

ORIX Asia Limited

**Interim Results
30 September 2022**

By Order of the Board:



PANG Hau Shu
MANAGING DIRECTOR

ORIX Asia Limited
Unaudited statement of profit or loss
For the six months ended 30 September 2022

	<i>Note</i>	2022	2021
		US\$	US\$
Interest income calculated using the effective interest method	4(a)	10,859,545	10,793,587
Other interest income	4(a)	308	311
Interest expense	4(b)	(1,289,831)	(1,524,977)
Net interest income		9,570,022	9,268,921
Fee and commission income	5(a)	3,242,541	4,375,669
Fee and commission expense	5(b)	(1,072,227)	(733,748)
Net fee and commission income		2,170,314	3,641,921
Net trading gain	6	1,358,244	382,986
Other operating income	7	1,553,800	1,549,276
		2,912,044	1,932,262
Operating income		14,652,380	14,843,104
Operating expenses	8	(11,872,207)	(10,043,832)
		2,780,173	4,799,272
Write back of impairment losses on loans and advance	9	785,137	1,953,537
Operating profit		3,565,310	6,752,809
Net loss on disposal of assets		-	(10,167)
Profit before taxation		3,565,310	6,742,642
Income tax	10	(525,669)	(1,114,100)
Profit for the period		3,039,641	5,628,542

ORIX Asia Limited
Unaudited statement of profit and loss and other
comprehensive income
For the six months ended 30 September 2022

	<i>Note</i>	2022 US\$	2021 US\$
Profit for the period		3,039,641	5,628,542
Other comprehensive income	11		
<i>Item that will not be reclassified to profit or loss:</i>			
Equity investment securities at fair value through other comprehensive income (FVOCI):			
Change in fair value of FVOCI investment (non-recycling)		-	7,537
Exchange difference on translation of FVOCI investment (non-recycling)		(116,096)	(8,962)
		(116,096)	(1,425)
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Debt investment securities at FVOCI:			
Change in fair value of FVOCI investment (recycling)		25,672	(1,011)
Other comprehensive income for the period, net of tax		(90,424)	(2,436)
Total comprehensive income for the period		2,949,217	5,626,106

ORIX Asia Limited

Unaudited statement of financial position as at 30 September 2022

	<i>Note</i>	<i>30-9-2022</i> US\$	<i>31-3-2022</i> US\$
Assets			
Cash and balances with banks and other financial institutions	12	13,834,492	16,119,438
Trading assets	13	134,848	655,347
Loans and advances to customers	14(a)	437,538,872	459,099,625
Investment securities	15	27,135,696	27,580,738
Property and equipment	16	8,865,307	10,595,494
Deferred tax assets	17(b)	400,609	631,055
Other assets	18	9,688,603	4,682,675
Total assets		497,598,427	519,364,372
Equity and liabilities			
Deposits and balances from banks and other financial institutions	19(a)	81,862,311	84,288,243
Deposits from customers	19(b)	62,874,875	75,385,124
Deposits from fellow subsidiaries		36,905,600	38,170,602
Loan from ultimate holding company	20	8,977,281	10,621,783
Trading liabilities	21	35,310	26,458
Lease liabilities	23	8,192,179	10,046,167
Tax payable	17(a)	1,061,663	928,941
Other liabilities	22	3,739,240	8,896,303
Total liabilities		203,648,459	228,363,621
Equity			
Share capital	24	32,000,000	32,000,000
Reserves	25	261,949,968	259,000,751
Total equity		293,949,968	291,000,751
Total equity and liabilities		497,598,427	519,364,372

1 General information

The Directors of ORIX Asia Limited (“the Company”) are pleased to present the unaudited interim results of the Company for the six months ended 30 September 2021.

The Company is a restricted licence bank incorporated and domiciled in Hong Kong and has its registered office and principal place of business at 25th Floor, Two Exchange Square, 8 Connaught Place, Central, Hong Kong.

The Company primarily provides lease financing and instalment loans to industrial, commercial and personal customers. It also engages in debt and equity investment activities.

The Company is registered as a restricted licence bank under the Hong Kong Banking Ordinance and is an approved seller/servicer of HKMC Insurance Limited, a wholly-subsiary of the Hong Kong Mortgage Corporation Limited.

2 Basis of preparation and accounting policies

Except as described below, the accounting policies and methods of computation used in the preparation of the 2023 interim financial statements are consistent with those used and described in the Company’s annual audited financial statements for the year ended 31 March 2022.

New and amended standards adopted by the Company

The following amendments to accounting standards became applicable for the current reporting period, the Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

	<i>Effective for accounting periods beginning on or after</i>
Amendments to HKAS 1, <i>Classification of liabilities as current or noncurrent</i>	1 January 2023
Amendments to HKAS 1 and HKFRS Practice Statement 2, <i>Disclosures of accounting policies</i>	1 January 2023
Amendments to HKAS 8, <i>Definition of accounting estimates</i>	1 January 2023
Amendments to HKAS 12, <i>Deferred tax related to assets and liabilities arising from a single transaction</i>	1 January 2023
HKFRS 17, <i>Insurance Contracts (new standard)</i>	1 January 2023

There are no other HKFRSs or interpretations that are effective from 1 April 2022 or not yet effective that would be expected to have a material impact on the Company.

3 Financial review

For the six months ended 30 September 2022, the Company recorded a pre-tax profit of US\$3.6 million, representing a decrease of US\$3.2 million or 47% relative to the same period of last year. It was mainly due to decrease in net fee and commission income by US\$1.5 million, increase in operating expenses by US\$1.8 million, decrease in write back of impairment losses on loans and advance by US\$1.2 million and offset by increase in net trading gain by US\$1.0 million.

As at 30 September 2022, the Company's total assets amounted to US\$497.6 million, representing a decrease of US\$21.8 million or 4.2% over the last financial year as at 31 March 2022. Among this, loans and advances to customers decreased by US\$21.6 million as compared with the last financial year.

4 Interest income and interest expense

For the six months ended 30 September

(a) Interest income

	2022	2021
	US\$	US\$
Interest income calculated using the effective interest method:		
-Interest income on deposits to banks and financial institutions	-	713
-Interest income on loans and advances	10,663,888	10,702,351
-Interest income on unlisted debt securities	93,909	4,156
-Interest income on loans and advances to fellow subsidiaries	95,007	80,702
-Others	6,741	5,665
	10,859,545	10,793,587
Other interest income:		
-Amortisation of discounts on purchased lease and loan contracts	308	311
	10,859,853	10,793,898

The interest income above represents interest income on financial assets that are not measured at fair value through profit or loss.

