



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 | | 115 244 948 |
| Liabilities | | |
| Current income tax liabilities | | 5 196 773 |
| Other liabilities | | 20 738 503 |
| Total Liabilities | | 25 935 277 |
| 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 | | 89 309 671 |
| Total Liabilities and Head Office Account | | 115 244 948 |

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)

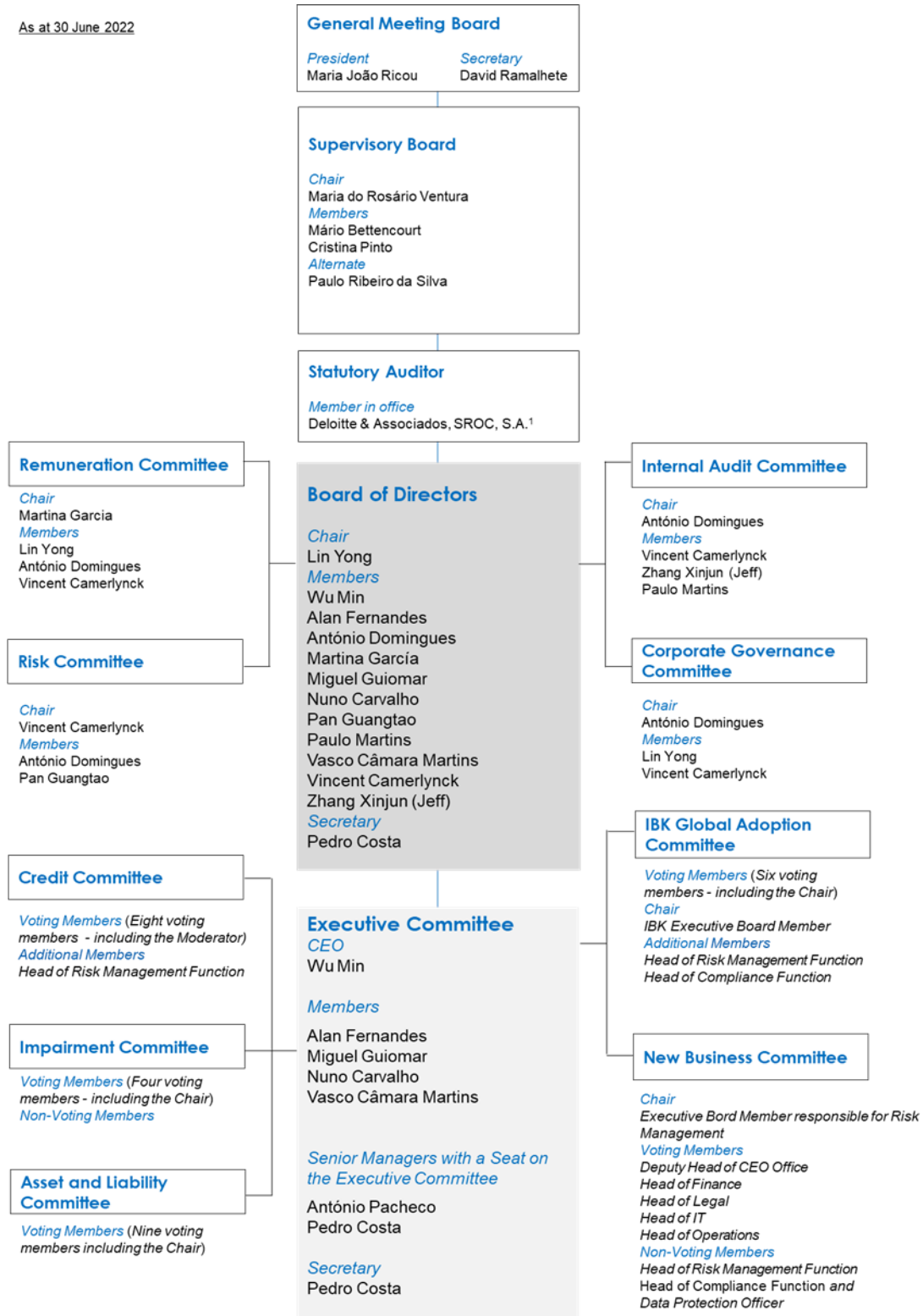
| CASH FLOW ARISING FROM OPERATING ACTIVITIES | |
|---|---------------------|
| Profit before tax | 32,965,630 |
| <u>Adjustments</u> | |
| Depreciation and amortisation | 1,368,190 |
| Charge of impairment loss on financial assets | 309,608 |
| Interest income | (139,656) |
| | <hr/> |
| | 34,503,772 |
| <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 |
| | <hr/> |
| 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 |
| | <hr/> |
| 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 |

| | | |
|--|------------------|------------------|
| 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-subsidiary 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:

| | | | | | (MOP) |
|--------------------|---------------------------|------------|--------------------|-------------|--------|
| RELATED PARTIES | 30 JUNE 2022 | | | | |
| | 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 | | | | | | | |
| | On demand | Within 1 month | >1 Month < 3 months | >3 Months < 1 Year | >1 Year < 3 Years | < 3 years | Indefinite period |
| Assets | | | | | | | |
| 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 | - | - | - |
| | On demand | Within 1 month | >1 Month < 3 months | >3 Months < 1 Year | >1 Year < 3 Years | < 3 years | Indefinite period |
| Liabilities | | | | | | | |
| 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)

| | 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 | - |