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**Citibank, N.A. - Hong Kong Branch**

**Financial Information Disclosure Statement**

**2023 Interim**

**CITIBANK, N.A. - HONG KONG BRANCH**

We enclose herewith the Financial Information Disclosure Statement for the half-year ended June 30, 2023, which are prepared under the Banking (Disclosure) Rules made pursuant to Section 60A of the Banking Ordinance.

Aveline San  
Chief Executive, Hong Kong  
September 29, 2023

**CITIBANK, N.A. - HONG KONG BRANCH**

**Income Statement (unaudited)**

Figures in US\$ millions	Half-year ended June 30, 2023	Half-year ended June 30, 2022
Interest income	1,483	284
Interest expense	(591)	(34)
<b>Net interest income</b>	<b>892</b>	<b>250</b>
Profits arising from dealing in foreign currencies	62	266
Profits on disposal of available-for-sale securities	5	-
profits/(Loss) on securities dealing	8	(16)
profits/(Loss) from other dealing activities	26	(42)
Fee and commission income	357	337
Fee and commission expenses	(375)	(314)
Net fees and commission income	(18)	23
Others	(2)	(14)
<b>Operating income</b>	<b>973</b>	<b>467</b>
Staff costs	(128)	(124)
Premises and equipment expenses	(8)	(14)
Intercompany service fees expenses	(131)	(129)
Custodian charges & clearance fees	(20)	(17)
Others	(28)	(21)
Other operating expenses	(179)	(167)
<b>Operating profit before impairment</b>	<b>658</b>	<b>162</b>
Net (charge) / recovery of impairment losses	(1)	4
<b>Profit before taxation</b>	<b>657</b>	<b>166</b>
Taxation	(107)	(40)
<b>Profit after taxation</b>	<b>550</b>	<b>126</b>

## CITIBANK, N.A. - HONG KONG BRANCH

### Balance Sheet (unaudited)

Figures in US\$ millions	At June 30 2023	At December 31 2022
<b>Assets</b>		
Cash and balances with banks and other financial institutions	2,910	2,982
Placements with banks and other financial institutions (Note 1)	1,209	809
Amounts due from overseas offices	36,487	40,490
Trade bills	180	186
Securities held for trading	5,585	2,888
Loans and receivables (Note 2)	24,469	22,870
Available-for-sale securities	4,989	5,261
Other investments	52	60
Fixed assets	13	13
<b>Total Assets</b>	<b>75,894</b>	<b>75,559</b>
<b>Liabilities</b>		
Deposits and balances of banks and other financial institutions	4,631	3,690
Deposits from customers (Note 9)	48,853	53,942
Amounts due to overseas offices	7,273	6,742
Other liabilities	15,137	11,185
<b>Total Liabilities</b>	<b>75,894</b>	<b>75,559</b>

CITIBANK, N.A. - HONG KONG BRANCH

ADDITIONAL INFORMATION (UNAUDITED)

Figures in US\$ millions	At June 30 2023	At December 31 2022
<b>1. Placements with banks and other financial institutions</b>		
	<u>Amount</u>	<u>Amount</u>
Maturing between one month and one year	1,209	808
<b>2. Loans and receivables</b>		
Advances to customers	12,672	12,903
Advances to banks	305	267
Accrued interest and other accounts	11,521	9,729
Less: impairment allowances - collectively assessed	(26)	(29)
Less: impairment allowances - individually assessed	(3)	-
	<u>24,469</u>	<u>22,870</u>

Individually assessed impairment allowance for specific remedial credits is maintained at Citibank, N.A. Hong Kong Branch ("the Branch") while, in general, collective impairment allowance of the Branch is still maintained at head office for absorbing all probable credit losses inherent in the bank's portfolio except for commercial banking portfolio.

The impairment allowance is calculated on an individual basis and considers the borrower's overall financial condition, risk rating, impact of macroeconomic environment, loan tenor, prospects for support from any financially responsible guarantors and the realizable value of any collateral. Specific impairment value may also be established for specific remedial credits when the discounted cash flows, collateral value (less disposal costs), or observable market price of the impaired loan is lower than its carrying value.