Included in the above is interest income accrued on impaired financial assets of US\$ 22,381 (2021: US\$201,768) for the six months ended 30 September 2022.

(b) Interest expense

	2022	2021
	US\$	US\$
Interest expense on borrowings and deposits from fellow subsidiaries and borrowings from ultimate holding company	463,268	250,313
Interest expense on deposits from customers, banks and other financial institutions	706,898	1,077,936
Interest on lease liabilities (note 23)	119,665	196,728
	1,289,831	1,524,977

The interest expense above represents interest expense on financial liabilities that are not measured at fair value through profit or loss.

5 Fee and commission income and expenses

For the six months ended 30 September

(a) Fee and commission income

	2022	2021
	US\$	US\$
Revenue from contracts with customers within the scope of HKFRS 15:		
Credit-related fees and commissions	432,198	464,345
Management fee	2,810,343	3,911,324
	3,242,541	4,375,669

(b) Fee and commission expense

	2022	2021
	US\$	US\$
Brokerage fee expenses	477,027	733,748
Management fee expenses	595,200	-
	1,072,227	733,748

The credit-related fee and commission income and the brokerage fee expenses to vendors are related to financial assets and liabilities not measured at fair value through profit and loss.

6 Net trading gain

For the six months ended 30 September

	2022	2021
	US\$	US\$
Net gain from currency derivatives	1,358,244	382,986

7 Other operating income

For the six months ended 30 September

	2022	2021
	US\$	US\$
Penalty income from early termination loans	398,571	411,903
Rental income	1,134,465	1,075,074
Others	20,764	62,298
	1,553,800	1,549,275

8 Operating expenses

For the six months ended 30 September

	2022 US\$	2021 US\$
Staff costs		
– Salaries and other benefits	4,218,402	4,608,080
– Contributions to the Mandatory Provident Funds	199,591	213,648
Depreciation:		
– Owned property and equipment	417,570	298,520
– Right-of-use assets (note 23)	1,782,821	1,879,554
Other premises and equipment expenses	175,602	179,088
Advertising expenses	20,824	61,658
Auditor’s remuneration	184,811	182,875
General and administrative expenses	1,577,700	1,295,125
Debt collection expenses	65,622	111,085
Consultancy fee	200,964	221,610
Other professional fee	687,002	68,799
Net exchange loss	1,748,919	366,600
Others	592,379	557,190
	<u>11,872,207</u>	<u>10,043,832</u>

9 Impairment losses on financial instruments

For the six months ended 30 September

	2022 US\$	2021 US\$
Write back/(charge) of impairment losses on loans and advances (note 9(a))	785,577	1,944,600
Write back/(charge) of impairment losses on cash and balances with banks and other financial institutions (note 9(b))	1	8,937
Write back/(charge) of impairment losses on investment securities (note 9(c))	(441)	-
Write back/(charge) to the statement of profit or loss	<u>785,137</u>	<u>1,953,537</u>

9 Impairment losses on financial instruments (continued)

(a) Impairment losses on loans and advances

	2022 US\$	2021 US\$
Stage 3 ECL		
- New provisions	(915,830)	(691,186)
- Releases	455,201	795,836
- Recoveries	33,340	64,014
	<u>(427,289)</u>	<u>168,664</u>
Stage 1 and 2 ECL		
- New provisions	-	-
- Releases (Note)	1,212,866	1,775,936
	<u>1,212,866</u>	<u>1,775,936</u>
Net release to the statement of profit or loss (note 9)	<u>785,577</u>	<u>1,944,600</u>

Note: The stage 1 and 2 ECL on loans and advances includes the stage 1 ECL on off-balance sheet exposures release of US\$253 (2021: release of US\$1).

(b) Impairment losses on cash and balances with banks and other financial institutions

	2022 US\$	2021 US\$
Stage 1 ECL		
- New provisions	-	-
- Releases	1	8,937
Net release to the statement of profit or loss (note 9)	<u>1</u>	<u>8,937</u>

(c) Impairment losses on investment securities

	2022 US\$	2021 US\$
Stage 1 ECL		
- New provisions	(441)	-
- Releases	-	-
Net charge to the statement of profit or loss (note 9)	<u>(441)</u>	<u>-</u>

10 Income tax

For the six months ended 30 September

Taxation in the statement of profit or loss represents:

	2022 US\$	2021 US\$
Current tax - Hong Kong Profits Tax		
Provision for the period	295,223	735,892
Deferred tax		
Origination and reversal of temporary differences (note 17(b))	<u>230,446</u>	<u>378,208</u>
Income tax charge	<u><u>525,669</u></u>	<u><u>1,114,100</u></u>

The provision for Hong Kong profits tax is calculated at 16.5% (six months ended 30 September, 2021: 16.5%) of the estimated assessable profits for the six months ended 30 September, 2022.

11 Other comprehensive income

For the six months ended 30 September

(a) Tax effects relating to each component of other comprehensive income

	2022			2021		
	Before-tax amount US\$	Tax benefit US\$	Net-of-tax amount US\$	Before-tax amount US\$	Tax expense US\$	Net-of-tax amount US\$
Equity investment securities at FVOCI:						
- Change in fair value of FVOCI investment	(71,954)	-	(71,954)	7,537	-	7,537
- Exchange difference on translation of FVOCI investment	(116,096)	-	(116,096)	(8,962)	-	(8,962)
Debt investment securities at FVOCI:						
- Change in fair value of FVOCI investment	97,626	-	97,626	(1,011)	-	(1,011)
Other comprehensive income	<u>(90,424)</u>	<u>-</u>	<u>(90,424)</u>	<u>(2,436)</u>	<u>-</u>	<u>(2,436)</u>

(b) Reclassification adjustments relating to components of other comprehensive income

