



**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**  
(Incorporated in Singapore with limited liability)

**FINANCIAL INFORMATION DISCLOSURE STATEMENTS**

**FOR THE PERIOD ENDED**  
**30 June 2021**

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH****TABLE OF CONTENTS**

	Page
UNAUDITED INCOME STATEMENT	1
UNAUDITED BALANCE SHEET	2
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION	3
GROUP CONSOLIDATED FINANCIAL INFORMATION	24

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED INCOME STATEMENT**

	Note	Half-year ended 30 June 2021 HK\$'000	Half-year ended 30 June 2020 HK\$'000
Interest income		1,409,471	2,553,196
Interest expense		<u>(341,843)</u>	<u>(1,274,703)</u>
<b>Net interest income</b>		<b>1,067,628</b>	<b>1,278,493</b>
Fee and commission income		409,690	238,176
Fee and commission expenses		<u>(9,899)</u>	<u>(9,997)</u>
<b>Net fee and commission income</b>		<b>399,791</b>	<b>228,179</b>
<b>Net trading gain / (loss)</b>	1	<b>145,412</b>	<b>(46,698)</b>
<b>Other income</b>		<u>2,810</u>	<u>3,722</u>
<b>Total income</b>		<b>1,615,641</b>	<b>1,463,696</b>
<b>Operating expenses</b>	2	<u>(350,125)</u>	<u>(342,953)</u>
<b>Net income before impaired advances and receivables allowances</b>		<b>1,265,516</b>	<b>1,120,743</b>
Net charge of impaired advances and receivables		<u>(133,341)</u>	<u>(113,005)</u>
<b>Operating profit</b>		<b>1,132,175</b>	<b>1,007,738</b>
Net gain from disposal of fixed assets and investment properties		<u>-</u>	<u>-</u>
<b>Profit before taxation</b>		<b>1,132,175</b>	<b>1,007,738</b>
Taxation		<u>(170,196)</u>	<u>(180,778)</u>
<b>Profit for the period</b>		<b><u>961,979</u></b>	<b><u>826,960</u></b>

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED BALANCE SHEET**

	Note	As at 30 June 2021 HK\$'000	As at 31 December 2020 HK\$'000
<b>Assets</b>			
Cash and balances with central banks and banks	3	1,105,058	2,164,511
Placements with banks maturing between one and twelve months		776,504	1,979,297
Amount due from overseas offices		1,123,211	1,245,894
Trade bills	4	9,498,553	7,664,037
Securities held for trading purposes		2,417,585	2,146,657
Positive fair values for derivative financial instruments	10	6,762,530	8,594,942
Amount receivable under reverse repos		12,252,560	13,081,691
Advances to banks		-	-
Advances to customers	5	146,118,317	133,181,463
Financial investments	6	33,399,549	29,181,105
Investment in subsidiary		20	20
Investment property		492	492
Fixed assets		399,956	401,279
Other assets		1,233,763	1,902,221
<b>Total assets</b>		<b>215,088,098</b>	<b>201,543,609</b>
<b>Liabilities</b>			
Deposits and balances from central banks, banks and other financial institutions	7	19,346,350	8,274,054
Negative fair values for derivative financial instruments	10	6,351,751	8,348,388
Amount payable under repos		1,219,934	1,243,794
Deposits from customers	8	55,640,925	50,848,159
Amount due to overseas offices		123,074,716	126,554,303
Certificates of deposit issued	9	300,000	300,000
Issued debt securities		899,772	-
Other liabilities		8,254,650	5,974,911
<b>Total liabilities</b>		<b>215,088,098</b>	<b>201,543,609</b>

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION**
**1. Net trading gain / (loss)**

	<b>Half-year ended 30 June 2021 HK\$'000</b>	Half-year ended 30 June 2020 HK\$'000
Foreign exchange	<b>112,945</b>	(114,712)
Interest rate instruments	<b>4,441</b>	38,571
Commodity contracts	<b>27,385</b>	20,798
Credit derivative contracts	<b>112</b>	270
Securities held for trading purposes	<b>2,076</b>	9,226
Others	<b>(1,547)</b>	(851)
	<b><u>145,412</u></b>	<b><u>(46,698)</u></b>