Figures in US\$ millions	At June 30, 2023		At December 31, 2022	
<b>3. Advances to customers analyzed by industry sector</b>				
	<u>Amount</u>	% of advances covered by collateral or other securities	<u>Amount</u>	% of advances covered by collateral or other securities
Gross advances to customers for use in Hong Kong				
Industrial, commercial and financial				
Property development	104	0%	116	16%
Property investment	866	18%	921	16%
Financial concerns	3,859	86%	3,394	72%
Stockbrokers	1	0%	1	0%
Wholesale and retail trade	452	27%	490	28%
Manufacturing	995	5%	962	5%
Transport and transport equipment	305	2%	397	3%
Recreational activities	5	0%	2	0%
Information technology	146	0%	123	0%
Others	715	15%	1,376	53%
	<u>7,448</u>		<u>7,782</u>	
Individuals				
Advances for the purchase of other residential properties	35	100%	34	100%
Others	1,338	100%	1,153	100%
	<u>1,373</u>		<u>1,187</u>	
Gross advances to customers for use in Hong Kong	8,820	58%	8,969	53%
Trade finance	848	27%	1,026	24%
Gross advances to customers for use outside Hong Kong	3,004	3%	2,907	0%
Gross advances to customers	<u>12,672</u>	43%	<u>12,902</u>	38%

The above analysis has been classified according to categories and definitions used by the Hong Kong Monetary Authority.

## ADDITIONAL INFORMATION

Figures in US\$ millions

At June 30, 2023

At December 31, 2022

**4. Advances to customers analyzed by geographic area**

Advances to customers by geographical area are classified according to the location of the counterparties. After taking into account the transfer of risk, exposures to a single country outside Hong Kong exceeding 10% of the aggregate gross amount of advances to customers are disclosed.

	Amount	% of Gross Advances to Customers	Amount	% of Gross Advances to Customers
China	1,957	15.44%	1,824	14.13%

**5. Overdue advances to customers**

	Overdue Advances to Customers	% of Gross Advances to Customers	Other Assets	Overdue Advances to Customers	% of Gross Advances to Customers	Other Assets
Advances to customers which have been overdue for periods of:						
6 months or less but over 3 months	4	0.03%	-	-	0.00%	-
1 year or less but over 6 months	8	0.06%	-	4	0.03%	-
Over 1 year	1	0.01%	-	-	0.00%	-
	<u>13</u>	<u>0.10%</u>	<u>-</u>	<u>4</u>	<u>0.03%</u>	<u>-</u>

Current market value of collateral held against the covered portion of overdue advances to customers

<u>12</u>	<u>4</u>
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Covered portion of overdue advances to customers  
Uncovered portion of overdue advances to customers

13	4
<u>-</u>	<u>-</u>
<u>13</u>	<u>4</u>

The covered portion of overdue advances to customers represents the amount after credit risk mitigation, which consists of guarantee, standby letter of credit, fixed deposits and properties.

After taking into account the transfer of risk, there were no exposures to a single country outside Hong Kong exceeding 10% of the aggregate overdue advances to customers as at the above respective reporting dates.

There were no overdue advances to banks as at June 30, 2023 and December 31, 2022.

**6. Rescheduled advances to customers**

	Amount	% of Gross Advances to Customers	Amount	% of Gross Advances to Customers
Rescheduled advances to customers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Rescheduled advances are those advances which have been restructured or renegotiated because of a deterioration in the financial position of the borrower, or because of the inability of the borrower to meet the original repayment schedule. Rescheduled advances to customers are stated net of any advances which have subsequently become overdue for over three months and which are included in overdue advances to customers in Note 5.

There were no rescheduled advances to banks as at June 30, 2023 and December 31, 2022.