	2022 US\$	2021 US\$
Investment securities:		
Changes in fair value recognised during the period:		
- Equity investment securities at FVOCI (non-recycling)	(71,954)	7,537
- Debt investment securities at FVOCI (recycling)	97,626	(1,011)
Exchange difference on translation of FVOCI investment	(116,096)	(8,962)
Net deferred tax (charged)/credited to other comprehensive income	<u>-</u>	<u>-</u>
Net movement in the revaluation reserve and translation reserve during the period recognised in other comprehensive income	<u>(90,424)</u>	<u>(2,436)</u>

12 Cash and balances with banks and other financial institutions

	30-9-2022 US\$	31-3-2022 US\$
Cash in hand	637	639
Balances with banks and authorised institutions and placements with banks	13,833,865	16,118,810
	13,834,502	16,119,449
Less: Impairment allowances - Stage 1 ECL	(10)	(11)
	13,834,492	16,119,438

13 Trading assets

	30-9-2022 US\$	31-3-2022 US\$
Positive fair values of derivatives (note 26(b))	134,848	655,347

14 Loans and advances to customers

(a) Loans and advances to customers

	30-9-2022 US\$	31-3-2022 US\$
Loans and advances to customers at amortised cost	157,298,559	148,972,060
Finance leases	283,651,823	314,482,101
Gross loans and advances to customers (note 14(c))	440,950,382	463,454,161
Less: Impairment allowances (note 14(b))		
- stage 3 ECL	(3,170,424)	(2,908,745)
- stage 1 and 2 ECL	(1,303,737)	(2,524,483)
Unearned discount on purchased lease and loan contracts	(1,331)	(1,644)
Prepaid initial cost	1,063,982	1,080,336
	437,538,872	459,099,625

14 Loans and advances to customers (continued)

(b) Movement in impairment allowances on loans and advances

The following table show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

	<u>30-9-2022</u>			
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
	<i>ECL</i>	<i>ECL</i>	<i>ECL</i>	
	US\$	US\$	US\$	US\$
At 1 April 2022	1,187,481	1,337,002	2,908,745	5,433,228
Transfer to Stage 1	112	(112)	-	-
Transfer to Stage 2	(5,718)	5,718	-	-
Transfer to Stage 3	(983)	(22,966)	23,949	-
Net remeasurement of loss allowance (including exchange adjustments)	(399,922)	(351,653)	469,188	(282,387)
New financial assets originated or purchased	105,648	-	-	105,648
Financial assets that have been matured and repaid	(117,214)	(433,655)	(41,178)	(592,047)
Financial assets that have been disposed	-	-	-	-
Write-offs	-	-	(190,280)	(190,280)
At 30 September 2022	<u>769,403</u>	<u>534,334</u>	<u>3,170,424</u>	<u>4,474,162</u>
	<u>31-3-2022</u>			
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>
	<i>ECL</i>	<i>ECL</i>	<i>ECL</i>	
	US\$	US\$	US\$	US\$
At 1 April 2021	4,323,435	1,099,725	4,378,269	9,801,429
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(17,769)	17,769	-	-
Transfer to Stage 3	(3,991)	(20,321)	24,312	-
Net remeasurement of loss allowance (including exchange adjustments)	(2,864,616)	493,216	387,893	(1,983,507)
New financial assets originated or purchased	535,600	616	-	536,216
Financial assets that have been matured and repaid	(785,178)	(254,003)	(434,254)	(1,473,435)
Write-offs	-	-	(1,447,475)	(1,447,475)
At 31 March 2022	<u>1,187,481</u>	<u>1,337,002</u>	<u>2,908,745</u>	<u>5,433,228</u>

14 Loans and advances to customers (continued)

(c) Loans and advances to customers analysed by industry sector

The analysis of gross loans and advances to customers by industry sector is based on the categories and definitions used by the Hong Kong Monetary Authority (“HKMA”).

	30-9-2022		31-3-2022	
	<i>Gross loans and advances to customers</i>	<i>% of gross loans and advances covered by collaterals</i>	<i>Gross loans and advances to customers</i>	<i>% of gross loans and advances covered by collaterals</i>
	US\$		US\$	
Gross loans and advances for use in Hong Kong				
Industrial, commercial and financial:				
Property investment	308,116	100	127,061	100
Financial concerns	2,075,626	100	1,783,626	100
Wholesale and retail trade	30,792,130	74	20,530,059	87
Manufacturing	14,249,195	18	14,612,315	21
Transport and transport equipment	241,528,879	90	266,393,650	92
Others	77,902,566	74	75,287,781	78
Individuals:				
Others	15,438,098	91	15,540,039	91
	382,294,610	83	394,274,531	87
Gross loans and advances for use outside Hong Kong	58,655,772	87	69,179,630	87
Gross loans and advances to customers	440,950,382	87	463,454,161	87

14 Loans and advances to customers (continued)

(c) Loans and advances to customers analysed by industry sector (continued)

For each industry sector reported above with loan balance constituting 10% or more of the total balance of advances to customers, the attributable amount of impaired loans, overdue loans, and ECL at stage 1,2 and 3 impairment allowances are as follows:

	30-9-2022				
	<i>Gross loans and advances</i> US\$	<i>Impaired loans and advances</i> US\$	<i>Overdue loans and advances</i> US\$	<i>ECL at Stage 3</i> US\$	<i>ECL at Stage 1 and 2</i> US\$
Loans and advances for use in Hong Kong					
Industrial, commercial and financial					
– Transport and transport equipment	241,528,879	2,810,657	2,410,061	2,104,340	954,387
– Others	77,902,566	37,078	-	37,340	262,966
	<u>77,902,566</u>	<u>37,078</u>	<u>-</u>	<u>37,340</u>	<u>262,966</u>
Loans and advances for use outside HK					
– Property investment	51,643,776	-	-	-	3,322
	<u>51,643,776</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,322</u>
	31-3-2022				
	<i>Gross loans and advances</i> US\$	<i>Impaired loans and advances</i> US\$	<i>Overdue loans and advances</i> US\$	<i>ECL at Stage 3</i> US\$	<i>ECL at Stage 1 and 2</i> US\$
Loans and advances for use in Hong Kong					
Industrial, commercial and financial					
– Transport and transport equipment	266,393,650	3,234,122	2,697,257	1,855,492	1,894,432
– Others	75,287,781	21,149	-	21,432	463,191
	<u>75,287,781</u>	<u>21,149</u>	<u>-</u>	<u>21,432</u>	<u>463,191</u>
Loans and advances for use outside HK					
– Property investment	61,510,316	-	-	-	2,610
	<u>61,510,316</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,610</u>

14 Loans and advances to customers (continued)

(d) Non-bank Mainland China exposures

The analysis of non-bank Mainland China exposures is based on the categories of non-bank counterparties and the type of direct exposures defined by the HKMA under the Banking (Disclosure) Rules with reference to the HKMA return of Mainland Activities. This analysis includes the exposures extended by the Company only.