**2. Operating expenses**

	<b>Half-year ended 30 June 2021 HK\$'000</b>	Half-year ended 30 June 2020 HK\$'000
Staff costs	<b>256,413</b>	237,063
Rental expenses	<b>50,204</b>	47,536
Courier expenses	<b>1,912</b>	2,287
Data processing fees	<b>38,756</b>	28,816
Net (reversal) / charge for other provisions	<b>(23,460)</b>	937
Others	<b>26,300</b>	26,314
	<b><u>350,125</u></b>	<b><u>342,953</u></b>

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**
**3. Cash and balances with central banks and banks**

	<b>As at 30 June 2021 HK\$'000</b>	<b>As at 31 December 2020 HK\$'000</b>
Cash in hand	38,359	49,618
Balances with central banks	177,838	177,947
Balances with banks	891,153	961,229
Placements with banks maturing within one month	-	976,836
Less:		
Allowances for non-impaired losses	<u>(2,292)</u>	<u>(1,119)</u>
	<b><u>1,105,058</u></b>	<b><u>2,164,511</u></b>

**4. Trade bills**

	<b>As at 30 June 2021 HK\$'000</b>	<b>As at 31 December 2020 HK\$'000</b>
Gross trade bills	9,638,599	7,782,255
Less:		
Allowances for non-impaired losses	(15,647)	(10,411)
Allowances for impaired losses	<u>(124,399)</u>	<u>(107,807)</u>
	<b><u>9,498,553</u></b>	<b><u>7,664,037</u></b>

**5. Advances to customers**

	<b>As at 30 June 2021 HK\$'000</b>	<b>As at 31 December 2020 HK\$'000</b>
Gross advances to customers	146,938,609	133,977,776
Less:		
Allowances for non-impaired advances	(466,571)	(435,316)
Allowances for impaired advances	<u>(353,721)</u>	<u>(360,997)</u>
	<b><u>146,118,317</u></b>	<b><u>133,181,463</u></b>

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**
**6. Financial investments**

	<b>As at 30 June 2021 HK\$'000</b>	<b>As at 31 December 2020 HK\$'000</b>
Government debt securities	10,020,626	9,759,129
Certificates of deposit	12,583,238	10,746,471
Other debt securities	<u>10,795,685</u>	<u>8,675,505</u>
	<b><u>33,399,549</u></b>	<b><u>29,181,105</u></b>

**7. Deposits and balances from central banks, banks and other financial institutions**

	<b>As at 30 June 2021 HK\$'000</b>	<b>As at 31 December 2020 HK\$'000</b>
Deposits and balances from central banks	6,599,320	6,119,270
Deposits and balances from banks and other financial institutions	<u>12,747,030</u>	<u>2,154,784</u>
	<b><u>19,346,350</u></b>	<b><u>8,274,054</u></b>

**8. Deposits from customers**

	<b>As at 30 June 2021 HK\$'000</b>	<b>As at 31 December 2020 HK\$'000</b>
Demand deposits and current accounts	10,190,161	8,850,194
Savings deposits	11,695,845	14,953,529
Time, call and notice deposits	<u>33,754,919</u>	<u>27,044,436</u>
	<b><u>55,640,925</u></b>	<b><u>50,848,159</u></b>

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**
**9. Certificates of deposit issued**

	<b>As at 30 June 2021 HK\$'000</b>	<b>As at 31 December 2020 HK\$'000</b>
At amortised cost	<b><u>300,000</u></b>	<b><u>300,000</u></b>

**10. Derivative financial instruments**

The contractual/ notional amounts of derivative financial instruments are disclosed as follows:

	<b>As at 30 June 2021 HK\$'000</b>	<b>As at 31 December 2020 HK\$'000</b>
Exchange rate-related contracts		
- Spot and forwards	<b>40,503,380</b>	41,595,285
- Swaps	<b>379,511,412</b>	358,015,276
- Options	<b><u>3,212,940</u></b>	<u>1,840,219</u>
	<b>423,227,732</b>	401,450,780
Interest rate contracts	<b>276,593,930</b>	261,186,388
Commodity contracts	<b>6,181,213</b>	4,519,213
Credit derivative contracts	<b><u>3,732,422</u></b>	<u>3,563,242</u>
	<b><u>709,735,297</u></b>	<b><u>670,719,623</u></b>

The amounts are shown on a gross basis and do not take into account the effect of bilateral netting arrangements.

The contractual amounts of these instruments indicate the volume of transactions outstanding as at the balance sheet dates. The amounts do not represent amounts at risk.



**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**
**10. Derivative financial instruments (continued)**

The following table summarises the positive and negative fair values of each class of derivative financial instruments:

	<b>As at 30 June 2021 HK\$'000</b>	<b>As at 31 December 2020 HK\$'000</b>
Positive fair values		
Exchange rate-related contracts		
- Spot and forwards	<b>362,069</b>	980,124
- Swaps	<b>2,507,703</b>	4,054,243
- Options	<b>55,401</b>	3,283
	<b>2,925,173</b>	5,037,650
Interest rate contracts	<b>2,385,378</b>	3,260,692
Commodity contracts	<b>1,384,489</b>	260,953
Credit derivative contracts	<b>67,490</b>	35,647
	<b>6,762,530</b>	8,594,942
Negative fair values		
Exchange rate-related contracts		
- Spot and forwards	<b>441,473</b>	715,591
- Swaps	<b>2,126,369</b>	4,180,694
- Options	<b>55,448</b>	3,431
	<b>2,623,290</b>	4,899,716
Interest rate contracts	<b>2,297,486</b>	3,172,930
Commodity contracts	<b>1,384,489</b>	260,953
Credit derivative contracts	<b>46,486</b>	14,789
	<b>6,351,751</b>	8,348,388

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**
**11. Contingent liabilities and commitments**

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

	<b>As at 30 June 2021 HK\$'000</b>	<b>As at 31 December 2020 HK\$'000</b>
Direct credit substitutes	<b>1,149,450</b>	1,126,518
Transaction-related contingencies	<b>5,246,577</b>	4,364,303
Trade-related contingencies	<b>6,344,444</b>	8,954,034
Forward forward deposits placed	<b>1,082,757</b>	80,839
Other commitments	<b>77,199,691</b>	78,252,592
	<b><u>91,022,919</u></b>	<b><u>92,778,286</u></b>

The above table shows the contractual amounts of credit related commitments and contingencies of United Overseas Bank Limited, Hong Kong Branch ("the Branch"). It includes letters of credit, guarantees and commitments to extend credit to customers. The above amounts represent a worst case scenario of credit risk exposures arising from these instruments, without taking into account any collateral held or other credit enhancements attached. The amounts do not represent amounts at risk at the balance sheet dates.

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**
**12. Liquidity**
**(a) Liquidity Maintenance Ratio (LMR)**

	<b>Quarter ended 30 June 2021</b>	Quarter ended 30 June 2020
Average LMR	<b>39.94%</b>	40.01%

**(b) Core Funding Ratio (CFR)**

	<b>Quarter ended 30 June 2021</b>	Quarter ended 30 June 2020
Average CFR	<b>114.88%</b>	103.33%

The average LMR & CFR are calculated based on the arithmetic mean of each month's corresponding average ratios for the quarter, which are made in accordance with the requirements specified under Banking (Disclosure) Rules ("BDR").

The liquidity information can be found in the Regulatory Disclosure section of our website [www.uobgroup.com/hk](http://www.uobgroup.com/hk).

## UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH

### UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

#### 12. Liquidity (continued)

##### (c) Liquidity Risk Management

Liquidity risk is the risk arising from a bank's potential inability to meet all its financial or payment obligations when they fall due or only being able to meet these obligations at significant costs or losses.

