

BANCO WELL LINK, S.A.

Disclosure of Financial Information For the first half year ended 30 June 2023

IN ACCORDANCE WITH THE AMCM CIRCULAR NO.006/B/2022-DSB-AMCM



立橋銀行
Well Link Bank

Content for Disclosure of Financial Information

	Page No
1. Balance Sheet	3-4
2. Profit & Loss Account	5
3. Statement of Comprehensive Income	6
4. Governing Bodies and Qualified Shareholders	7-8
5. Cash Flow Statement	9-10
6. Off-balance-sheet exposures other than derivatives transactions	11
7. Derivatives transactions	11
8. Related Party Transactions	12
9. Capital	13-14
10. Credit Risk Management	15-22
11. Market Risk Management	23
12. Interest Risk Management	23
13. Operational Risk Management	23
14. Foreign Exchange Risk	24-25
15. Liquidity Risk	26

1. Balance Sheet

BANCO WELL LINK, S.A.
IN ACCORDANCE WITH THE AMCM CIRCULAR NO.006/B/2022-DSB-AMCM
Balance sheet as at 30 June 2023

	30-Jun-23 (Unaudited) MOP	31-Dec-22 (Audited) MOP
ASSETS		
Cash	56,329,923	72,032,502
Deposits and clearing balances with Autoridade Monetaria de Macau	302,953,305	304,808,692
Deposits on demand and clearing balances with credit institutions	906,160,256	234,631,163
Placements with credit institutions	5,910,370,604	6,720,268,672
Debt investments	1,902,091,585	1,476,063,686
Loans and advances	10,065,545,696	8,851,998,042
Other assets	38,134,720	36,918,444
Deferred tax assets	5,274,066	5,274,066
Investments in associates	2,572,347	2,572,347
Plant and equipment	26,885,583	27,382,432
Intangible assets	57,915,778	61,823,425
	<hr/>	<hr/>
Total assets	<u>19,274,233,863</u>	<u>17,793,773,471</u>

1. Balance Sheet (continued)

BANCO WELL LINK, S.A.
Balance sheet as at 30 June 2023

	30-Jun-23 (Unaudited)	31-Dec-22 (Audited)
	MOP	MOP
LIABILITIES		
Deposits and balances with banks and other financial institutions	20,697,957	449,324,547
Deposits from customers	16,174,506,155	14,416,969,394
Other liabilities	77,616,480	76,886,736
Current tax liabilities	35,056,475	35,347,127
	<hr/>	<hr/>
Total liabilities	16,307,877,067	14,978,527,804
	<hr/>	<hr/>
EQUITY		
Share capital	2,200,000,000	2,200,000,000
Legal reserve	152,095,586	109,930,842
Investment revaluation reserve	(26,870,955)	(41,445,434)
Other reserve	112,873	112,873
General regulatory reserves	74,000,000	55,000,000
Specific regulatory reserves	-	-
Retained profits	567,019,292	491,647,386
	<hr/>	<hr/>
Total equity	2,966,356,796	2,815,245,667
	<hr/>	<hr/>
Total liabilities and equity	19,274,233,863	17,793,773,471
	<hr/> <hr/>	<hr/> <hr/>

2. Income Statement

BANCO WELL LINK, S.A.
Income Statement
For the first half year ended 30 June 2023

	30-Jun-23 (Unaudited) MOP	30-Jun-22 (Unaudited) MOP
Interest income	441,127,119	264,784,073
Interest expense	<u>(255,660,394)</u>	<u>(96,901,735)</u>
NET INTEREST INCOME	185,466,725	167,882,338
Fee And commission income	31,190,404	27,111,790
Fee And commission expenses	<u>(2,710,759)</u>	<u>(1,955,971)</u>
NET FEE AND COMMISSION INCOME	28,479,645	25,155,819
Foreign exchange gain, net	1,293,960	837,544
Other Operating (expense)/income, net	-	500
Operating Expense	<u>(81,974,469)</u>	<u>(85,943,630)</u>
	133,265,861	107,932,571
Net charge of impairment allowances	<u>3,451,159</u>	<u>(10,158,042)</u>
PROFIT BEFORE TAX	136,717,020	97,774,529
Income Tax Expense	<u>-</u>	<u>-</u>
PROFIT FOR THE PERIOD	<u><u>136,717,020</u></u>	<u><u>97,774,529</u></u>