	<u>30-9-2022</u>		<i>Total</i> US\$
	<i>On-balance</i> <i>sheet</i> <i>exposure</i> US\$	<i>Off-balance</i> <i>sheet</i> <i>exposure</i> US\$	
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	1,184,164	-	1,184,164
Other entities of local governments	1,030,628	-	1,030,628
PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	6,546,561	-	6,546,561
Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	1,496,985	1,069,302	2,566,287
	<u>10,258,338</u>	<u>1,069,302</u>	<u>11,327,640</u>
 Total assets after provision	 <u>497,598,427</u>		
 On-balance sheet exposures as percentage of total assets	 <u>2.06%</u>		

14 Loans and advances to customers (continued)

(d) Non-bank Mainland China exposures (continued)

	<u>31-3-2022</u>		<i>Total</i> US\$
	<i>On-balance</i> <i>sheet</i> <i>exposure</i> US\$	<i>Off-balance</i> <i>sheet</i> <i>exposure</i> US\$	
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	-	-	-
Other entities of local governments	2,035,254	-	2,035,254
PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	7,592,730	295,122	7,887,852
Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	1,414,869	-	1,414,869
	<u>11,042,853</u>	<u>295,122</u>	<u>11,337,975</u>
 Total assets after provision	 <u>519,364,372</u>		
 On-balance sheet exposures as percentage of total assets	 <u>2.13%</u>		

14 Loans and advances to customers (continued)

(e) Geographical analysis of loans and advances to customers

		<u>30-9-2022</u>				
		<i>Gross loans and advances US\$</i>	<i>Loans and advances overdue for more than 3 months US\$</i>	<i>Impaired loans (Stage 3) US\$</i>	<i>ECL at Stage 3 US\$</i>	<i>ECL at Stage 1 and 2 US\$</i>
Hong Kong		435,720,181	3,868,063	4,305,734	3,170,424	1,298,803
Others		5,230,201	-	-	-	4,934
		<u>440,950,382</u>	<u>3,868,063</u>	<u>4,305,734</u>	<u>3,170,424</u>	<u>1,303,737</u>
		<u>31-3-2022</u>				
		<i>Gross loans and advances US\$</i>	<i>Loans and advances overdue for more than 3 months US\$</i>	<i>Impaired loans (Stage 3) US\$</i>	<i>ECL at Stage 3 US\$</i>	<i>ECL at Stage 1 and 2 US\$</i>
Hong Kong		458,024,080	4,159,616	4,717,630	2,908,745	2,524,483
Others		5,430,081	-	-	-	-
		<u>463,454,161</u>	<u>4,159,616</u>	<u>4,717,630</u>	<u>2,908,745</u>	<u>2,524,483</u>

The above geographical analysis is classified by the 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.

14 Loans and advances to customers (continued)

(f) Impaired, overdue and rescheduled assets

(i) Impaired (stage 3) loans and advances to customers

	30-9-2022 US\$	31-3-2022 US\$
Gross impaired (stage 3) loans and advances to customers, net of net realisable value of collateral	4,305,734	4,717,631
Impairment allowance - stage 3 ECL (note 14(b))	(3,170,424)	(2,908,745)
	1,135,310	1,808,886
As a percentage of total loans and advances to customers		
Gross impaired (stage 3) loans and advances	0.98%	1.02%

Stage 3 ECL impairment allowance were made after taking into account the realisable value of collateral in respect of such loans and advances of US\$2,104,451 (31 March 2022: US\$2,820,299) for the Company. Collateral held by the Company mainly comprised of equipment, vehicles and cash on deposit with the Company.

14 Loans and advances to customers (continued)

(f) Impaired, overdue and rescheduled assets (continued)

(ii) Overdue loans and advances to customers

	30-9-2022		31-3-2022	
	Amount	% of total	Amount	% of total
	US\$	advances to	US\$	advances to
		customers		customers
Gross loans and advances to customers which have been overdue with respect to either principal or interest for periods of:				
– six months or less but over three months	1,009,357	0.23%	980,763	0.21%
– one year or less but over six months	124,997	0.03%	166,509	0.04%
– over one year	2,733,707	0.62%	3,012,345	0.65%
	3,868,061	0.88%	4,159,617	0.90%
 Current market value of collateral held against the covered portion of overdue loans and advances	 2,299,246		 4,981,841	
 Covered portion of overdue loans and advances	 1,868,671		 2,732,047	
 Uncovered portion of overdue loans and advances	 1,999,390		 1,427,570	
 Individual impairment allowances made on loans and advances overdue for more than three months	 2,851,299		 2,617,074	

14 Loans and advances to customers (continued)

(f) *Impaired, overdue and rescheduled assets (continued)*

(ii) *Overdue loans and advances to customers (continued)*

Loans and advances with a specific repayment date are classified as overdue when the principal or interest is overdue and remains unpaid as at the end of the reporting period. Loans repayable by regular instalments are treated as overdue when an instalment payment is overdue and remains unpaid as at the end of the reporting period. Loans repayable on demand are classified as overdue either when a demand for repayment has been served on the borrower but repayment has not been made in accordance with the demand notice, and/or when the loans have remained continuously outside the approved limit notice, and advised to the borrower for more than the overdue period in question.

(iii) *Rescheduled loans and advances to customers*

Rescheduled loans and advances are those loans and advances which have been restructured or renegotiated because of a deterioration in the financial position of the borrower, or of the inability of the borrower to meet the original repayment schedule and for which the revised repayment terms are non-commercial to the Company. Rescheduled loans and advances to customers are stated net of any loans and advances to customers that have subsequently become overdue for over three months and reported as overdue loans and advances in note 14(f)(ii). The amount of rescheduled loans and advances to customers is not material as at 30 September 2022 and 31 March 2022.

