

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

**INTERIM FINANCIAL DISCLOSURE STATEMENTS
FOR THE MONTHS ENDED 30 JUNE 2024**

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

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DBS BANK (HONG KONG) LIMITED - MACAU BRANCH**INCOME STATEMENT (unaudited)**

		For the six months ended	
	Notes	30 June 2024 MOP'000	30 June 2023 MOP'000
Interest income	3	139,863	128,217
Interest expense	3	(100,462)	(89,488)
Net interest income		<u>39,401</u>	<u>38,729</u>
Net fee and commission expense	4	(920)	(834)
Other income	5	<u>2,594</u>	<u>2,176</u>
Total income		41,075	40,071
Total expenses	6	<u>(23,139)</u>	<u>(19,814)</u>
Profit before allowances for credit and other losses		17,936	20,257
Allowances (charge)/release for credit and other losses	7	<u>(8,508)</u>	<u>2,340</u>
Profit before income tax		9,428	22,597
Income tax expense	8	<u>(1,057)</u>	<u>(2,634)</u>
Profit for the period		<u><u>8,371</u></u>	<u><u>19,963</u></u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

STATEMENT OF COMPREHENSIVE INCOME (unaudited)

	For the six months ended	
	30 June 2024 MOP'000	30 June 2023 MOP'000
Profit for the period	8,371	19,963
Other comprehensive income		
Items that may be reclassified subsequently to income statement		
Transferred to income statement	-	-
Total comprehensive income	8,371	19,963

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH**STATEMENT OF FINANCIAL POSITION (unaudited)**

	Notes	As at 30 June 2024 MOP'000	As at 31 December 2023 MOP'000
ASSETS			
Cash and balances with banks	9	179,968	139,738
Deposits with Autoridade Monetaria de Macao ("AMCM")	10	142,661	112,072
Amount due from Head Office	16	263,042	53,768
AMCM monetary bills	11	559,883	508,972
Loans and advances to customers	12	3,799,952	3,635,143
Other assets	13	9,289	20,331
Fixed assets	14	854	1,149
TOTAL ASSETS		4,955,649	4,471,173
LIABILITIES			
Deposits from customers	15	2,599,329	2,075,908
Due to banks		1,267	5,776
Amount due to Head Office	16	2,087,422	2,268,000
Other liabilities	17	46,336	59,645
Current income tax liabilities	18	6,464	5,384
TOTAL LIABILITIES		4,740,818	4,414,713
EQUITY			
Working capital		150,000	-
Reserves			
Regulatory reserves			
General reserve		42,468	42,948
Specific reserve		-	-
Retained earnings		22,363	13,512
TOTAL EQUITY		214,831	56,460
TOTAL LIABILITIES AND EQUITY		4,955,649	4,471,173

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

STATEMENT OF CHANGES IN EQUITY (unaudited)

	Working Capital MOP'000	Regulatory reserves MOP'000	Retained earnings MOP'000	Total Equity MOP'000
Balance at 1 January 2024	-	42,948	13,512	56,460
Working capital injection from Head Office	150,000	-	-	150,000
Transfer from regulatory reserves	-	(480)	480	-
Total comprehensive income	-	-	8,371	8,371
Balance at 30 June 2024	<u>150,000</u>	<u>42,468</u>	<u>22,363</u>	<u>214,831</u>
Balance at 1 January 2023	-	49,572	(32,759)	16,813
Transfer from regulatory reserves	-	(4,230)	4,230	-
Total comprehensive income	-	-	19,963	19,963
Balance at 30 June 2023	-	45,342	(8,566)	36,776
Transfer from regulatory reserves	-	(2,394)	2,394	-
Total comprehensive income	-	-	19,684	19,684
Balance at 31 December 2023	-	42,948	13,512	56,460

In accordance with Article 31 of Law No. 13/2023 (the Financial System Act), a working capital of MOP150,000,000 was injected into the Branch in June 2024.