3. Statement of Comprehensive Income

BANCO WELL LINK, S.A.
Statement of Comprehensive Income
For the first half year ended 30 June 2023

	30-Jun-23 (Unaudited) MOP	30-Jun-22 (Unaudited) MOP
PROFIT FOR THE PERIOD	136,717,020	97,774,529
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods		
Debt investments at fair value through other comprehensive income:		
Changes in fair value	14,624,494	(21,514,238)
Change in impairment allowances charged to income statement	(50,016)	-
Release upon disposal reclassified to income statement	-	-
Income tax effect	-	-
	<u>14,574,478</u>	<u>(21,514,238)</u>
Available-for-sale investments:	N/A	N/A
Changes in fair value	<u>N/A</u>	<u>N/A</u>
Income tax effect	N/A	N/A
Net other comprehensive income that may be reclassified to profit or loss in subsequent period	<u>14,574,478</u>	<u>(21,514,238)</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, BEFORE TAX	<u>14,574,478</u>	<u>(21,514,238)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u><u>14,574,478</u></u>	<u><u>(21,514,238)</u></u>

CHIEF EXECUTIVE OFFICER

Chong Sio Fai

EXECUTIVE DIRECTOR

Huang Ruisheng

4. Governing Bodies and Qualified Shareholders

Governing Bodies and Qualified Shareholders

Chairing Board of Shareholders' meeting

Chairman: Xu Chujia

Secretary: Kwan Kin Man Keith Appointed on 14.04.2023

Secretary: Xiang Fei

Secretary: Yeung Chi Shing Resigned on 14.04.2023

Board of Directors:

Chairman: Zhang Shengman

Directors: Xu Chujia

Paulo Jorge Fernandes Franco

So Shing Shun

Lao Pun Lap

Antonio Jose Felix Pontes

Chong Sio Fai

Huang Ruisheng

Cai Kunshan

Executive Committee:

Chong Sio Fai

Huang Ruisheng

Cai Kunshan

Supervisory Board:

Chairman: Ng Man Kung

Members: Vong Hin Fai

CSC & Associates – Sociedade de Auditores (represented
by MokChi Meng)

Company Secretary: Xiang Fei

Institutions in which have holdings in excess of 5% in the share capital, or over 5% of their own funds

	<i>Total Capital</i>	<i>Holding capital</i>	<i>% of Total Capital</i>
Anderson Services Company Limited	MOP400,000	MOP 100,000	25%
Zhuhai Liqiao Jinrong Keji Youxian Gongsi	CNY 10,000,000	CNY 2,000,000	20%

Qualified Shareholders:

Shareholders with a qualified holding as of 30 June 2023:

Well Link Holding Limited	59.67%
Kingyin (Macau) Holdings Limited	15%
Shengman Investments Limited	10%