CITIBANK, N.A. - HONG KONG BRANCH

ADDITIONAL INFORMATION

Figures in US\$ millions

At June 30, 2023

At December 31, 2022

7. Impaired advances to customers

a) Impaired advances to customers

	Amount	% of Gross Advances to Customers	Amount	% of Gross Advances to Customers
Overdue advances to customers	13	0.10%	4	0.03%
Rescheduled advances to customers	-	-	-	-
Less: impairment allowances - collectively assessed	-	-	-	-
Less: impairment allowances - individually assessed	-	-	-	-
	<u>13</u>	<u>0.10%</u>	<u>4</u>	<u>0.03%</u>

After taking into account the transfer of risk, there were no exposures to a single country outside Hong Kong exceeding 10% of the aggregate gross impaired advances to customers as at the above respective reporting dates.

b) Individually assessed impaired advances to customers

	Amount	Amount
Gross individually assessed impaired advances to customers	-	-
Less: impairment allowances - individually assessed	<u>-</u>	<u>-</u>
Collateral held in respect of gross individually assessed impaired advances to customers:		
Amount of collateral which has been taken into account in respect of gross individually assessed impaired advances to customers	<u>-</u>	<u>-</u>

Where collateral values are greater than gross advances, only the amount of collateral up to the gross advance was included.

8. Repossessed assets

	Amount	Amount
Reposessed assets	<u>-</u>	<u>-</u>

Assets acquired in exchange for the release in full or in part of the obligations of the borrowers due to restructuring or the inability of borrowers to repay, are recorded as "Other assets" in the statement of financial position at the lower of net realization value and the carrying amount of the asset (net of any impairment allowance), until the assets are realized.

9. Deposits from customers

	Amount	Amount
Demand deposits and current accounts	32,804	38,739
Saving deposits	3,473	4,195
Time, call and notice deposits	<u>12,576</u>	<u>11,008</u>
	<u>48,853</u>	<u>53,942</u>

CITIBANK, N.A. - HONG KONG BRANCH

ADDITIONAL INFORMATION

Figures in US\$ millions	At June 30 2023	At December 31 2022
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**10. Non-bank Mainland exposure**

The following analysis of non-bank Mainland exposures is based on the categories contained in the HKMA Return of Mainland Activities (MA(BS)20) as submitted to the HKMA by the Branch.

	On-balance sheet exposure	Off-balance sheet exposure	Total	On-balance sheet exposure	Off-balance sheet exposure	Total
1 Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	295	156	451	552	492	1,044
2 Local governments, local government-owned entities and their subsidiaries and JVs	12	-	12	13	1	14
3 PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	1,258	959	2,217	1,301	1,037	2,338
4 Other entities of central governments not reported in item 1 above	-	-	-	26	380	406
5 Other entities of local governments not reported in item 2 above	-	55	55	-	-	-
6 PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	80	237	317	64	256	320
7 Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	1,195	149	1,344	878	170	1,048
Total	<u>2,840</u>	<u>1,556</u>	<u>4,396</u>	<u>2,834</u>	<u>2,336</u>	<u>5,170</u>
Total assets after provision	75,820			75,485		
On-balance sheet exposures as percentage of total assets	3.75%			3.75%		

**11. Foreign currency exposure**

The net non-structural foreign currency position (regardless of sign) for each foreign currency which constitutes 10% or more of the total net non-structural positions in all foreign currencies are disclosed.

	At June 30 2023	At December 31 2022
<b>a) Hong Kong Dollars</b>		
Spot assets	22,858	18,712
Spot liabilities	(22,617)	(19,263)
Forward purchases	63,140	53,457
Forward sales	(63,904)	(53,441)
Net short position	<u>(523)</u>	<u>(535)</u>
<b>b) Chinese Renminbi</b>		
Spot assets	3,974	2,044
Spot liabilities	(7,648)	(7,132)
Forward purchases	116,642	112,252
Forward sales	(112,887)	(106,858)
Net long position	<u>81</u>	<u>306</u>
<b>c) Japanese Yen</b>		
Spot assets	1,962	2,137
Spot liabilities	(1,298)	(1,407)
Forward purchases	7,547	9,607
Forward sales	(8,193)	(10,419)
Net long position	<u>18</u>	<u>(82)</u>

There were no foreign currency structural positions nor net option positions as at the above reporting dates.



