



HAITONG BANK, MACAU BRANCH

Disclosure of Financial Information – 30 June 2022

(Circular No. 006/B/2022-DSB/AMCM)

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1. DISCLOSURE OF INFORMATION

This information is disclosed under AMCM Circular No. 006/B/2022-DSB/AMCM to fulfil the disclosure obligations outlined in the aforementioned Circular.

The economic and financial information hereby disclosed refers to the period between 1 January 2022 and 30 June 2022.

The disclosed information relates to the Macau Branch and to its head office Haitong Bank, S.A.. For the sake of clarity, the information related to the Macau Branch is labelled as “Macau Branch” and the information concerning the head office on a consolidated or integrated basis is presented as “Haitong Bank” or “Haitong Bank Group”.

This information has not been subject to the external auditor review.

2. MACAU BRANCH BALANCE SHEET AS AT 30 JUNE 2022

(MOP)

Assets	
Deposits with the Monetary Authority of Macau	90 000
Deposits with banks	40 798 919
Loans and advances to banks	50 126 539
Other tangible assets	14 706 794
Intangible assets	124 695
Other assets	9 398 000
Total Assets	<u>115 244 948</u>
Liabilities	
Current income tax liabilities	5 196 773
Other liabilities	20 738 503
Total Liabilities	<u>25 935 277</u>
Head Office Account	
Establishment fund	50 000 000
Other reserves and retained earnings	10 227 917
Net profit/(loss) for the period attributable to Head Office	29 081 755
Total Head Office Account	<u>89 309 671</u>
Total Liabilities and Head Office Account	<u>115 244 948</u>

Note: numbers may not add up due to rounding

3. MACAU BRANCH INCOME STATEMENT FOR THE SIX MONTHS ENDED AT 30 JUNE 2022

	(MOP)
Interest and similar income	139 656
Interest expense and similar charges	-
Net Interest Income	139 656
Fee and commission income	44 683 979
Net gains / (losses) from foreign exchange differences	(938 351)
Other operating income and expense	(201 700)
Operating Income	43 683 585
Staff costs	4 763 260
General and administrative expenses	4 276 936
Depreciation and amortisation	1 368 190
Impairment on financial assets	309 569
Profit before Income Tax	32 965 630
Income tax	3 883 876
Profit for the period	29 081 755

Note: numbers may not add up due to rounding

4. MACAU BRANCH STATEMENT OF CASH FLOW FOR THE SIX MONTHS ENDED AT 30 JUNE 2022

(MOP)