5. The Cash flow statement

	30-Jun-23 (Unaudited) MOP	30-Jun-22 (Unaudited) MOP
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	136,717,020	97,774,529
Adjustments for:		
Depreciation of plant and equipment	5,418,322	5,043,330
Amortisation of intangible assets	7,741,026	5,862,293
Net charge of impairment allowances	(3,451,159)	10,158,041
Interest income from debt investments	(30,048,283)	(21,131,563)
Loss on disposal of items of plant and equipment	-	-
Loss on disposal of items of intangible assets	-	-
Exchange adjustments	46,308,655	30,891,735
	162,685,581	128,598,365
Decrease/(Increase) in minimum statutory deposits with AMCM	10,396,000	(9,932,462)
Increase in loans and advances	(1,210,096,495)	(1,363,477,331)
(Increase)/Decrease in placements with local credit institutions with original maturity more than three months	(738,430,348)	1,145,652,000
Increase in placements with foreign credit institutions with original maturity more than three months	(227,245,600)	(21,744,500)
Increase in other assets	(1,216,275)	(82,368,120)
Decrease in deposits and balances with banks and other financial institutions	(428,626,590)	(343,287,193)
Increase in deposits from customers	1,757,536,761	877,626,883
Increase in other liabilities	729,744	15,936,879
Cash generated from operations	(674,267,222)	347,004,521
Macao complementary tax paid	-	-
Net cash flows from operating activities	(674,267,222)	347,004,521
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of items of plant and equipment	(4,921,474)	(8,019,213)
Purchases of items of intangible assets	(3,833,379)	0
Purchases of debt investments	(428,184,814)	(313,444,660)
Proceeds from disposal of debt investments	-	-
Acquisition of an associate	-	-
Net cash flows from investing activities	(436,939,667)	(321,463,873)

5. The Cash flow statement(continued)

	30-Jun-23 MOP	30-Jun-22 MOP
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	-	-
Net cash flows from financing activities	-	-
NET INCREASE IN CASH AND CASH EQUIVALENT	(1,111,206,889)	25,540,648
Cash and cash equivalents at beginning of year	5,314,675,977	5,915,226,816
CASH AND CASH EQUIVALENTS AT END OF YEAR	4,203,469,088	5,940,767,464
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash	56,329,923	63,782,999
Deposits and clearing balances with AMCM with original maturity at or within three months	302,953,305	209,997,171
Deposits on demand with credit institutions	906,160,256	286,320,909
Placements with local credit institutions with original maturity at or within three months	2,327,928,604	4,437,511,647
Placements with foreign credit institutions with original maturity at or within three months	758,420,000	1,081,321,200
Less: Minimum statutory deposits with AMCM	(148,323,000)	(138,166,462)
Cash and cash equivalents as stated in the statement of cash flows	4,203,469,088	5,940,767,464

6. Off-balance sheet exposures other than derivative transactions

At 30 June 2023 the Bank had the following contingent liabilities and outstanding commitments:

(a) *Off balance sheet items outstanding (contract amount) at the balance sheet date (in MOP):*

Bank guarantees issued	42,940,892
Values held as guarantees	51,644,818,090
Letter of Credit	2,147,272
Undrawn facilities	711,398,331
Values for collection	-
Acceptances	-

AMCM requires that general provision be maintained at 1% of the endorsements and performance guarantees on behalf of customers. Specific provisions on contingent credit are made when there is evidence that endorsement and performance guarantees on behalf of customers are not fully recoverable.

(b) *Operating lease commitments*

The Bank leases certain of its office premises under operating lease arrangements. Leases for office premises are negotiated for terms ranging from one to two years. At 30 June 2023, the Bank had future aggregate minimum lease payments under non-cancellable operating leases as follows (in MOP):

Within one year	21,575,069
In the second to fifth years, inclusive	37,974,297
	59,549,366

7. Derivatives

As at 30 June 2023, the notional amount of interest-bearing off balance sheet financial instruments is as follows:

	<i>Notional amount MOP</i>	<i>Credit risk weighted amount MOP</i>	<i>Fair value MOP</i>
Foreign currency swaps	-	-	-
Foreign exchange contract	-	-	-
	-	-	-

The notional amounts of these contracts indicate the volume of transactions outstanding and do not represent amounts at risk.