CITIBANK, N.A. - HONG KONG BRANCH

ADDITIONAL INFORMATION

Figures in US\$ millions

12. International Claims

The country-risk exposures in the table below are prepared in accordance with the HKMA Return of the 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. Countries or geographical areas constituting 10% or more of the total cross-border claims are disclosed.

	Banks	Official Sector	Non-bank financial institutions	Non-financial private sector	Others	Total
<b><u>As at June 30, 2023</u></b>						
a) Developed countries	36,788	2,267	841	872	-	40,768
Of which: United States	36,635	1,204	526	464	-	38,829
b) Offshore centres	1,511	1	1,200	2,175	-	4,887
Of which: Hong Kong SAR	1,476	1	772	1,942	-	4,191
<b><u>As at December 31, 2022</u></b>						
a) Developed countries	40,848	2,176	1,025	1,343	-	45,392
Of which: United States	40,638	1,107	562	584	-	42,891
b) Offshore centres	1,382	1	1,576	3,289	-	6,248
Of which: Hong Kong SAR	1,348	1	1,123	2,984	-	5,456

CITIBANK, N.A. - HONG KONG BRANCH

ADDITIONAL INFORMATION

Figures in US\$ millions	At June 30 2023	At December 31 2022
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13. Off-balance sheet information

a) Contingent liabilities and commitments

Contractual or notional amounts		
Direct credit substitutes	827	840
Transaction-related contingencies	171	249
Trade-related contingencies	294	226
Other commitments	13,519	14,630
Others	260	149
	<u>15,071</u>	<u>16,094</u>

Contingent liabilities and commitments are credit-related instruments. The risk involved is similar to the credit risk involved in extending loan facilities to customers. These transactions are, therefore, subject to the same credit application, portfolio maintenance and collateral requirements as for customers applying for loans. The contract amounts represent the amounts at risk should the contract be fully drawn upon and the client default.

Since a significant portion of commitments is expected to expire without being drawn upon, the total of the contract amounts is not representative of future liquidity requirements.

b) Derivatives

Notional amounts		
Exchange rate contracts	463,493	426,148
Interest rate contracts	384,314	328,064
Others	2,256	1,498
	<u>850,063</u>	<u>755,710</u>
Fair value assets		
Exchange rate contracts	6,785	4,714
Interest rate contracts	2,646	2,778
Others	58	59
	<u>9,489</u>	<u>7,551</u>
Fair value liabilities		
Exchange rate contracts	6,712	4,492
Interest rate contracts	2,743	2,826
Others	58	59
	<u>9,513</u>	<u>7,377</u>

The above derivatives transactions are undertaken by the Branch in the foreign exchange, interest rate, equity and commodity markets. The notional amounts of these instruments indicate the volume of transactions outstanding and do not represent amounts at risk.

Derivatives are carried at fair value in the balance sheet. Asset values represent the cost to the Branch of replacing all transactions with a fair value in the Branch's favor assuming that all the Branch's relevant counterparties default at the same time, and that transactions can be replaced at the market. Liability values represent the cost to the Branch's counterparties of replacing all their transactions with the Branch with a fair value in their favor if the Branch were to default.

The fair values of the above derivative exposures do not take into account the effects of bilateral netting arrangements.

**CITIBANK, N.A. - HONG KONG BRANCH****ADDITIONAL INFORMATION**

	Quarter ended June 30, 2023	Quarter ended March 31, 2023
<b>14. Liquidity ratio</b>		
The average Liquidity Maintenance Ratio for the period	44.07%	44.44%
The average Core Funding Ratio for the period	258.24%	277.06%

The Banking (Liquidity) Rules ("BLR") signified the implementation of Liquidity Maintenance Ratio ('LMR') and Core Funding Ratio ("CFR") for category 2A institution under Basel III liquidity standards in Hong Kong. Quarterly average of LMR and CFR reported are calculated based on the arithmetic mean of the average values of its LMR and CFR reported in its liquidity position return, for each month during the quarter. The relevant disclosures pursuant to section 103 of the Banking (Disclosure) Rules can be found in our website <http://www.citibank.com.hk/cbnahk>.