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

CASH FLOW STATEMENT (unaudited)

		For the six months ended	
	Notes	30 June 2024 MOP'000	30 June 2023 MOP'000
Cash flows from operating activities			
Profit before income tax		9,428	22,597
Adjustment for non-cash items:			
Depreciation	14	370	262
Allowances charge/(release) for credit and other losses	7	8,508	(2,340)
		<hr/>	<hr/>
Profit before changes in operating assets and liabilities		18,306	20,519
Increase/(decrease) in:			
Deposits from customers		523,421	(117,213)
Other liabilities		(13,300)	(19,045)
Amount due to Head Office		(180,578)	(648,946)
Due to banks		(4,509)	(70)
Decrease/(increase) in:			
Loans and advances to customers		(173,392)	610,537
Minimum deposits with AMCM		(5,314)	(16,686)
Other assets		11,123	27,919
		<hr/>	<hr/>
Net cash generated from/(used in) operating activities before income tax		175,757	(142,985)
Cash flows from investing activity			
Purchase of fixed assets	14	(75)	(43)
Cash flows from financing activity			
Working capital injection from Head Office		150,000	-
		<hr/>	<hr/>
Net change in cash and cash equivalents		325,682	(143,028)
Cash and cash equivalents at 1 January		779,586	867,194
		<hr/>	<hr/>
Cash and cash equivalents at 30 June		<u>1,105,268</u>	<u>724,166</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

CASH FLOW STATEMENT (CONTINUED) (unaudited)

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.

	For the six months ended	
	30 June 2024 MOP'000	30 June 2023 MOP'000
Cash and balances with banks	179,975	144,887
Deposits with AMCM in excess of minimum requirement	102,364	106,966
Amount due from Head Office	263,042	13,320
AMCM monetary bills	559,887	458,993
	<u>1,105,268</u>	<u>724,166</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

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”) which is incorporated and domiciled in Hong Kong. DBS Diamond Holdings Ltd. 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 2023 as disclosed in the Annual Report for 2023.

3 Net interest income

	For the six months ended	
	30 June 2024 MOP'000	30 June 2023 MOP'000
Cash and balances with banks and due from Head office	11,314	2,554
Loans and advances to customers	116,707	119,126
AMCM Monetary bills	11,842	6,537
Total interest income	<u>139,863</u>	<u>128,217</u>
Deposits from customers	(28,679)	(17,996)
Interest expense on affiliate-related liability	(71,783)	(71,492)
Total interest expense	<u>(100,462)</u>	<u>(89,488)</u>
Net interest income	<u>39,401</u>	<u>38,729</u>
Comprising:		
-Interest income from financial assets at amortised cost	139,863	128,217
-Interest expense from financial liabilities not at FVPL	(100,462)	(89,488)
Total	<u>39,401</u>	<u>38,729</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

4 Net fee and commission expense

	For the six months ended	
	30 June 2024 MOP'000	30 June 2023 MOP'000
Fee and commission income	1,041	1,812
Less: Fee and commission expense	(1,961)	(2,646)
Net fee and commission expense	<u>(920)</u>	<u>(834)</u>
Comprising of:		
- Loan and trade related	(1,595)	(1,672)
- Others ^(a)	675	838
Net fee and commission expense	<u>(920)</u>	<u>(834)</u>
<i>(a) Includes remittances, deposit related fees and other miscellaneous income</i>		
Of which:		
Fee and commission income arising from:		
- Financial assets or financial liabilities not at FVPL	368	977
Fee and commission expense arising from:		
- Financial assets or financial liabilities not at FVPL	(1,961)	(2,646)

5 Other income

	For the six months ended	
	30 June 2024 MOP'000	30 June 2023 MOP'000
Net trading income from foreign exchange	911	1,224
Others	1,683	952
Other income	<u>2,594</u>	<u>2,176</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

6 Total expenses

	Note	For the six months ended	
		30 June 2024 MOP'000	30 June 2023 MOP'000
Employee benefits			
- Salaries and other staff costs		11,561	9,379
- Retirement benefit costs		802	803
Computerisation expenses		2,096	1,936
Management service fees		3,450	2,995
Rental of premises		1,638	1,642
Auditor's remuneration		221	221
Depreciation	14	370	262
Other operating expenses		3,001	2,576
		23,139	19,814
		23,139	19,814

7 Allowances charge/(release) for credit and other losses

	For the six months ended	
	30 June 2024 MOP'000	30 June 2023 MOP'000
Specific allowances		
Loans and advances to customers	6,284	-
Others	-	-
General allowances		
Loans and advances to customers	2,299	(2,344)
Others ^(a)	(75)	4
	8,508	(2,340)
	8,508	(2,340)

(a) Includes allowances for off-balance sheet exposures, other assets, deposits with AMCM, AMCM Monetary bills and due from banks.