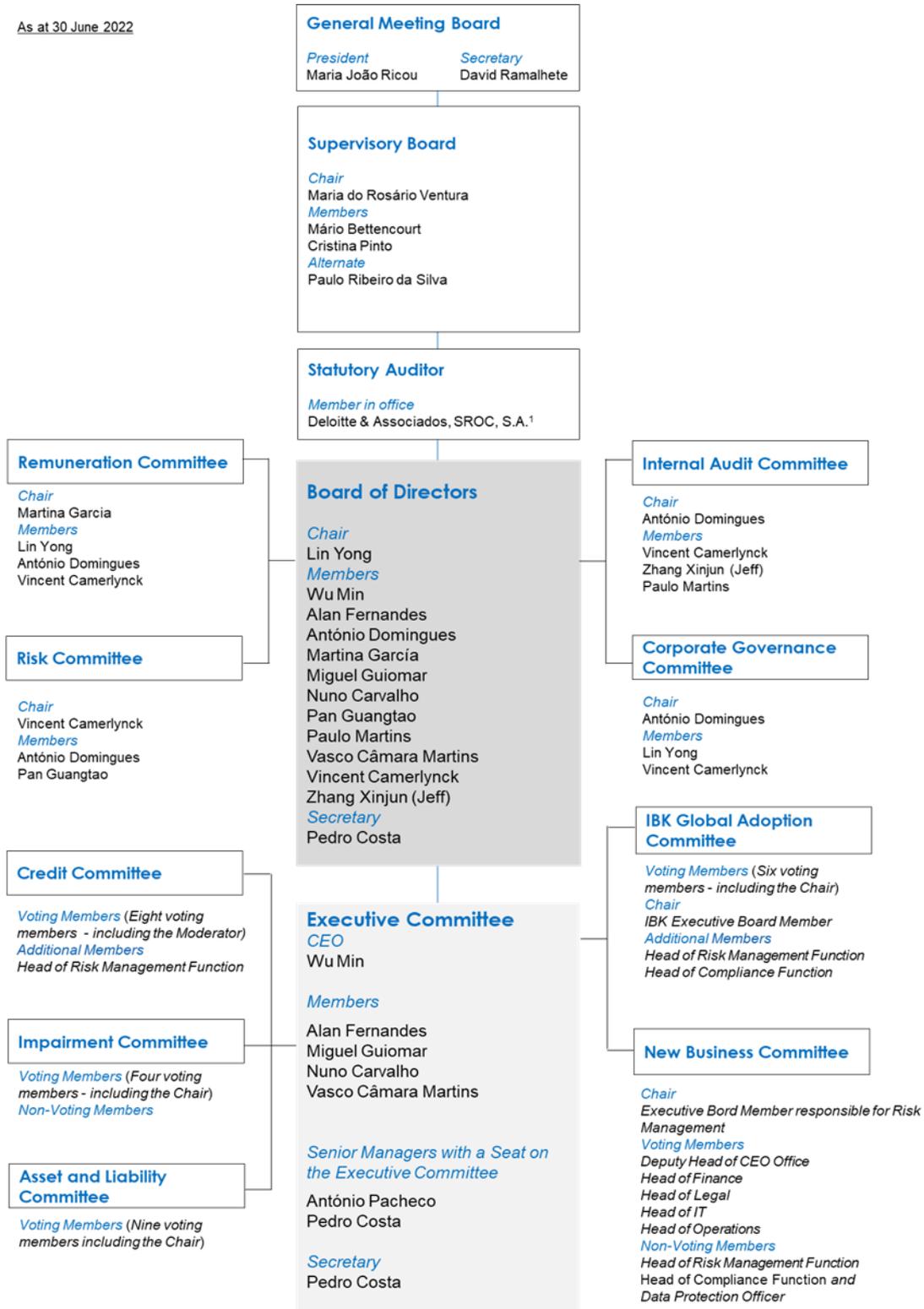
CASH FLOW ARISING FROM OPERATING ACTIVITIES	
Profit before tax	32,965,630
<u>Adjustments</u>	
Depreciation and amortisation	1,368,190
Charge of impairment loss on financial assets	309,608
Interest income	(139,656)
	<hr/>
	34,503,772
<u>(Increase) decrease in operating assets:</u>	
Loans and advances to banks	(50,000,000)
Other assets	(240,959)
<u>Increase (decrease) in operating liabilities:</u>	
Other liabilities	(1,060,639)
	<hr/>
CASH USED IN OPERATIONS	(51,301,598)
Interest received	13,081
	<hr/>
NET CASH GENERATED FROM OPERATIONS	(16,784,745)
	<hr/>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(16,784,745)
CASH AND CASH EQUIVALENTS AT 1 JANUARY 2022	57,673,664
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CASH AND CASH EQUIVALENTS AT 30 JUNE 2022	40,888,919
	<hr/>
REPRESENTED BY:	
Bank balances and balances with the Monetary Authority of Macau	40,888,919
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CASH AND CASH EQUIVALENTS AT 30 JUNE 2022	40,888,919

5. LIST OF SHAREHOLDERS OF HAITONG BANK WITH QUALIFYING HOLDINGS

Haitong International Holdings Limited – 99.98% of share capital and voting rights.