The objective of the Branch's liquidity risk management align with the Group's risk management framework which is to ensure that the Branch maintains sufficient liquidity to fund our day-to-day operations, to meet deposit withdrawals and loan disbursements, to participate in new investments and to repay borrowings. Hence, liquidity is managed in a manner to address known as well as unanticipated cash funding needs.

Liquidity risk is managed in accordance with a framework of policies, controls and limits approved by the Group ALCO. These policies, controls and limits enable the Branch to monitor and to manage liquidity risk to ensure that sufficient sources of funds are available over a range of market conditions. These include minimising excessive funding concentrations by diversifying the sources and terms of funding, and maintaining a portfolio of high quality and marketable debt securities.

The Branch takes a conservative stance on liquidity management by continuing to gather core deposits, ensuring that liquidity limits are strictly adhered to and that there are adequate liquid assets to meet cash shortfall.

The distribution of deposits is managed actively to ensure a balance between cost effectiveness, continued accessibility to funds and diversification of funding sources. The Branch establishes concentration limits on collateral pools and sources of funding, such as concentration of bond securities holding and concentration of top 20 depositors. Important factors in ensuring liquidity are competitive pricing, proactive management of the Branch's core deposits and the maintenance of customer confidence.

The Branch's liquidity risk is aligned with the regulatory liquidity risk management framework and is measured and managed on a projected cash flow basis. The Branch is monitored under business-as-usual and stress scenarios. Cash flow mismatch limits are established to limit liquidity exposure. The Branch also employs liquidity early warning indicators and trigger points to signal possible contingency situations.

The Branch has contingency funding plans in place to identify potential liquidity crises using a series of warning indicators. Crisis management processes and various strategies including funding and communication have been developed to minimise the impact of any liquidity crunch.

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**
**13. Currency risk**

	USD	CNY	Others	Total
<b>HK\$'million</b>				
<b>As at 30 June 2021</b>				
<b>Hong Kong dollar equivalents</b>				
Spot assets	81,348	5,464	10,586	97,398
Spot liabilities	(147,631)	(2,968)	(2,176)	(152,775)
Forward purchases	240,547	101,977	25,387	367,911
Forward sales	(173,253)	(104,294)	(33,899)	(311,446)
Net options position	-	-	-	-
	<u>1,011</u>	<u>179</u>	<u>(102)</u>	<u>1,088</u>
<b>Net long /(short) position</b>				
<b>HK\$'million</b>				
<b>As at 31 December 2020</b>				
<b>Hong Kong dollar equivalents</b>				
Spot assets	69,064	3,633	11,394	84,091
Spot liabilities	(142,425)	(2,270)	(3,357)	(148,052)
Forward purchases	230,529	78,368	23,112	332,009
Forward sales	(154,601)	(79,753)	(31,090)	(265,444)
Net options position	-	-	-	-
	<u>2,567</u>	<u>(22)</u>	<u>59</u>	<u>2,604</u>
<b>Net long /(short) position</b>				

Net position in a particular foreign currency is disclosed if the net position (regardless of sign) constitutes 10% or more of the total net position in all foreign currencies. The net options position is calculated based on delta-weighted position approach.

There is no structural position in any particular currency as at 30 June 2021 and 31 December 2020 .

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**
**14. Analysis of gross advances to customers by industry sectors and loan usage**