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

7 Allowances charge/(release) for credit and other losses (Continued)

In MOP'000	General allowances (Non-impaired)		Specific allowances (Impaired)	Total
	Stage 1	Stage 2	Stage 3	
As at 30 June 2024				
Assets				
Cash and balances with banks	7	-	-	7
Deposits with AMCM	3	-	-	3
AMCM monetary bills	4	-	-	4
Loans and advances to customers	1,331	4,344	7,491	13,166
Other assets	-	-	-	-
Liabilities				
ECL on guarantees and other off balance sheet exposures	8	-	-	8
Total	1,353	4,344	7,491	13,188

In MOP'000	General allowances (Non-impaired)		Specific allowances (Impaired)	Total
	Stage 1	Stage 2	Stage 3	
As at 31 December 2023				
Assets				
Cash and balances with banks	15	-	-	15
Deposits with AMCM	4	-	-	4
AMCM monetary bills	3	-	-	3
Loans and advances to customers	1,559	1,817	1,207	4,583
Other assets	58	-	-	58
Liabilities				
ECL on guarantees and other off balance sheet exposures	17	-	-	17
Total	1,656	1,817	1,207	4,680

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

8 Income tax expense

	For the six months ended	
	30 June 2024 MOP'000	30 June 2023 MOP'000
Current income tax expense	1,080	2,655
Deferred income tax credit	(23)	(21)
	<u>1,057</u>	<u>2,634</u>

9 Cash and balances with banks

	As at 30 June 2024 MOP'000	As at 31 December 2023 MOP'000
	Cash in hand	45,851
Balances with banks	134,124	92,200
Allowances for credit and other losses	(7)	(15)
	<u>179,968</u>	<u>139,738</u>

10 Deposits with AMCM

	As at 30 June 2024 MOP'000	As at 31 December 2023 MOP'000
	Balance with AMCM	142,664
Allowances for credit and other losses	(3)	(4)
	<u>142,661</u>	<u>112,072</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% on all liabilities which are repayable on demand;
- (b) 2% on all liabilities which are repayable within 3 months (3 months inclusive) except for those already counted in (a);
- (c) 1% on all liabilities which are repayable beyond 3 months.

At 30 June 2024, the minimum deposit required were MOP40,300,000 (31 December 2023: MOP34,986,000).

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

11 AMCM monetary bills

	As at 30 June 2024 MOP'000	As at 31 December 2023 MOP'000
Monetary bills issued by AMCM, at amortised cost	559,887	508,975
Allowances for credit and other losses	(4)	(3)
	<u>559,883</u>	<u>508,972</u>

12 Loans and advances to customers

	As at 30 June 2024 MOP'000	As at 31 December 2023 MOP'000
Gross loans and advances to customers	3,813,118	3,639,726
Less: Specific allowances	(7,491)	(1,207)
General allowances	(5,675)	(3,376)
	<u>3,799,952</u>	<u>3,635,143</u>

13 Other assets

	As at 30 June 2024 MOP'000	As at 31 December 2023 MOP'000
Accrued interest receivables	3,108	3,774
Acceptances (Note 17)	335	6,624
Deferred tax assets (Note 18(b))	76	53
Others ^(a)	5,770	9,880
	<u>9,289</u>	<u>20,331</u>

(a) There was nil allowance for credit and other losses as at 30 June 2024 (31 December 2023: MOP58,000).

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

14 Fixed assets

	Furniture, fixtures and equipment MOP'000	Motor vehicles MOP'000	Total MOP'000
Cost:			
As at 1 January 2024	6,944	372	7,316
Additions	75	-	75
Disposals	-	-	-
	<u>7,019</u>	<u>372</u>	<u>7,391</u>
As at 30 June 2024	<u>7,019</u>	<u>372</u>	<u>7,391</u>
Accumulated depreciation:			
As at 1 January 2024	5,839	328	6,167
Charge for the period	333	37	370
Written back on disposals	-	-	-
	<u>6,172</u>	<u>365</u>	<u>6,537</u>
As at 30 June 2024	<u>6,172</u>	<u>365</u>	<u>6,537</u>
Net book value:			
As at 30 June 2024	<u>847</u>	<u>7</u>	<u>854</u>
	Furniture, fixtures and equipment MOP'000	Motor vehicles MOP'000	Total MOP'000
Cost:			
As at 1 January 2023	6,424	372	6,796
Additions	520	-	520
Disposals	-	-	-
	<u>6,944</u>	<u>372</u>	<u>7,316</u>
As at 31 December 2023	<u>6,944</u>	<u>372</u>	<u>7,316</u>
Accumulated depreciation:			
As at 1 January 2023	5,317	254	5,571
Charge for the period	522	74	596
Written back on disposals	-	-	-
	<u>5,839</u>	<u>328</u>	<u>6,167</u>
As at 31 December 2023	<u>5,839</u>	<u>328</u>	<u>6,167</u>
Net book value:			
As at 31 December 2023	<u>1,105</u>	<u>44</u>	<u>1,149</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