6. MEMBERS OF COMPANY BOARDS OF HAITONG BANK

As at 30 June 2022



¹ Deloitte & Associados, SROC, S.A. nominated João Carlos Henriques Gomes Ferreira

7. MEMBERS OF THE MANAGEMENT OF MACAU BRANCH

General Manager

Lu Xiaoli

Branch Managers

Luís Valença Pinto

André Castanheira Pinto

8. HAITONG BANK CONSOLIDATED STATEMENT FOR THE FINANCIAL POSITION AS AT 30 JUNE 2022 AND 31 DECEMBER 2021

(thousand EUROS)

	30.06.2022	31.12.2021
Assets		
Cash and cash equivalents	668 912	488 544
Financial assets at fair value through profit or loss	469 475	455 753
Financial assets held for trading	451 717	435 954
Securities	370 795	346 040
Derivative financial assets	80 922	89 914
Non-trading financial assets mandatorily at fair value through profit or loss	17 758	19 799
Securities	17 736	19 777
Loans and advances to customers	22	22
Financial assets at fair value through other comprehensive income	220 470	259 769
Financial assets measured at amortised cost	1 426 811	1 207 036
Securities	655 335	532 773
Loans and advances to banks	27 082	54 022
Loans and advances to customers	744 394	620 241
Non-current assets held-for-sale	6 398	6 538
Other tangible assets	8 651	9 975
Intangible assets	3 433	3 618
Tax assets	132 762	120 051
Current income tax assets	25 867	24 819
Deferred income tax assets	106 895	95 232
Other assets	192 277	195 368
Total Assets	3 129 189	2 746 652
Liabilities		
Financial liabilities held for trading	74 931	75 638
Securities	992	1 036
Derivative financial liabilities	73 939	74 602
Financial liabilities measured at amortised cost	2 331 299	1 950 147
Resources of credit institutions	881 776	759 397
Resources of customers	970 388	1 164 000
Debt securities issued	479 135	26 750
Provisions	17 970	19 939
Tax liabilities	7 160	7 568
Current income tax liabilities	6 855	7 267
Deferred income tax liabilities	305	301
Other liabilities	82 884	86 513
Total Liabilities	2 514 244	2 139 805

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Equity		
Share capital	844 769	844 769
Share premium	8 796	8 796
Other equity instruments	105 042	108 773
Fair-value reserves	(9 234)	(1 926)
Other reserves and retained earnings	(351 918)	(376 071)
Net profit/(loss) for the period attributable shareholders of the parent company	(4 524)	3 552
Total equity attributable to the shareholders of the parent company	592 931	587 893
Non-controlling interests	22 014	18 954
Total Equity	614 945	606 847
Total Equity and Liabilities	3 129 189	2 746 652

Note: numbers may not add up due to rounding

9. CONSOLIDATED CAPITAL ADEQUACY RATIO OF HAITONG BANK

As at 30 June 2022, Haitong Bank capital ratios were calculated under the CRR II (Regulation EU n° 876/2019 amending Regulation EU no. 575/2013) and CRD V (Directive EU no. 878/2019 amending Directive EU no. 2013/36/EU).

The Standard Approach on both a transitional and fully-loaded basis is shown in the following table.

	JUNE 2022		JUNE 2021	
	PHASED-IN	FULLY-LOADED	PHASED-IN	FULLY-LOADED
CET1 ratio	18.0%	18.0%	21.1%	21.0%
Tier 1 ratio	22.4%	22.4%	26.2%	26.1%
Total capital ratio	22.5%	22.5%	26.3%	26.3%

10. RELATED PARTY TRANSACTIONS

The Macau Branch follows Haitong Bank's Regulation of Transactions with Related Parties which lays down the internal procedures and limitations for approval of transactions between the Bank or companies in a parent-subsiary or group relationship with the Bank and a related party.

These rules aim to ensure stringent control over compliance with the legal rules, including the arm's-length principle and prevention of conflicts of interest.