8. Related party transactions

The amount of related party transactions during the year is set out below :

<i>Amount of transactions with related parties during the year</i>	<i>(in MOP)</i>
Shareholders:	
Interest expenses	(1,316)
Directors:	
Interest expenses	(58,874)
Other related parties	
Interest expenses	(638,337)

The outstanding amounts of related party transactions as at the end of the reporting period are set out below:

<i>Balances of transactions between the Bank and related parties at the balance sheet date</i>	<i>(in MOP)</i>
Shareholders:	
Loans and advances	-
Deposit from customers	(656,466)
Interest payables	(136)
Directors:	
Loans and advances	-
Deposit from customers	(4,398,938)
Interest payables	(33,471)
Associates:	
Deposit from customers	(515,838)
Other payables	(2,332,060)
Other related parties	
Loans and advances	67,341
Deposit from customers	(24,137,268)
Interest payables	(308,061)

9. Capital

(a) Share capital

Authorised, issued and fully paid (in MOP):

2,200,000 shares of MOP1,000 each	<u>2,200,000,000</u>
-----------------------------------	----------------------

(b) Capital management

The Bank's capital structure is regularly reviewed and managed with due regard to the capital management practices of the group to which the Bank belongs.

(i) Own funds

The Bank's own fund as of 30 June 2023 amounted to MOP2.83 billion. The value of own fund is the sum of core capital and supplementary capital less the amounts subject to deductions (if there were any).

Component of own fund is as follows (in MOP):

Share capital	2,200,000,000
Legal reserve	152,095,586
Other reserve	112,873
Changes in the fair value of bonds	(26,870,955)
Retained earnings	<u>430,302,272</u>
Total core capital	2,755,639,776
General provision/ Total supplementary capital	<u>74,000,000</u>
Total amount of own funds	<u>2,829,639,776</u>

The Bank's core capital consists of the following:

- Paid-up share capital pertains to 2,200,000 equity shares of authorised, issued and fully paid shares. The Bank does not have any other capital instruments except for these equity shares as qualifying capital.
- Legal reserve is a non-distributable reserve set aside from profit each year in accordance with FSA which provides that an amount of not less than 20 % of the profit after taxation be set aside each following year until the reserve reaches 50 % of the Bank's issued share capital and thereafter 10 % of the profit after taxation be set aside each year until the reserve is equal to the Bank's issued share capital.

9. Capital (continued)

(b) Capital management (continued)

(i) Own funds (continued)

- Other reserve pertains to the one-time transfer of retained profits in the prior year.
- Retained earnings are the accumulated undistributed profits, net of legal reserves set aside in accordance with FSA. Profit for the year pertains to the income earned for the period.

The Bank's supplementary capital represents the statutory reserves on general provision calculated in accordance with AMCM rules.

(ii) Operational Risk Adjusted Solvency ratio

- As of 30 June 2023, the Bank has maintained an Operational Risk Solvency Ratio of 21.80% against AMCM minimum regulatory requirement of 8%. The Operational Solvency Ratio is calculated with the Bank's own fund expressed as a percentage of the sum of its weight credit risk exposures, weighted market risk exposures and weighted operational risk exposures. The solvency ratio is calculated in accordance with Notice no. 011/2015-AMCM.

10. Credit risk management

(a) Geographical distribution of exposures

(i) Geographical analysis of loans and advances to customers

Region	Loans and Advances Outstanding balance	Loans and Advances Impaired Loan Amount	Stage III ECL
	MOP	MOP	MOP
China	1,429,340,405	425,422	289,981
Of which:			
- Banks	657,674	-	-
- Government/Public sectors	-	-	-
- Others	1,428,682,731	425,422	289,981
Hong Kong SAR	7,663,930,638	82,086	82,086
Of which:			
- Banks	-	-	-
- Government/Public sectors	-	-	-
- Others	7,663,930,638	82,086	82,086
Indonesia	9,725	-	-
Of which:			
- Banks	-	-	-
- Government/Public sectors	-	-	-
- Others	9,725	-	-
Cayman Island	27,358,295	-	-
Of which:			
- Banks	-	-	-
- Government/Public sectors	-	-	-
- Others	27,358,295	-	-

10. Credit risk management (continued)

(i) Geographical analysis of loans and advances to customers (continued)