(iv) *Overdue loans and advances to banks and other financial institutions*

There are no loans and advances to banks and other financial institutions which are overdue for more than three months as at 30 September 2022 and 31 March 2022.

(v) *Rescheduled loans and advances to banks and other financial institutions*

There are no rescheduled loans and advances to banks and other financial institutions as at 30 September 2022 and 31 March 2022.

(vi) *Other overdue assets*

There are no other assets which are overdue for more than three months as at 30 September 2022 and 31 March 2022.

(g) *Repossessed assets*

	30-9-2022	31-3-2022
	US\$	US\$
Repossessed assets	440,860	813,028
	440,860	813,028

15 Investment securities

	30-9-2022 US\$	31-3-2022 US\$
Investment securities measured at fair value through other comprehensive income-debt instruments	26,502,585	26,831,089
Investment securities designated as at fair value through other comprehensive income-equity instruments	633,764	749,861
	27,136,349	27,580,950
Less: Impairment allowances - stage 1 ECL (note 9(c))	(653)	(212)
	27,135,696	27,580,738

16 Property and equipment

	<i>Leasehold improvements</i> US\$	<i>Furniture and equipment</i> US\$	<i>Motor vehicles</i> US\$	<i>Other properties and office equipments leased for own use</i> US\$	<i>Total</i> US\$
Cost:					
At 1 April 2022	1,695,895	4,066,009	113,776	17,822,469	23,698,149
Additions (note)	-	383,768	-	112,480	496,248
Exchange adjustment	-	-	-	(53,106)	(53,106)
At 30 September 2022	<u>1,695,895</u>	<u>4,449,777</u>	<u>113,776</u>	<u>17,881,843</u>	<u>24,141,291</u>
Accumulated depreciation:					
At 1 April 2022	1,040,603	3,174,471	51,199	8,836,382	13,102,655
Charge for the period	126,831	279,361	11,378	1,782,821	2,200,391
Exchange adjustment	-	-	-	(27,062)	(27,062)
At 30 September 2022	<u>1,167,434</u>	<u>3,453,832</u>	<u>62,577</u>	<u>10,592,141</u>	<u>15,275,984</u>
Net book value:					
At 30 September 2022	<u><u>528,461</u></u>	<u><u>995,945</u></u>	<u><u>51,199</u></u>	<u><u>7,289,702</u></u>	<u><u>8,865,307</u></u>
Cost:					
At 1 April 2021	1,561,197	3,206,949	113,776	14,785,270	19,667,192
Additions	159,312	916,256	-	4,001,886	5,077,454
Disposals	(24,614)	(57,196)	-	-	(81,810)
Adjustment from lease modification	-	-	-	(843,088)	(843,088)
Exchange adjustment	-	-	-	(121,599)	(121,599)
At 31 March 2022	<u>1,695,895</u>	<u>4,066,009</u>	<u>113,776</u>	<u>17,822,469</u>	<u>23,698,149</u>
Accumulated depreciation:					
At 1 April 2021	831,029	2,826,830	28,444	5,390,749	9,077,052
Charge for the year	224,022	404,838	22,755	3,711,408	4,363,023
Disposals	(14,448)	(57,197)	-	-	(71,645)
Adjustment from lease modification	-	-	-	(237,205)	(237,205)
Exchange adjustment	-	-	-	(28,570)	(28,570)
At 31 March 2022	<u>1,040,603</u>	<u>3,174,471</u>	<u>51,199</u>	<u>8,836,382</u>	<u>13,102,655</u>
Net book value:					
At 31 March 2022	<u><u>655,292</u></u>	<u><u>891,538</u></u>	<u><u>62,577</u></u>	<u><u>8,986,087</u></u>	<u><u>10,595,494</u></u>

Note: For the six month ended 30 September 2022, additions to right-of-use assets were US\$112,480 (31 March 2022: US\$4,001,886). This amount primarily related to the capitalised lease payments payable under the new tenancy agreements.

17 Income tax in the statement of financial position

(a) *Current taxation in the statement of financial position represents:*

	30-9-2022 US\$	31-3-2022 US\$
Provision for Hong Kong Profits Tax (note 10)	295,223	1,417,771
Provisional Profits Tax paid	-	(488,830)
	295,223	928,941
Balance of Profit Tax provision relating to prior years	766,440	-
	1,061,663	928,941
Tax payable	1,061,663	928,941

(b) *Deferred tax assets recognised:*

The components of deferred tax assets recognised in the statement of financial position and the movements during the period/year are as follows:

	Depreciation in excess of related depreciation allowances US\$	Depreciation charge of right-of-use assets US\$	Bonus provision US\$	Credit loss allowance US\$	Total US\$
Deferred tax arising from:					
At 1 April 2021	89,534	-	185,276	912,675	1,187,485
(Credit)/charged to statement of profit or loss (note 10)	(67,141)	-	6,768	(496,057)	(556,430)
	22,393	-	192,044	416,618	631,055
At 31 March 2022 and 1 April 2022	22,393	-	192,044	416,618	631,055
(Credit)/charged to statement of profit or loss (note 10)	(8,107)	-	(20,947)	(201,392)	(230,446)
	14,286	-	171,097	215,226	400,609
At 30 September 2022	14,286	-	171,097	215,226	400,609

18 Other assets

	30-9-2022 US\$	31-3-2022 US\$
Interest receivable	889,273	826,467
Amounts due from fellow subsidiaries	4,793,980	625,271
Deposits, prepayment and other receivables	4,005,350	3,230,937
	9,688,603	4,682,675
	9,688,603	4,682,675

19 Deposits from customers and deposits and balances from banks and other financial institutions

(a) *Deposits and balances from banks and other financial institutions:*

	30-9-2022	31-3-2022
	US\$	US\$
Deposits and balances from banks	<u>81,862,311</u>	<u>84,288,243</u>

Included in deposits and balances of banks and other financial institutions were short-term and long-term debts of approximately US\$82 million (31 March 2022: US\$84 million) guaranteed by the ultimate holding company.

(b) *Deposits from customers:*

	30-9-2022	31-3-2022
	US\$	US\$
Time, call and notice deposits	<u>62,874,875</u>	<u>75,385,124</u>

20 Loans from ultimate holding company

The balance represents loans from the ultimate holding company bear interest at 0.5% per annum (31 March 2022: 0.4%), amounting to US\$8,977,281 (31 March 2022: US\$10,621,783). The loans are unsecured and repayable within two year (31 March 2022: after two years).