15 Deposits from customers

	As at 30 June 2024 MOP'000	As at 31 December 2023 MOP'000
Demand deposits and current accounts	889,288	497,744
Savings deposits	490,155	419,618
Time and call deposits	1,219,886	1,158,546
	<u>2,599,329</u>	<u>2,075,908</u>

16 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.

17 Other liabilities

	As at 30 June 2024 MOP'000	As at 31 December 2023 MOP'000
Accrued interest payable	25,403	22,410
Acceptances (Note 13)	335	6,624
Other liabilities and provisions ^(a)	20,598	30,611
	<u>46,336</u>	<u>59,645</u>

(a) The balance as at 30 June 2024 included allowance for credit and other losses of MOP8,000 (31 December 2023: MOP17,000).

18 Taxation

(a) Current income tax liabilities

	As at 30 June 2024 MOP'000	As at 31 December 2023 MOP'000
Current income tax liabilities	<u>6,464</u>	<u>5,384</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

18 Taxation (Continued)

(b) Deferred income tax

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

	As at 30 June 2024 MOP'000	As at 31 December 2023 MOP'000
Included in "Other assets" (Note 13)	76	53
	<u>76</u>	<u>53</u>

19 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 2024 MOP'000	As at 31 December 2023 MOP'000
Transaction-related contingencies	1,048,623	1,027,447
Trade-related contingencies	5,995	59,979
Other commitments which are unconditionally cancellable	1,092,189	3,106,926
	<u>2,146,807</u>	<u>4,194,352</u>

(b) Lease commitments

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

	As at 30 June 2024 MOP'000	As at 31 December 2023 MOP'000
Not later than one year	1,410	1,410
Later than one year and not later than five years	353	1,058
	<u>1,763</u>	<u>2,468</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

20 Financial risk management

(a) Credit risk

(i) Loans and advances to customers by credit quality

	As at 30 June 2024			Total MOP'000
	Stage 1 MOP'000	Stage 2 MOP'000	Stage 3 MOP'000	
Neither past due nor impaired				
-Pass	3,570,942	-	-	3,570,942
-Special Mention	-	186,771	-	186,771
Past due but not impaired	2,196	-	-	2,196
Impaired				
Substandard	-	-	-	-
Doubtful	-	-	53,209	53,209
Loss	-	-	-	-
	<u>3,573,138</u>	<u>186,771</u>	<u>53,209</u>	<u>3,813,118</u>

	As at 31 December 2023			Total MOP'000
	Stage 1 MOP'000	Stage 2 MOP'000	Stage 3 MOP'000	
Neither past due nor impaired				
-Pass	3,539,712	46,803	-	3,586,515
-Special Mention	-	3,002	-	3,002
Past due but not impaired	-	8,678	-	8,678
Impaired				
Substandard	-	-	-	-
Doubtful	-	-	41,531	41,531
Loss	-	-	-	-
	<u>3,539,712</u>	<u>58,483</u>	<u>41,531</u>	<u>3,639,726</u>

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

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

20 Financial risk management (Continued)

(a) Credit risk (Continued)

(ii) Loans and advances to customers analysed by geographic area

As at 30 June 2024	Neither past due nor impaired MOP'000	Past due but not impaired MOP'000	Impaired MOP'000	Specific allowances MOP'000	General allowances MOP'000
Macau	698,115	2,196	53,209	7,491	4,593
Hong Kong	3,258	-	-	-	2
China	3,056,340	-	-	-	1,080
	<u>3,757,713</u>	<u>2,196</u>	<u>53,209</u>	<u>7,491</u>	<u>5,675</u>
As at 31 December 2023	Neither past due nor impaired MOP'000	Past due but not impaired MOP'000	Impaired MOP'000	Specific allowances MOP'000	General allowances MOP'000
Macau	527,881	8,678	41,531	1,207	2,199
Hong Kong	2,560	-	-	-	5
China	3,059,076	-	-	-	1,172
	<u>3,589,517</u>	<u>8,678</u>	<u>41,531</u>	<u>1,207</u>	<u>3,376</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