Region	Loans and Advances Outstanding balance	Loans and Advances Impaired Loan Amount	Stage III ECL
	MOP	MOP	MOP
Macau SAR	134,636,260	13,644,578	10,680,639
Of which:			
- Banks	-	-	-
- Government/Public sectors	-	-	-
- Others	134,636,260	13,644,578	10,680,639
Philippines	5,282	-	-
Of which:			
- Banks	-	-	-
- Government/Public sectors	-	-	-
- Others	5,282	-	-
Virgin Islands	585,223,989	-	-
Of which:			
- Banks	-	-	-
- Government/Public sectors	-	-	-
- Others	585,223,989	-	-
Samoa	263,966,848	-	-
Of which:			
- Banks	-	-	-
- Government/Public sectors	-	-	-
- Others	263,966,848	-	-
Total	10,104,471,442	14,152,086	11,052,706

The geographical analysis is classified by location of the borrowers after taking into account the transfer of risk. In general, risk transfer applies when a loan is guaranteed by a party situated in an area different from the counterparty.

10. Credit risk management (continued)

(ii) Geographical analysis of investments in debt and other securities

<i>Region</i>	<i>Gross Investments MOP</i>
Hong Kong SAR	1,154,370,794
Of which:	
– Banks	248,225,724
– Government/Public sectors	816,955,545
– Others	89,189,525
Philippine	102,857,905
Of which:	
– Banks	102,857,905
– Government/Public sectors	-
– Others	-
China	527,569,679
Of which:	
– Banks	376,557,843
– Government/Public sectors	151,011,836
– Others	-
Macau SAR	117,386,812
Of which:	
– Banks	117,386,812
– Government/Public sectors	-
– Others	-
Total	<u>1,902,185,190</u>

10. Credit risk management (continued)

(b) Industry distribution of exposures

The following information concerning the further analysis of loans and advances to customers by industry sectors is prepared by classifying the advances according to the usage of the advances in respect of industry sectors.

	<i>Loans and Advances Outstanding Balance</i>	<i>Loans and Advances Impaired Loan Amount</i>	<i>Stage III ECL</i>
	<i>MOP</i>	<i>MOP</i>	<i>MOP</i>
Agriculture and fisheries	-	-	-
Mining industries	-	-	-
Manufacturing industries	383,457,938	-	-
Electricity, gas and water	-	-	-
Construction and public works	2,863,674,494	-	-
Wholesale and retail trade	1,649,401,747	-	-
Restaurants, hotels and similar	1,444,770,418	-	-
Transport, warehousing and communications	-	-	-
Non-monetary financial institutions	-	-	-
Gaming	-	-	-
Exhibition and conference	-	-	-
Education	-	-	-
Information technology	526,469,346	-	-
Other industries	2,875,022,286	-	-
Personal loans	361,675,213	14,152,086	11,052,706
	10,104,471,442	14,152,086	11,052,706

10. Credit risk management (continued)

(c) Maturity analysis on assets and liabilities

Analysis of assets and liabilities by remaining maturity

The following maturity profile is based on the remaining period as at 30 June 2023 to the contractual maturity date:

	on demand MOP	Less than 1 months MOP	1 to less than 3 months MOP	3 to less than 12 months MOP	1 to 3 years MOP	Over 3 years MOP	within an indefinite period MOP	Total MOP
Financial assets								
Cash	56,329,923	-	-	-	-	-	-	56,329,923
Deposits and clearing balances with AMCM	302,953,305	-	-	-	-	-	-	302,953,305
Deposits on demand and clearing with credit institutions	906,160,256	-	-	-	-	-	-	906,160,256
Placements with credit institutions	-	1,160,437,376	1,472,676,033	1,088,135,036	-	-	-	3,721,248,445
Securities issued by Macao SAR Government and/or AMCM	-	599,424,337	536,492,566	1,053,205,256	-	-	-	2,189,122,159
Interbank Loans	-	-	-	-	-	-	-	-
Certificates of deposit held	-	-	-	-	-	-	-	-
Loans and advances to customers	26,388,236	59,185,924	162,455,465	567,646,135	4,686,878,874	4,601,916,808	-	10,104,471,442
Debt investments	-	-	-	730,155,905	681,478,593	490,457,087	-	1,902,091,585
Financial assets Total	1,291,831,720	1,819,047,637	2,171,624,064	3,439,142,332	5,368,357,467	5,092,373,895	-	19,182,377,115