21 Trading liabilities

	30-9-2022	31-3-2022
	US\$	US\$
Negative fair value of derivatives (note 26(b))	<u>35,310</u>	<u>26,458</u>

22 Other liabilities

	30-9-2022	31-3-2022
	US\$	US\$
Interest payable	301,872	162,422
Amounts due to fellow subsidiaries	-	15,475
Other liabilities and accrued charges	<u>3,437,368</u>	<u>8,718,406</u>
	<u>3,739,240</u>	<u>8,896,303</u>

23 Lease liabilities

The following table shows the remaining contractual maturities of the Company's lease liabilities at the end of the following reporting periods:

	30-9-2022		31-3-2022	
	<i>Present value of the minimum lease payments US\$</i>	<i>Total minimum lease payments US\$</i>	<i>Present value of the minimum lease payments US\$</i>	<i>Total minimum lease payments US\$</i>
Within 1 year	4,042,322	4,099,288	4,022,259	4,078,479
After 1 year but within 2 years	3,837,881	3,993,411	3,847,526	4,002,460
After 2 years but within 5 years	311,976	329,100	2,176,382	2,310,592
After 5 years	-	-	-	-
	<u>4,149,857</u>	<u>4,322,511</u>	<u>6,023,908</u>	<u>6,313,052</u>
	<u>8,192,179</u>	<u>8,421,799</u>	<u>10,046,167</u>	<u>10,391,531</u>
Less: total future interest expenses		<u>(229,620)</u>		<u>(345,364)</u>
Present value of lease liabilities		<u>8,192,179</u>		<u>10,046,167</u>

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

	30-9-2022 US\$	31-3-2022 US\$
Depreciation charge of right-of-use assets by class of underlying asset:		
Other properties and office equipment leased for own used, carried at depreciated cost (note 16)	<u>1,782,821</u>	<u>3,711,408</u>
	<u>1,782,821</u>	<u>3,711,408</u>
Interest on lease liabilities (note 4(b))	119,665	346,717
Expense relating to short-term leases	25,481	3,206

Note: The total financing cash outflow for the related lease rentals paid for the period ended at 30 September 2022 is US\$2,054,946 (for the year ended 31 March 2022: US\$3,700,516).

24 Share capital

	30-9-2022		31-3-2022	
	No. of shares	US\$	No. of shares	US\$
Ordinary shares, issued and fully paid:				
Ordinary shares	16,000,000	32,000,000	16,000,000	32,000,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets. For the year ended 31 March 2022 and for the period ended 30 September 2022, ordinary shares of HK\$10 and of US\$2 rank pari passu in all respects.

25 Reserves

(a)	Revaluation reserve/ (deficit) US\$	Translation reserve US\$	Retained profits US\$	Total US\$
Balance at 1 April 2021	(698,003)	37,119	249,579,944	248,919,060
Change in equity for 2022				
Profit for the year	-	-	10,092,159	10,092,159
Other comprehensive income:				
- Change in fair value in FVOCI investment (non-recycling)	-	-	-	-
- Exchange difference on translation of FVOCI investment	-	(79,111)	-	(79,111)
- Change in fair value in FVOCI investment (recycling)	68,643	-	-	68,643
Total comprehensive income for the year	<u>68,643</u>	<u>(79,111)</u>	<u>10,092,159</u>	<u>10,081,691</u>
Balance at 31 March 2022	(629,360)	(41,992)	259,672,103	259,000,751
Change in equity for 2023				
Profit for the period	-	-	3,039,641	3,039,641
Other comprehensive income:				
- Change in fair value in FVOCI investment (non-recycling)	-	-	-	-
- Exchange difference on translation of FVOCI investment	-	(116,096)	-	(116,096)
- Change in fair value in FVOCI investment (recycling)	25,672	-	-	25,672
Total comprehensive income for the period	<u>25,672</u>	<u>(116,096)</u>	<u>3,039,641</u>	<u>2,949,217</u>
Balance at 30 September 2022	<u>(603,688)</u>	<u>(158,088)</u>	<u>262,711,744</u>	<u>261,949,968</u>

25 Reserves (continued)

(b) Nature and purpose of reserves

(i) Revaluation reserve

The revaluation reserve for investment securities measured at fair value through other comprehensive income comprises the cumulative net change in the fair value of investment securities measured at fair value through other comprehensive income until the financial assets are derecognised.

(ii) Regulatory reserve

The regulatory reserve is maintained to satisfy the provision of the Hong Kong Banking Ordinance for prudential supervision purpose to set aside amounts in respect of losses which the Company may incur on the loans and advances in addition to the impairment allowances made under HKFRS. As at 30 September 2022, a regulatory reserve of US\$ 2.75 million (31 March 2022: US\$1.74 million) was earmarked in the retained profits and in consultation with the HKMA.

(iii) Translation reserve

The translation reserve comprises foreign exchange differences arising from the gain or loss of the equity instruments designated at fair value through other comprehensive income.

26 Derivatives

(a) Notional amount of derivatives

Derivatives refer to financial contracts whose value depends on the value of one or more underlying assets or indices. The notional amounts of these instruments indicate the volume of outstanding transactions and do not represent amounts at risk. All derivatives are held for trading purpose.

	30-9-2022	31-3-2022
	US\$	US\$
Currency derivatives		
– Forwards and futures	257,519,356	257,500,000

(b) Fair values and credit risk weighted amounts of derivatives

	30-9-2022			31-3-2022		
	Fair value		Credit risk weighted amount	Fair value		Credit risk weighted amount
	Assets	Liabilities		Assets	Liabilities	
	US\$	US\$	US\$	US\$	US\$	US\$
Currency derivatives	134,848	(35,310)	1,174,853	655,347	(26,458)	1,315,570

26 Derivatives (continued)

(b) Fair values and credit risk weighted amounts of derivatives (Continued)

The tables above give the notional amounts, fair value and credit risk weighted amounts of derivative transactions. The fair value is calculated for the purposes of deriving the credit risk weighted amounts. These are assessed in accordance with the Banking (Capital) Rules.

The Company did not enter into any bilateral netting arrangements during the period/year and accordingly these amounts are shown on a gross basis.