20 Financial risk management (Continued)

(a) Credit risk (Continued)

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

(1)	Loans and advances to customers that were neither past due nor impaired		
		As at	As at
		30 June	31 December
		2024	2023
		MOP'000	MOP'000
	Manufacturing	241,329	33,372
	Construction and public works	21,321	34,894
	Wholesale and retail trade	265,207	272,377
	Information technology	3,056,340	3,059,076
	Other industries	170,066	185,677
	Personal loans	3,450	4,121
		<u>3,757,713</u>	<u>3,589,517</u>
(2)	Loans and advances to customers that were past due but not impaired		
		As at	As at
		30 June	31 December
		2024	2023
		MOP'000	MOP'000
	Manufacturing	-	8,678
	Construction and public works	-	-
	Wholesale and retail trade	2,196	-
	Information technology	-	-
	Other industries	-	-
	Personal loans	-	-
		<u>2,196</u>	<u>8,678</u>
(3)	Impaired loans and advances to customers		
		As at	As at
		30 June	31 December
		2024	2023
		MOP'000	MOP'000
	Manufacturing	11,605	-
	Construction and public works	-	-
	Wholesale and retail trade	73	-
	Information technology	-	-
	Other industries	41,531	41,531
	Personal loans	-	-
		<u>53,209</u>	<u>41,531</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH**NOTES TO THE FINANCIAL STATEMENTS (unaudited)****20 Financial risk management (Continued)****(a) Credit risk (Continued)****(iii) Loans and advances to customers analysed by industry groups (Continued)**

	More than 6 months but not more than 1 year MOP'000
As at 30 June 2024	
Gross impaired loans and advances	53,209
Specific allowances	(7,491)
	<hr/> 45,718
	<hr/> <hr/> 45,718
Impaired loans and advances covered by collateral	45,718
	<hr/>
% of gross loans and advances to customers	1.40
	More than 1 month MOP'000
As at 31 December 2023	
Gross impaired loans and advances	41,531
Specific allowances	(1,207)
	<hr/> 40,324
	<hr/> <hr/> 40,324
Impaired loans and advances covered by collateral	40,324
	<hr/>
% of gross loans and advances to customers	1.14

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

20 Financial risk management (Continued)

(a) Credit risk (Continued)

(iv) Analysis of allowances

	As at 30 June 2024			Total MOP'000
	Stage 1 MOP'000	Stage 2 MOP'000	Stage 3 MOP'000	
Neither past due nor impaired				
-Pass	1,329	-	-	1,329
-Special Mention	-	4,344	-	4,344
Past due but not impaired	2	-	-	2
Impaired				
Substandard	-	-	-	-
Doubtful	-	-	7,491	7,491
Loss	-	-	-	-
	<u>1,331</u>	<u>4,344</u>	<u>7,491</u>	<u>13,166</u>

	As at 31 December 2023			Total MOP'000
	Stage 1 MOP'000	Stage 2 MOP'000	Stage 3 MOP'000	
Neither past due nor impaired				
-Pass	1,559	62	-	1,621
-Special Mention	-	454	-	454
Past due but not impaired	-	1,301	-	1,301
Impaired				
Substandard	-	-	-	-
Doubtful	-	-	1,207	1,207
Loss	-	-	-	-
	<u>1,559</u>	<u>1,817</u>	<u>1,207</u>	<u>4,583</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

20 Financial risk management (Continued)

(a) Credit risk (Continued)

(iv) Analysis of allowances (Continued)

Specific allowances

	As at 1 January 2024 MOP'000	Charge to income statement MOP'000	As at 30 June 2024 MOP'000
Manufacturing	-	-	-
Construction and public works	-	-	-
Wholesale and retail trade	-	13	13
Information technology	-	-	-
Other industries	1,207	6,271	7,478
Personal loans	-	-	-
	<u>1,207</u>	<u>6,284</u>	<u>7,491</u>
	<u><u>1,207</u></u>	<u><u>6,284</u></u>	<u><u>7,491</u></u>
	As at 1 January 2023 MOP'000	Charge to income statement MOP'000	As at 31 December 2023 MOP'000
Manufacturing	-	-	-
Construction and public works	-	-	-
Wholesale and retail trade	-	-	-
Information technology	-	-	-
Other industries	-	1,207	1,207
Personal loans	-	-	-
	<u>-</u>	<u>1,207</u>	<u>1,207</u>
	<u><u>-</u></u>	<u><u>1,207</u></u>	<u><u>1,207</u></u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