The Macau Branch discloses below the respective related parties' balances:

RELATED PARTIES	(MOP)				
	ASSETS		ESTABLISHMENT FUND	LIABILITIES	PROFIT
	CASH AND CASH EQUIVALENTS	TOTAL			
Head Office					
Haitong Bank, S.A.	33 871 719	33 871 719	50 000 000	19 450 254	-
TOTAL	33 871 719	33 871 719	50 000 000	19 450 254	-

11. OFF BALANCE SHEET EXPOSURES OTHER THAN DERIVATIVES

The Macau Branch has no off-balance sheet exposures.

(thousand MOP)

OFF-BALANCE SHEET EXPOSURES	
Credit substitutes	-
Transaction-related contingencies;	-
Acceptances and other trade-related contingencies;	-
Note issuance facilities, revolving underwriting facilities and other similar facilities;	-
Forward asset purchases;	-
Unpaid portion of partly paid shares and other securities;	-
Forward deposits;	-
Asset sales with repurchase option;	-
Undrawn credit facilities and other commitments to extend credit;	-
Other off-balances-sheet items.	-

12. DERIVATIVES TRANSACTIONS

The Macau Branch has no derivative balances.

(thousand MOP)

DERIVATIVES TRANSACTIONS	30 JUNE 2022
Exchange rate contracts	-
Interest rate contract	-
Equities contracts	-
Commodities contracts	-
Others	-

(thousand MOP)

CREDIT RISK WEIGHTED AMOUNTS OF DERIVATIVES	30 JUNE 2022
Exchange rate contracts	-

13. CREDIT RISK

The table below reflects credit risk geographic distribution exposures of the Macau Branch as at 30 June 2022:

GEOGRAPHIC DISTRIBUTION OF EXPOSURES					(thousand MOP)	
					30 JUNE 2022	
OF WHICH						
Countries and Regions	Loan and advances to customers	Overdue loans	Impaired loans	Individually assessed impairment provision	Additional provision under AMCM rules	
-	-	-	-	-	-	
-	-	-	-	-	-	

The table below reflects credit risk industry distribution exposures of the Macau Branch as at 30 June 2022:

INDUSTRY DISTRIBUTION OF EXPOSURES		(thousand MOP)
		30 JUNE 2022
Agriculture and fisheries		-
Mining industries		-
Manufacturing industries		-
Electricity, gas and water		-
Construction and public works		-
Wholesale and retail trade		-
Restaurants, hotels and similar		-
Transport, warehouse and communications		-
Non-monetary financial institutions		-
Gaming		-
Exhibition and conference		-
Education		-
Information technology		-
Other industries		-
Personal loans		-
Total		-

The table below reflects credit risk maturity analysis on assets and liabilities of the Macau Branch as 30 June 2022:

(thousand MOP)

MATURITY ANALYSIS ON ASSETS AND LIABILITIES							30 JUNE 2022
Assets	On demand	Within 1 month	>1 Month < 3 months	>3 Months < 1 Year	>1 Year < 3 Years	< 3 years	Indefinite period
Loans and advances to customers;	-	-	-	-	-	-	-
Deposits with AMCM	90	-	-	-	-	-	-
Cash and balances with and loans and advances to banks;	40 799	-	-	50 000	-	-	-
Certificates of deposit held;	-	-	-	-	-	-	-
Securities issued by Macao SAR Government and/or AMCM;	-	-	-	-	-	-	-
Other securities;	-	-	-	-	-	-	-
Total	40 889	-	-	50 000	-	-	-
Liabilities	On demand	Within 1 month	>1 Month < 3 months	>3 Months < 1 Year	>1 Year < 3 Years	< 3 years	Indefinite period
Deposits and balances of banks and financial institutions	-	-	-	-	-	-	-
Deposits from public sector entities	-	-	-	-	-	-	-
Deposits from holding and associated companies	-	-	-	-	-	-	-
Deposits from non-bank customers	-	-	-	-	-	-	-
Certificates of deposits issued	-	-	-	-	-	-	-
Other securities issued	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