(c) Remaining life of derivatives

The following table provides an analysis of the notional amount of derivatives of the Company by relevant maturity grouping based on the remaining periods to settlement at the end of reporting period.

	30-9-2022 US\$	31-3-2022 US\$
Currency derivatives		
- Notional amounts with remaining life of one year or less	<u>257,519,356</u>	<u>257,500,000</u>

27 Contingent liabilities and commitments

Contingent liabilities and commitments to extend credit

The following is a summary of the contractual amounts of each significant class of contingent liabilities and commitments:

	30-9-2022 US\$	31-3-2022 US\$
Trade-related contingencies	-	295,122
Other commitments		
- with an original maturity of under one year or which are unconditionally cancellable	<u>24,960,869</u>	<u>16,833,869</u>
	<u>24,960,869</u>	<u>17,128,991</u>

Contingent liabilities and commitments are credit-related instruments which include acceptances, letters of credit, guarantees and commitments to extend credit. The risk involved is essentially the same as the credit risk involved in extending loan facilities to customers. The contractual amounts represent the amounts at risk should the contract be fully drawn upon and the clients default. As the facilities may expire without being drawn upon, the contractual amounts do not represent expected future cash flows.

The Company does not have any credit risk weighted amount arising from trade-related contingencies as at 30 September 2022 (31 March 2022: US\$59,024).

28 International claims

The Company analyses international claims by exposures to foreign counterparties on which the ultimate risk lies, and is derived according to the location of the counterparties after taking into account any transfer of risk. The transfer of risk from one country to another is recognised if the claims against a counterparty are guaranteed by another party in a different country or if the claims are on an overseas branch of a bank whose head office is located in a different country. Those areas which contribute 10% or more of the aggregate international claims are as follows:

	<u>30-9-2022</u>				<i>Total</i> US\$
	<i>Non-bank private sector</i>				
	<i>Banks</i> US\$	<i>Official sector</i> US\$	<i>Non-bank financial institutions</i> US\$	<i>Non-financial private sector</i> US\$	
Developed countries	2,904,685	-	-	1,017,487	3,922,172
Offshore centres	422,516	-	1,655,742	3,876,671	5,954,929
– of which: Hong Kong	422,516	-	1,655,742	1,274,402	3,352,660
Developing Asia Pacific	5,092,267	-	-	2,730,635	7,822,902
– of which: China	2,548,160	-	-	2,730,635	5,278,795
	<u>8,419,468</u>	<u>-</u>	<u>1,655,742</u>	<u>7,624,793</u>	<u>17,700,003</u>

	<u>31-3-2022</u>				<i>Total</i> US\$
	<i>Non-bank private sector</i>				
	<i>Banks</i> US\$	<i>Official sector</i> US\$	<i>Non-bank financial institutions</i> US\$	<i>Non-financial private sector</i> US\$	
Developed countries	6,808,999	-	-	1,208,631	8,017,630
Offshore centres	753,204	-	-	2,637,097	3,390,301
– of which: Hong Kong	753,204	-	-	110,377	863,581
Developing Asia Pacific	3,690,522	-	-	2,926,026	6,616,548
– of which: China	-	-	-	2,926,026	2,926,026
	<u>11,252,725</u>	<u>-</u>	<u>-</u>	<u>6,771,754</u>	<u>18,024,479</u>

29 Currency risk

The Company's foreign currency positions arise from foreign exchange transactions. All foreign currency positions are managed by the treasury department within limits approved by the Board.

The Company seeks to match closely its foreign currency denominated assets with corresponding liabilities in the same currencies. The Company also uses foreign currency forward contracts to manage foreign currency risk.

The net positions in foreign currencies are disclosed when each currency constitutes 10% or more of the respective total net position in all foreign currencies.

	<i>30-9-2022</i>		
	<i>USD equivalents</i>		
	<i>HK dollars</i>	<i>Japanese Yen</i>	<i>Total</i>
Spot assets	439,533,885	51,366,255	490,900,140
Spot liabilities	(133,054,990)	(46,202,469)	(179,257,459)
Forward purchases	-	-	-
Forward sales	(257,178,283)	-	(257,178,283)
Net long non-structural position	<u>49,300,612</u>	<u>5,163,786</u>	<u>54,464,398</u>
	<i>31-3-2022</i>		
	<i>USD equivalents</i>		
	<i>HK dollars</i>	<i>Japanese Yen</i>	<i>Total</i>
Spot assets	455,830,393	58,633,611	514,464,004
Spot liabilities	(150,504,723)	(53,330,366)	(203,835,089)
Forward purchases	-	-	-
Forward sales	(256,814,041)	-	(256,814,041)
Net long non-structural position	<u>48,511,629</u>	<u>5,303,245</u>	<u>53,814,874</u>

The Company does not have any structural position as at 30 September 2022 (31 March 2022: nil).

30 Liquidity maintenance ratio

	<i>Six months ended 30-9-2022</i>	<i>Six months ended 30-9-2021</i>	<i>Year ended 31-3-2022</i>
Average liquidity maintenance ratio	<u>99.21%</u>	<u>276.55%</u>	<u>193.80%</u>

The purpose of liquidity management is to ensure sufficient cash flows to meet all financial commitments and to capitalize on opportunities for business expansion. To manage liquidity risk, the Company has established a liquidity risk management policy (“the policy”) which is reviewed by management and approved by the Directors. The policy is reviewed at least annually.

The Company measures liquidity through the statutory Liquidity Maintenance Ratios (“LMR”), unsecured connected lending exposures and maturity mismatch ratio against internal and/or regulatory requirements.

Management closely monitors the liquidity of the Company on a daily basis to ensure that the liquidity structure of Company’s assets, liabilities and commitments can meet its funding needs and that the statutory liquidity ratio is always complied with. The Company’s average LMR for the year was well above the statutory minimum requirement of 25%.

The average LMR is the simple average of each calendar month’s average LMR, computed on the solo basis, which is the basis of computation agreed with the HKMA and has been computed in accordance with the Banking (Liquidity) Rules.

The Board of Directors empowered the Asset and Liability Management Committee (“ALCO”) to formulate, review, and update the policy from time to time in order to oversee the Company in managing its liquidity.