20 Financial risk management (Continued)

(a) Credit risk (Continued)

(iv) Analysis of allowances (Continued)

General allowances

	As at 1 January 2024 MOP'000	Charge to income statement MOP'000	As at 30 June 2024 MOP'000
Manufacturing	1,835	(1,767)	68
Construction and public works	26	(17)	9
Wholesale and retail trade	201	4,219	4,420
Information technology	1,172	(92)	1,080
Other industries	142	(44)	98
Personal loans	-	-	-
	<u>3,376</u>	<u>2,299</u>	<u>5,675</u>
	As at 1 January 2023 MOP'000	Charge to income statement MOP'000	As at 31 December 2023 MOP'000
Manufacturing	104	1,731	1,835
Construction and public works	241	(215)	26
Wholesale and retail trade	1,306	(1,105)	201
Information technology	3,545	(2,373)	1,172
Other industries	898	(756)	142
Personal loans	-	-	-
	<u>6,094</u>	<u>(2,718)</u>	<u>3,376</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS

20 Financial risk management (Continued)

(b) Market risk

Foreign exchange risk

	USD MOP'000	HKD MOP'000	CNY MOP'000	Others MOP'000	Total MOP'000
As at 30 June 2024					
MOP equivalents					
Spot assets	3,123,309	1,086,186	9,441	16,225	4,235,161
Spot liabilities	(3,115,873)	(1,164,570)	(8,166)	(15,175)	(4,303,784)
Net position	<u>7,436</u>	<u>(78,384)</u>	<u>1,275</u>	<u>1,050</u>	<u>(68,623)</u>
As at 31 December 2023					
MOP equivalents					
Spot assets	3,087,535	696,505	21,662	18,916	3,824,618
Spot liabilities	(3,080,057)	(805,758)	(20,365)	(17,765)	(3,923,945)
Net position	<u>7,478</u>	<u>(109,253)</u>	<u>1,297</u>	<u>1,151</u>	<u>(99,327)</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

20 Financial risk management (Continued)

(c) Liquidity risk

(i) Maturity analysis on assets and liabilities

The carrying amounts of assets and liabilities analysed by the remaining period as at 30 June 2024 and 31 December 2023 to the contractual maturity dates are as follows:

As at 30 June 2024	Repayable on demand MOP'000	Less than 1 month MOP'000	Over 1 month but less than 3 months MOP'000	Over 3 months but less than 1 year MOP'000	Over 1 year but less than 3 years MOP'000	Over 3 years MOP'000	Balancing MOP'000	Total MOP'000
Assets								
- Cash and balances with banks	179,768	-	-	-	-	-	-	179,768
- Amount due from Head Office	263,042	-	-	-	-	-	-	263,042
- AMCM monetary bills	559,883	-	-	-	-	-	-	559,883
- Loans and advances to customers	62,807	430,071	1,221,270	1,891,616	99,761	48,705	45,722	3,799,952
	<u>1,065,500</u>	<u>430,071</u>	<u>1,221,270</u>	<u>1,891,616</u>	<u>99,761</u>	<u>48,705</u>	<u>45,722</u>	<u>4,802,645</u>
Liabilities								
- Deposits from customers	1,402,368	301,506	354,324	541,131	-	-	-	2,599,329
- Due to banks	1,267	-	-	-	-	-	-	1,267
- Amount due to Head Office	478,822	643,440	-	965,160	-	-	-	2,087,422
	<u>1,882,457</u>	<u>944,946</u>	<u>354,324</u>	<u>1,506,291</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,688,018</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

20 Financial risk management (Continued)

(c) Liquidity risk (Continued)

(i) Maturity analysis on assets and liabilities (Continued)