	As at 30 June 2021		As at 31 December 2020	
	Outstanding balance HK\$'000	Balance covered by collateral HK\$'000	Outstanding balance HK\$'000	Balance covered by collateral HK\$'000
Loans for use in Hong Kong				
Industrial, commercial and financial				
- Property development	24,663,163	9,920,347	23,041,906	11,460,486
- Property investment	27,626,382	19,886,254	30,296,315	20,671,162
- Financial concerns	6,367,046	576,432	5,965,271	678,430
- Stockbrokers	4,611,863	2,778,884	4,503,434	1,508,924
- Wholesale and retail trade	4,219,317	2,689,613	4,324,939	2,650,282
- Manufacturing	6,692,855	3,152,545	6,084,072	3,127,072
- Transport and transport equipment	1,724,424	716,303	1,103,554	846,083
- Recreational activities	14,277	14,275	15,699	15,696
- Information technology	1,445,649	716,148	2,128,476	715,684
- Others	26,954,445	18,454,160	26,440,649	18,309,544
Subtotal	<u>104,319,421</u>	<u>58,904,961</u>	<u>103,904,315</u>	<u>59,983,363</u>
Individuals				
- Loans for purchase of other residential properties	181,020	181,020	179,942	179,942
- Others	95,977	89,539	96,288	89,867
Subtotal	<u>276,997</u>	<u>270,559</u>	<u>276,230</u>	<u>269,809</u>
Total loans for use in Hong Kong	<b>104,596,418</b>	<b>59,175,520</b>	104,180,545	60,253,172
Trade finance	23,976,196	2,358,371	11,456,299	2,648,150
Loans for use outside Hong Kong	<u>18,365,995</u>	<u>4,211,787</u>	<u>18,340,932</u>	<u>4,824,016</u>
Gross advances to customers	<b><u>146,938,609</u></b>	<b><u>65,745,678</u></b>	<b><u>133,977,776</u></b>	<b><u>67,725,338</u></b>

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**
**15. Analysis of gross advances to customers by geographical areas**

	<b>As at 30 June 2021 HK\$'000</b>	<b>As at 31 December 2020 HK\$'000</b>
Hong Kong	<b>127,830,702</b>	117,490,837
Other areas	<b>19,107,907</b>	16,486,939
	<b><u>146,938,609</u></b>	<b><u>133,977,776</u></b>

The above analysis of gross advances to customers by geographical areas is based on the location of the counterparties where it constitutes 10% or more of the total gross advances to customers after taking into account the transfer of risk. In general, transfer of risk applies when a claim is guaranteed by a party situated in a country different from the counterparty.

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**
**16. International claims**

	Banks	Official sectors	Non-bank private sectors		Total
			Non-bank financial institutions	Non-financial private sectors	
HK\$'million					
<b>As at 30 June 2021</b>					
Developed countries	2,852	2	1,387	1,387	5,628
Offshore centres, of which:	15,703	-	11,049	43,414	70,166
- Singapore	4,645	-	29	680	5,354
- Hong Kong	11,058	-	11,020	39,930	62,008
- Other areas	-	-	-	2,804	2,804
Developing Latin America and Caribbean	-	-	-	-	-
Developing Asia Pacific, of which:	16,816	1,733	907	13,266	32,722
- Mainland China	14,178	1,733	907	11,513	28,331
- Other areas	2,638	-	-	1,753	4,391
Others	-	-	-	-	-
<b>Total</b>	<b>35,371</b>	<b>1,735</b>	<b>13,343</b>	<b>58,067</b>	<b>108,516</b>
HK\$'million					
<b>As at 31 December 2020</b>					
Developed countries	4,051	2	1,310	1,659	7,022
Offshore centres, of which:	16,159	-	12,291	31,627	60,077
- Singapore	3,608	-	660	712	4,980
- Hong Kong	12,551	-	11,631	27,615	51,797
- Other areas	-	-	-	3,300	3,300
Developing Latin America and Caribbean	-	-	-	-	-
Developing Asia Pacific, of which:	13,385	1,583	1,241	11,512	27,721
- Mainland China	11,563	1,583	1,241	9,906	24,293
- Other areas	1,822	-	-	1,606	3,428
Others	-	-	-	-	-
<b>Total</b>	<b>33,595</b>	<b>1,585</b>	<b>14,842</b>	<b>44,798</b>	<b>94,820</b>

The above analysis is prepared with reference to the completion instructions for the Hong Kong Monetary Authority Return of International Banking Statistics. International claims are on-balance sheet exposures to counterparties based on the location of the counterparties after taking into account the transfer of risk, and represent the sum of cross-border claims in all currencies and local claims in foreign currencies. Claims on individual countries or areas after risk transfer, amounting to 10% or more of the aggregate international claims of the Branch, are shown.