The table below reflects the credit risk ageing analysis of accounting past due exposures of the Macau Branch as at 30 June 2022:

(thousand MOP)

LOANS AND ADVANCES TO BANKS THAT HAVE BEEN PAST DUE FOR PERIODS OF:	% OF TOTAL LOANS	AMOUNT
more than 3 months but not more than 6 months	-	-
more than 6 months but not more than 1 year	-	-
more than 1 year	-	-
Total	-	-
Collateral	-	-
ECL	-	-

(thousand MOP)

LOANS AND ADVANCES TO NON-BANK CUSTOMERS THAT HAVE BEEN PAST DUE FOR PERIODS OF:	% OF TOTAL LOANS	AMOUNT
more than 3 months but not more than 6 months	-	-
more than 6 months but not more than 1 year	-	-
more than 1 year	-	-
Total	-	-
Collateral	-	-
ECL	-	-

(thousand MOP)

OTHER ASSETS THAT HAVE BEEN PAST DUE FOR PERIODS OF:	% OF TOTAL LOANS	AMOUNT
more than 3 months but not more than 6 months	-	-
more than 6 months but not more than 1 year	-	-
more than 1 year	-	-
Total	-	-

The table below reflects the credit quality analysis under regulatory asset classification of the Macau Branch as at 30 June 2022:

(thousand MOP)

CREDIT QUALITY ANALYSIS UNDER REGULATORY ASSET CLASSIFICATION								30 JUNE 2022	
	Outstanding Balance	Stage 1 ECL	Stage 2 ECL	Stage 3 ECL	Total ECL	General Provision according to Notice no.012/2021-AMCM		Collateral	
Loans and advances to banks									
Pass	-	-	-	-	-	-	-	-	
Special Mention	-	-	-	-	-	-	-	-	
Substandard	-	-	-	-	-	-	-	-	
Doubtful	-	-	-	-	-	-	-	-	
Loss	-	-	-	-	-	-	-	-	
Loans and advances to non-bank customers									
Pass	-	-	-	-	-	-	-	-	
Special Mention	-	-	-	-	-	-	-	-	
Substandard	-	-	-	-	-	-	-	-	
Doubtful	-	-	-	-	-	-	-	-	
Loss	-	-	-	-	-	-	-	-	
Other assets									
Pass	-	-	-	-	-	-	-	-	
Special Mention	-	-	-	-	-	-	-	-	
Substandard	-	-	-	-	-	-	-	-	
Doubtful	-	-	-	-	-	-	-	-	
Loss	-	-	-	-	-	-	-	-	
TOTAL	-	-	-	-	-	-	-	-	

14. MARKET RISK / FOREIGN EXCHANGE RISK

The Macau Branch has the following analysis of foreign currency at the balance sheet date:

(thousand MOP)

	30 JUNE 2022			
	EUR	USD	HKD	CNY
Cash and equivalents	8 069	25 724	(505)	41
Other assets	-	9 350	-	-
TOTAL (net open positions long or short)	8 069	35 074	(505)	41

15. LIQUIDITY RISK

The table below reflects the liquidity risk indicators of the Macau Branch as at 30 June 2022.

(thousand MOP)	
LIQUIDITY RISK INDICATORS	30 JUNE 2022
Arithmetic mean of the minimum weekly amount of cash in hand that is required to be held during the year	9
Arithmetic mean of the average weekly amount of cash in hand during the year	91
Arithmetic mean of the specified liquid assets at the end of each month during the year	45 708
Average ratio of specified liquid asset to total basic liabilities at the end of each month during the year	8 433%
Arithmetic mean of its one-month liquidity ratio in the last week of each month during the year	-
Arithmetic mean of its three-month liquidity ratio in the last week of each month during the year	-