As at 31 December 2023	Repayable on demand MOP'000	Less than 1 month MOP'000	Over 1 month but less than 3 months MOP'000	Over 3 months but less than 1 year MOP'000	Over 1 year but less than 3 years MOP'000	Over 3 years MOP'000	Balancing MOP'000	Total MOP'000
Assets								
- Cash and balances with banks	139,738	-	-	-	-	-	-	139,738
- Amount due from Head Office	53,768	-	-	-	-	-	-	53,768
- AMCM monetary bills	508,972	-	-	-	-	-	-	508,972
- Loans and advances to customers	61,058	110,291	1,344,629	61,852	1,952,339	57,273	47,701	3,635,143
	<u>763,536</u>	<u>110,291</u>	<u>1,344,629</u>	<u>61,852</u>	<u>1,952,339</u>	<u>57,273</u>	<u>47,701</u>	<u>4,337,621</u>
Liabilities								
- Deposits from customers	917,447	354,171	279,129	525,161	-	-	-	2,075,908
- Due to banks	5,776	-	-	-	-	-	-	5,776
- Amount due to Head Office	416,454	-	-	1,851,546	-	-	-	2,268,000
	<u>1,339,677</u>	<u>354,171</u>	<u>279,129</u>	<u>2,376,707</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,349,684</u>

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

20 Financial risk management (Continued)

(c) Liquidity risk (Continued)

	As at 30 June 2024 MOP'000	As at 31 December 2023 MOP'000
The arithmetic mean of the minimum weekly amount of cash in hand that is required to be held during the period	52,313	56,595
The arithmetic mean of the amount of cash in hand during the period	186,275	188,897
The arithmetic mean of the specified liquid assets at the end of each month during the period	1,797,498	1,866,531
	%	%
The average ratio of specified liquid assets to total basic liabilities at the end of each month during the period	72.7	80.7
The arithmetic mean of one-month liquidity ratio in the last week of each month during the period	193.4	845.5
The arithmetic mean of three-month liquidity ratio in the last week of each month during the period	162.3	474.6

21 Material related party transactions

(a) Head Office, Intermediate Holding Company and fellow subsidiary

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

	For the six months ended	
	30 June 2024 MOP'000	30 June 2023 MOP'000
Interest income	9,622	801
Interest expense	(71,783)	(71,492)
Fee and commission expense	(1,961)	(2,646)
Other income	1,511	705
Total expenses charged	(6,687)	(5,665)

(ii) Balances with Head Office and Intermediate Holding Company:

	As at 30 June 2024 MOP'000	As at 31 December 2023 MOP'000
Amount due from Head Office	263,042	53,768
Amount due to Head Office	2,087,422	2,268,000
Other liabilities	14,586	14,643

DBS BANK (HONG KONG) LIMITED - MACAU BRANCH

NOTES TO THE FINANCIAL STATEMENTS (unaudited)

21 Material related party transactions (Continued)

- (iii) Contingent liabilities with Head Office, Intermediate Holding Company and fellow subsidiary:

As at 30 June 2024, total contingent liabilities with Head Office, Intermediate Holding Company and fellow subsidiary amounted to MOP 1,046.2 million (31 December 2023: MOP1,025.3 million).

(b) Key management personnel

Compensation of key management personnel:

	For the six months ended	
	30 June 2024 MOP'000	30 June 2023 MOP'000
Short-term employee benefits	1,391	1,344
Post-employment benefits	108	106
	<u>1,499</u>	<u>1,450</u>

DBS BANK (HONG KONG) LIMITED**CONSOLIDATED INFORMATION** (unaudited)**1 Capital adequacy ratios**

The capital adequacy ratios were compiled in accordance with the Banking (Capital) Rules issued by the Hong Kong Monetary Authority.

	As at 30 June 2024	As at 31 December 2023
Capital Adequacy Ratios		
Common Equity Tier 1	19.8%	18.4%
Tier 1	20.3%	18.9%
Total	21.4%	20.1%

2 Other financial information

	For the six months ended	
	30 June 2024	30 June 2023
	HK\$'M	HK\$'M
Profit before income tax	4,428	4,492

	As at 30 June 2024	As at 31 December 2023
	HK\$'M	HK\$'M
Total assets	477,376	467,621
Total liabilities	426,673	420,893
Gross loans and advances to customers	267,842	265,880
Due to banks	12,276	8,560
Deposits and balances from customers	390,237	390,599
Total equity	50,703	46,728

DBS BANK (HONG KONG) LIMITED

CONSOLIDATED INFORMATION (CONTINUED) (unaudited)

3 Directors

The directors, including executive directors (“ED”), non-executive directors (“NED”) and independent non-executive directors (“INED”) of the Bank during the period and up to 30 June 2024 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)

Nancy Sau Ling TSE (INED)

LIU Chee Ming (INED)

Edward Sung-Lai LAM (INED)

(appointed on 18 June 2024)