10. Credit risk management (continued)

(c) Maturity analysis on assets and liabilities (continued)

Analysis of assets and liabilities by remaining maturity (continued)

	on demand MOP	Less than 1 months MOP	1 to less than 3 months MOP	3 to less than 12 months MOP	1 to 3 years MOP	Over 3 years MOP	within an indefinite period MOP	Total MOP
Financial liabilities								
Deposits and balances of banks and financial institutions	913,982	-	-	19,783,975	-	-	-	20,697,957
Deposits from public sector entities	-	210,063,985	709,677,709	1,740,521,508	-	-	-	2,660,263,202
Deposits from holding and associated companies	515,838	-	-	-	-	-	-	515,838
Deposits from non-bank customers	791,623,341	767,511,810	2,024,835,534	9,643,792,201	273,454,291	12,509,938	-	13,513,727,115
Financial Liabilities Total	793,053,161	977,575,795	2,734,513,243	11,404,097,684	273,454,291	12,509,938	-	16,195,204,112
Interest rate sensitivity gap	498,778,559	841,471,842	(562,889,179)	(7,964,955,352)	5,094,903,176	5,079,863,957	-	2,987,173,003

10. Credit risk management (continued)

(d) Ageing analysis of accounting past-due exposures

(i) Loans and advances to non-bank customers

	Loans and Advances Outstanding Balance		Value of Collateral MOP	Stage III ECL MOP
	MOP	% to total		
Performing and past due for no more than 3 months	10,090,175,406	99.87%	12,437,946,923	370,774
Past due for more than 3 months but not more than 6 months	2,185,745	0.02%	-	887,845
Past due for more than 6 months but not more than 1 year	4,023,089	0.04%	2,060,000	2,413,635
Past due for more than 1 year	7,429,529	0.07%	60,000	7,380,452
	<u>10,103,813,769</u>	<u>100.00%</u>	<u>12,440,066,923</u>	<u>11,052,706</u>

(ii) Loans and advances to banks

During the period, the Bank did not have any overdue interbank loans and advances.

(iii) Other assets

During the period, the Bank did not have any overdue other assets.

10. Credit risk management (continued)

(e) Credit quality analysis under regulatory asset classification

	Amount in MOP			Value of Collateral MOP	ECL MOP
	Stage I	Stage II	Stage III		
Credit - loans and advance					
Pass	9,874,277,224	-	-	12,399,543,507	26,087,631
Special Mention	-	215,384,459	-	38,341,616	1,648,496
Substandard	-	-	2,149,185	-	859,706
Doubtful	-	-	4,440,578	2,060,000	2,743,058
Loss	-	-	7,562,322	121,800	7,449,942
<i>(subtotal)</i>	9,874,277,224	215,384,459	14,152,085	12,440,066,923	38,788,833
Other credit*					
Pass	13,186,717	-	-	/	35,653
Special Mention	-	31,744,480	-	/	101,260
Loans and advance to banks					
Pass	657,674	-	-	-	86
Other financial investment					
Pass	1,902,185,190	-	-	-	93,605

- Including all liability arising from guarantees given by the Bank or from bank acceptance. Collateral value of other credits is included in the corresponding category of "Credit - loans and advances".

11. Market risk management

The capital charge for market risk calculated in accordance with Notice no. 011/2015-AMCM guidelines as follows:

	MOP In '000'
Capital charge on foreign exchange	
Exposure/Total capital charge for market risk	6,986
	<hr/>
Weighted Market Risk Exposure	6,986
	<hr/> <hr/>

12. Interest rate risk

Sensitivity analysis

The following table indicates the instantaneous change in the Bank's economic values of own funds that would arise if interest rates to which the Bank has significant exposure at the balance sheet date had changed at that date, assuming all other risk variables remained constant. Actual changes in the Bank's economic values of own funds resulting from the change in interest rates may differ from the result of the sensitivity analysis.

