount of cash in hand that is required to be held during the period/year	58,660	70,277
The arithmetic mean of the amount of cash in hand during the period/year	178,990	177,772
The arithmetic mean of the specified liquid assets at the end of each month during the period/year	1,352,719	1,475,409
	%	%
The average ratio of specified liquid asset to total basic liabilities at the end of each month during the period/year	60.7	57.4
The arithmetic mean of one-month liquidity ratio in the last week of each month during the period/year	305.8	358.4
The arithmetic mean of three-month liquidity ratio in the last week of each month during the period/year	147.0	128.6

DBS BANK (HONG KONG) LIMITED

UNAUDITED CONSOLIDATED FINANCIAL INFORMATION

1 Capital adequacy

The capital adequacy ratios as at 30 June 2020 and 31 December 2019 were compiled in accordance with the Banking (Capital) Rules issued by the Hong Kong Monetary Authority.

	As at 30 June 2020	As at 31 December 2019
Capital Adequacy Ratios		
Common Equity Tier 1	17.7%	15.9%
Tier 1	18.3%	16.5%
Total	20.3%	18.4%

2 Other financial information

	For the six months ended 30 June 2020 HK\$ millions	For the six months ended 30 June 2019 HK\$ millions
Profit before income tax	2,759	3,558

	As at 30 June 2020 HK\$ millions	As at 31 December 2019 HK\$ millions
Total assets	449,403	446,697
Total liabilities	407,665	407,670
Gross loans and advances to customers	165,904	157,831
Due to banks	7,153	5,810
Deposits and balances from customers	352,086	374,100
Total equity	41,738	39,027

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 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)
Nancy Sau Ling Tse (INED)
Liu Chee Ming (INED)
Ho Hing Yuen, David (INED)

In accordance with the articles of association of the Bank, Ms. Nancy Sau Ling Tse and Mr. Ho Hing Yuen, David will retire from office at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.