**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**
**17. Impaired advances to customers and trade bills**

Impaired advances to customers and trade bills are those assets where objective evidence exists that full repayment of principal or interest is considered unlikely.

**(a) Impaired advances to customers**

	<b>As at 30 June 2021 HK\$'000</b>	<b>As at 31 December 2020 HK\$'000</b>
Gross impaired advances to customers	<b>1,210,794</b>	1,429,642
Allowances for impaired advances	<b>(353,721)</b>	(360,997)
	<b><u>857,073</u></b>	<b><u>1,068,645</u></b>
Value of collateral taken into account in respect of such advances to customers to which the allowances for the impaired advances relate	<b>580,651</b>	631,956
Percentage of such advances to customers to total gross advances to customers	<b>0.82%</b>	1.07%

Analysis of gross impaired advances to customers by geographical areas:

	<b>As at 30 June 2021 HK\$'000</b>	<b>As at 31 December 2020 HK\$'000</b>
Hong Kong	<b>1,202,640</b>	1,421,325
Singapore	<b>8,154</b>	8,317
	<b><u>1,210,794</u></b>	<b><u>1,429,642</u></b>

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**
**17. Impaired advances to customers and trade bills (continued)**
**(b) Impaired trade bills**

	<b>As at 30 June 2021 HK\$'000</b>	<b>As at 31 December 2020 HK\$'000</b>
Gross impaired trade bills	<b>265,118</b>	247,908
Allowances for impaired losses	<u>(124,399)</u>	<u>(107,807)</u>
	<b><u>140,719</u></b>	<b><u>140,101</u></b>
Value of collateral taken into account in respect of such trade bills to which the allowances for impaired losses relate	<b>98,436</b>	95,957
Percentage of such trade bills to total trade bills	<b>2.75%</b>	3.19%
Analysis of gross impaired trade bills by geographical areas:		
	<b>As at 30 June 2021 HK\$'000</b>	<b>As at 31 December 2020 HK\$'000</b>
Hong Kong	<b>232,280</b>	215,122
Singapore	<u>32,838</u>	<u>32,786</u>
	<b><u>265,118</u></b>	<b><u>247,908</u></b>

(c) There are no allowances for impaired losses on advance to banks and debt securities as at 30 June 2021 and 31 December 2020 respectively.

The above analyses of gross impaired advances to customers and gross impaired trade bills by geographical areas are based on the location of the counterparties where it constitutes 10% or more of the total after taking into account the transfer of risk. In general, transfer of risk applies when a claim is guaranteed by a party situated in a country different from the counterparty.

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**
**18. Overdue advances, rescheduled advances and repossessed assets**
**(a) Gross overdue advances to customers**

	As at 30 June 2021		As at 31 December 2020	
	HK\$'000	% of total gross advances to customers	HK\$'000	% of total gross advances to customers
Gross advances to customers which have been overdue for:				
- six months or less but over three months	137,309	0.09%	62,083	0.05%
- one year or less but over six months	314,195	0.21%	464,005	0.35%
- over one year	719,139	0.49%	270,263	0.20%
<b>Total</b>	<b>1,170,643</b>	<b>0.79%</b>	<b>796,351</b>	<b>0.60%</b>

Analysis of gross overdue advances to customers which are overdue for more than three months by geographical areas:

	As at 30 June 2021 HK\$'000	As at 31 December 2020 HK\$'000
Hong Kong	1,164,464	790,137
Singapore	6,179	6,169
Others	-	45
	<b>1,170,643</b>	<b>796,351</b>

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**
**18. Overdue advances, rescheduled advances and repossessed assets (continued)**
**(b) Gross overdue trade bills**