As of 30 June 2023, interest rate risk weighted position on all currencies, measured as its impact in the economic values of own funds as follows:

	MOP In '000'
MOP	(796)
HKD	(67,411)
USD	10,797
CNY	21,228

13. Operational risk management

Operational risks arise from the Bank's daily operation and fiduciary activities. The Bank's compliance department play an essential role in monitoring and limiting the Bank's operational risk. The primary focus of compliance departments is to ensure adherence to the operating guidelines, including regulatory and legal requirements and to pro-actively recommend improvements.

The Bank manages operational risk by identifying, assessing, monitoring, controlling and mitigating the risk, rectifying operational risk events, and implementing any additional procedures required for compliance with local regulatory requirements.

14. Foreign exchange risk

The Bank's functional currency is Macau Patacas ("MOP"). The Bank is exposed to currency risk primarily arising from financial instruments that are denominated in United States dollars ("USD") and other major currencies.

As the MOP is pegged to HKD and the HKD is pegged to the USD, the Bank considers the risk of movements in exchange rates between these currencies to be insignificant.

In respect of balances denominated in foreign currencies other than MOP, USD and HKD, the associated assets are matched to the corresponding liabilities denominated in the same currency. Therefore, the effect of foreign exchange fluctuation is minimized.

The following table indicates the concentration of currency risk as of 30 June 2023:

(In thousand of MOP equivalent)

	Currency	Net Open Position excluding option contracts Long or Short	Net Position in option contracts Long or Short	Net Open Position including option contracts Long or Short
1	Australian dollars	33	-	33
2	Canadian dollars	4,662	-	4,662
3	Chinese renminbi	1,874	-	1,874
4	Euro	(868)	-	(868)
5	Hong Kong dollars	1,715,087	-	1,715,087
6	Japanese yen	-	-	-
7	New Zealand dollars	-	-	-
8	Pound sterling	412	-	412
9	Singapore dollars	-	-	-
10	Swiss francs	-	-	-
11	US dollars	18,006	-	18,006
	Foreign currencies not separately specified above, except gold	5	-	5
13	Gold	-	-	-

14. Foreign exchange risk (continued)

The following foreign currency constitutes not less than 10% of our bank's total net position in all foreign currencies :

(In thousands of MOP equivalent)

Currency	spot assets	spot liabilities	forward purchases	forward sales	Net long (short) position
Hong Kong dollars	22,681,310	20,966,223	-	-	1,715,087
Total	22,681,310	20,966,223	-	-	1,715,087

The following net options position constitutes not less than 10% of our bank's total net options position :

(In thousands of MOP equivalent)

Options position	option assets	option liabilities	Net options position
-	-	-	-
Total	-	-	-

15. Liquidity risk

(a) Average liquidity

(i) Average weekly liquidity for the year	MOP In '000'
Average weekly minimum cash in hand	217,510
Average weekly cash in hand	371,488

The average weekly liquidity is computed as the product of specified assets and liabilities by proportion designated in accordance with AMCM's requirements, as reported in the weekly return submitted to AMCM.

(ii) Liquidity ratio for the year

	In Percentage
1 month current ratio	151.3%
3 months current ratio	125.9%

The liquidity ratio is computed as the simple average of the percentage of specified assets to liabilities in the last week of each calendar month in accordance with AMCM's requirement, as reported in the monthly return submitted to AMCM.

(b) Average solvency assets

	MOP In '000'
Average specified liquid assets	8,649,253
Average total basic liabilities	14,357,957
Ratio of specified liquid assets to basic liabilities	60.2%

The average ratio of solvency assets to underlying liabilities is computed as the simple average of each calendar month's average ratio in accordance with AMCM's requirement, as reported in the monthly return submitted to AMCM.