ALCO is responsible for the implementation and maintenance of the overall risk management framework relating to balance sheet structure, market risks and funding and liquidity management across the Company’s banking business. Monthly meeting will be conducted.

Liquidity stress testing is a risk management tool for estimating risk exposure under stressed conditions arising from extreme but plausible market or macroeconomic movements. The Company conducts stress testing through scenario analysis for (i) Liquidity Ratio and (ii) Maturity Mismatch Ratio.

Other monitoring measures:

(i) Treasury Department prepares Daily Liquidity Ratio Projection Report to forecast up to 7 days liquidity ratio on daily basis, which reflects a more realistic liquidity position for monitoring and considering the necessity of funding arrangement promptly.

(ii) Regarding unsecured lending to connected companies, Treasury Department daily projects the ratio against capital base and Accounting Department monitors the ratio on daily basis.

30 Liquidity maintenance ratio (continued)

Other monitoring measures:(continued)

(iii) Regarding cash flow projections, Projection of Cash Flow Report for coming four months is prepared by Treasury Department, for establishing financial plans and recognizing the timing and amount of fund raising that aligns strategic objectives.

(iv) Liquidity related issues, strategies, internal risk limits and stress testing results are reported in monthly ALCO meetings and documented in meeting minutes.

31 Capital and capital adequacy

	<i>30-9-2022</i>	<i>31-3-2022</i>
Capital ratio:		
Common Equity Tier 1 (“CET1”) Capital Ratio	60.45%	56.76%
Tier 1 Capital Ratio	60.45%	56.76%
Total Capital Ratio	61.29%	57.59%

The capital adequacy ratios were calculated in accordance with the Banking (Capital) Rules. The Company has adopted the “basic approach” for the calculation of the risk-weighted assets for credit risk, “Standardised approach for counterparty credit risk” for the calculation of counterparty credit risk and “basic indicator approach” for the calculation of operational risk.

During the year ended 31 March 2022 and for the six month ended 30 September 2022, market risk arising from the Company’s trading book is minimal. The Company has been granted exemption by the HKMA as it can fulfil the exemption criteria set out in sections 22(1)(a) and (b) of the Banking (Capital) Rules. Hence, the Company was exempted from the calculation of market risk.

31 Capital and capital adequacy (continued)

The components of total capital before and after deductions are shown below:

	30-9-2022 US\$	31-3-2022 US\$
CET1 Capital:		
CET1 Capital instruments	32,000,000	32,000,000
Retained earnings	262,711,744	259,672,103
Disclosed reserves	(761,776)	(671,352)
	<hr/>	<hr/>
CET1 Capital before deductions	293,949,968	291,000,751
Regulatory deductions to CET1 capital:		
Regulatory reserve for general banking risks	2,753,007	1,739,295
Net deferred tax assets	400,609	631,055
	<hr/>	<hr/>
Total CET1 Capital	290,796,352	288,630,401
Additional Tier 1 (“AT1”) Capital	-	-
	<hr/>	<hr/>
Total Tier 1 (“T1”) Capital	290,796,352	288,630,401
	<hr/>	<hr/>
Tier 2 (“T2”) Capital		
Qualifying Tier 2 capital instruments plus any related share premium	-	-
Collective impairment allowances and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	4,057,407	4,264,254
	<hr/>	<hr/>
Total T2 Capital	4,057,407	4,264,254
	<hr/>	<hr/>
Total Capital	294,853,759	292,894,655
	<hr/>	<hr/>

To comply with the Banking (Disclosure) Rules (“BDR”), all additional information in relation to the Company’s regulatory capital disclosures will be published by using the standard disclosure templates as specified by the HKMA under “Regulatory Disclosures” section on the Company’s website (<http://www.orix.com.hk>).

32 Leverage ratio

The leverage ratio was compiled in accordance with the Leverage Ratio Framework issued by the HKMA.

	<u>30-9-2022</u>	<u>31-3-2022</u>
Leverage ratio	<u>57.85%</u>	<u>55.01%</u>

For the purposes of compliance with the BDR, information in relation to the Company’s regulatory leverage ratio disclosures will be published by using the standard disclosure templates as specified by the HKMA under “Regulatory Disclosures” section on the Company’s website (<http://www.orix.com.hk>).

33 Countercyclical capital buffer ratio

The countercyclical capital buffer (“CCyB”) was compiled in accordance with the CCyB ratio framework issued by the HKMA.

	<u>30-9-2022</u>	<u>31-3-2022</u>
CCyB ratio	<u>0.9850%</u>	<u>0.9852%</u>

For the purposes of compliance with the BDR, the Company’s risk-weighted amounts in relation to each jurisdiction in which the Company has private sector credit exposures and the applicable JCCyB ratio for each jurisdiction that is relevant to the calculation of the Company’s CCyB ratio are as follows:

<i>Jurisdiction</i>	<u>30-9-2022</u>		<u>31-3-2022</u>	
	<i>Total</i>	<i>JCCyB</i>	<i>Total</i>	<i>JCCyB</i>
	<i>risk-weighted</i>		<i>risk-weighted</i>	
	<i>amount</i>	<i>ratio</i>	<i>amount</i>	<i>ratio</i>
	US\$		US\$	
Hong Kong SAR	415,308,662	1%	442,402,295	1%
China	2,731,110	0%	2,926,026	0%
Curacao	-	0%	19,594	0%
Japan	1,017,490	0%	1,208,631	0%
Macau SAR	4,941	0%	12,772	0%
Samoa	44,421	0%	53,946	0%
Singapore	2,097,582	0%	2,006,333	0%
West Indies UK	439,277	0%	434,075	0%
Total across countries	<u>421,643,483</u>		<u>449,063,672</u>	

33 Countercyclical Capital Buffer Ratio (continued)

To comply with the BDR, information in relation to the Company's regulatory CCyB ratio disclosures will be published by using the standard disclosure templates as specified by the HKMA under "Regulatory Disclosures" section on the Company's website (<http://www.orix.com.hk>).

34 Interim disclosure statement and statement of compliance

This interim financial disclosure statement for the six months ended 30 September 2022 is the Interim Disclosure Statement of the Company prepared in accordance with the requirements set out in the Banking (Disclosure) Rules issued by the HKMA. The Company has fully complied with such disclosure requirements.

Should there be any inconsistencies between the English and Chinese versions, the English version shall prevail.