	As at 30 June 2021		As at 31 December 2020	
	HK\$'000	% of total gross trade bills	HK\$'000	% of total gross trade bills
Gross trade bills which have been overdue for:				
- six months or less but over three months	38,278	0.40%	-	0.00%
- one year or less but over six months	-	0.00%	131,287	1.69%
- over one year	226,840	2.35%	93,807	1.21%
<b>Total</b>	<b>265,118</b>	<b>2.75%</b>	<b>225,094</b>	<b>2.90%</b>

Analysis of gross overdue trade bills which are overdue for more than three months by geographical areas:

	As at 30 June 2021 HK\$'000	As at 31 December 2020 HK\$'000
Hong Kong	232,280	192,308
Singapore	32,838	32,786
	<b>265,118</b>	<b>225,094</b>

(c) There are no rescheduled advances to customers as at 30 June 2021 and 31 December 2020.

(d) There are no advances to banks and debt securities which are overdue for more than three months or have been rescheduled as at 30 June 2021 and 31 December 2020.

(e) There are no repossessed assets as at 30 June 2021 and 31 December 2020.

The above analysis of gross overdue advances to customers and gross overdue trade bills by geographical areas are based on the location of the counterparties where it constitutes 10% or more of the total after taking into account the transfer of risk. In general, transfer of risk applies when a claim is guaranteed by a party situated in a country different from the counterparty.

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**
**18. Overdue advances, rescheduled advances and repossessed assets (continued)**
**(f) Current market value of collateral held against advances to customers overdue for more than three months**

	Outstanding amount of advances HK\$'000	Current market value of collateral HK\$'000	Covered portion HK\$'000	Uncovered portion HK\$'000	Individual impairment allowances HK\$'000
<b>As at 30 June 2021</b>					
Overdue advances					
- Fully covered advances	21,432	134,720	21,432	-	-
- Partially covered advances	782,599	557,684	557,684	224,915	181,004
- Uncovered advances	<u>366,612</u>	<u>-</u>	<u>-</u>	<u>366,612</u>	<u>151,807</u>
Total	<u><u>1,170,643</u></u>	<u><u>692,404</u></u>	<u><u>579,116</u></u>	<u><u>591,527</u></u>	<u><u>332,811</u></u>
<b>As at 31 December 2020</b>					
Overdue advances					
- Fully covered advances	-	-	-	-	-
- Partially covered advances	776,999	554,513	554,513	222,486	174,872
- Uncovered advances	<u>19,352</u>	<u>-</u>	<u>-</u>	<u>19,352</u>	<u>14,429</u>
Total	<u><u>796,351</u></u>	<u><u>554,513</u></u>	<u><u>554,513</u></u>	<u><u>241,838</u></u>	<u><u>189,301</u></u>

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**
**18. Overdue advances, rescheduled advances and repossessed assets (continued)**
**(g) Current market value of collateral held against trade bills overdue for more than three months**

	Outstanding amount of trade bills HK\$'000	Current market value of collateral HK\$'000	Covered portion HK\$'000	Uncovered portion HK\$'000	Individual impairment allowances HK\$'000
<b>As at 30 June 2021</b>					
Overdue trade bills					
- Fully covered trade bills	-	-	-	-	-
- Partially covered trade bills	190,837	98,436	98,436	92,401	50,118
- Uncovered trade bills	74,281	-	-	74,281	74,281
<b>Total</b>	<b><u>265,118</u></b>	<b><u>98,436</u></b>	<b><u>98,436</u></b>	<b><u>166,682</u></b>	<b><u>124,399</u></b>
<b>As at 31 December 2020</b>					
Overdue trade bills					
- Fully covered trade bills	-	-	-	-	-
- Partially covered trade bills	164,851	75,576	75,576	89,275	45,129
- Uncovered trade bills	60,243	-	-	60,243	60,243
<b>Total</b>	<b><u>225,094</u></b>	<b><u>75,576</u></b>	<b><u>75,576</u></b>	<b><u>149,518</u></b>	<b><u>105,372</u></b>

The Branch follows the Group's guidelines and standards on acceptability of specific collateral for credit risk mitigation. Collateral is taken whenever possible to mitigate the credit risk assumed and the value of the collateral is monitored periodically. The main types of collateral are cash, marketable securities, real estate, equipment, inventory and receivables.

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**
**19. Non-bank Mainland China exposures**

Type of counterparties	On-balance sheet exposures HK\$'million	Off-balance sheet exposures HK\$'million	Total HK\$'million
<b>As at 30 June 2021</b>			
(1) Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs")	23,774	4,594	28,368
(2) Local governments, local government-owned entities and their subsidiaries and JVs	2,779	1,472	4,251
(3) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	9,965	6,021	15,986
(4) Other entities of central government not reported in item 1 above	762	139	901
(5) Other entities of local governments not reported in item 2 above	-	-	-
(6) PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	8,504	2,885	11,389
(7) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	3,411	1,123	4,534
Total	<u>49,195</u>	<u>16,234</u>	<u>65,429</u>
Total assets after provisions	<u>215,025</u>		
On-balance sheet exposures as percentage of total assets	<u>22.88%</u>		

**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH**
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)**
**19. Non-bank Mainland China exposures (continued)**

Type of counterparties	On-balance sheet exposures HK\$'million	Off-balance sheet exposures HK\$'million	Total HK\$'million
As at 31 December 2020			
(1) Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs")	13,768	3,323	17,091
(2) Local governments, local government-owned entities and their subsidiaries and JVs	2,536	2,976	5,512
(3) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	10,004	1,723	11,727
(4) Other entities of central government not reported in item 1 above	877	91	968
(5) Other entities of local governments not reported in item 2 above	169	257	426
(6) PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	8,267	3,627	11,894
(7) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	2,254	334	2,588
<b>Total</b>	<b>37,875</b>	<b>12,331</b>	<b>50,206</b>
Total assets after provisions	201,458		
On-balance sheet exposures as percentage of total assets	18.80%		

There are no allowances for impaired loan on non-bank Mainland China exposures as at 30 June 2021 and 31 December 2020 respectively.



**UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH****UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)****20. Remuneration policy**

The remuneration policy and systems of the Branch are established according to the framework of the Group remuneration guidelines for its employees engaged in the business and operations in Hong Kong.

The information related to the Group remuneration system are disclosed in the annual report of United Overseas Bank Limited.

**21. Comparative figures**

Certain comparative figures have been reclassified to conform with the financial statements presentation adopted in the current period.

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

Hong Kong, 30 September 2021

## UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH

### GROUP CONSOLIDATED FINANCIAL INFORMATION

The information set out below is based on the consolidated accounts of United Overseas Bank Limited (the "Group").

#### 1. Capital and capital adequacy ratios

The Group computes its capital adequacy ratios in accordance with the Basel III capital adequacy requirements set out in the Monetary Authority of Singapore ("MAS") No. 637 "Notice on Risk Based Capital Adequacy Requirements for Banks incorporated in Singapore".

	<b>As at 30 June 2021 S\$'million</b>	<b>As at 31 December 2020 S\$'million</b>
Group shareholders' equity	<b>42,031</b>	40,901
Group's capital adequacy ratios		
Common Equity Tier 1	<b>14.2%</b>	14.7%
Tier 1	<b>15.2%</b>	15.8%
Total	<b>18.1%</b>	18.4%

#### 2. Other financial information

	<b>Half-year ended 30 June 2021 S\$'million</b>	<b>Half-Year ended 30 June 2020 S\$'million</b>
Pre-tax profit	<b>2,444</b>	1,899

	<b>As at 30 June 2021 S\$'million</b>	<b>As at 31 December 2020 S\$'million</b>
Total assets	<b>446,506</b>	431,814
Total liabilities	<b>404,256</b>	390,683
Total gross customer loans	<b>298,597</b>	281,387
Total customer deposits	<b>338,894</b>	324,598