**CITIBANK, N.A. (WORLDWIDE CONSOLIDATION OF CITIBANK, N.A. AND ITS SUBSIDIARIES)**

**ADDITIONAL INFORMATION**

Figures in US\$ millions	At June 30 2023		At December 31 2022	
<b>Capital and Capital Adequacy</b>				
	Advanced Approaches	Standardized Approach	Advanced Approaches	Standardized Approach
Common Equity Tier (CET1) Capital	150,482	150,482	149,593	149,593
Tier 1 Capital	152,612	152,612	151,720	151,720
Total Capital	165,840	173,517	165,131	172,647
CET1 Ratio	14.45%	15.25%	14.90%	15.22%
Tier 1 Capital Ratio	14.66%	15.47%	15.12%	15.44%
Total Capital Ratio	15.93%	17.58%	16.45%	17.56%
Stockholder's Equity	166,361	166,361	164,337	164,337
Total Risk Weighted Assets	1,041,217	986,744	1,003,747	982,914

U.S. Basel III rules implement the “capital floor provision” of the Dodd-Frank Act (the so-called “Collins Amendment”), which requires banking organizations to calculate “generally applicable” capital requirements. As a result, Citibank N.A. must calculate each of the three risk-based capital ratios (CET1 Capital, Tier 1 Capital and Total Capital) under both the Standardized Approach and the Advanced Approaches and comply with the more binding of each of the resulting risk-based capital ratios.

Figures in US\$ millions	At June 30 2023	At December 31 2022
<b>Other Financial Information</b>		
Total Assets	1,709,727	1,766,752
Total Liabilities	1,542,709	1,601,807
Total Advances (Net of Allowances for Loan Losses)	607,391	609,023
Total Deposits (including those from banks)	1,337,870	1,399,631

Figures in US\$ millions	Half-year ended June 30, 2023	Half-year ended June 30, 2022
<b>Pre-tax Profit</b>	10,772	11,462

**CITIGROUP INC. (THE ULTIMATE HOLDING COMPANY OF CITIBANK, N.A.)**

**ADDITIONAL INFORMATION**

Figures in US\$ millions	At June 30 2023		At December 31 2022	
<b>Capital and Capital Adequacy</b>				
	Advanced Approaches	Standardized Approach	Advanced Approaches	Standardized Approach
Common Equity Tier (CET1) Capital	154,243	154,243	148,930	148,930
Tier 1 Capital	175,743	175,743	169,145	169,145
Total Capital	198,036	206,852	188,839	197,543
CET1 Ratio	12.50%	13.37%	12.19%	13.03%
Tier 1 Capital Ratio	14.24%	15.24%	13.85%	14.80%
Total Capital Ratio	16.04%	17.93%	15.46%	17.28%
Stockholder's Equity	208,719	208,719	201,189	201,189
Total Risk Weighted Assets	1,234,271	1,153,450	1,221,538	1,142,985

U.S. Basel III rules implement the "capital floor provision" of the Dodd-Frank Act (the so-called "Collins Amendment"), which requires banking organizations to calculate "generally applicable" capital requirements. As a result, Citi must calculate each of the three risk-based capital ratios (CET1 Capital, Tier 1 Capital and Total Capital) under both the Standardized Approach and the Advanced Approaches and comply with the more binding of each of the resulting risk-based capital ratios.

Figures in US\$ millions	At June 30 2023	At December 31 2022
<b>Other Financial Information</b>		
Total Assets	2,423,675	2,416,676
Total Liabilities	2,214,253	2,214,838
Total Advances (Net of Allowances for Loan Losses)	643,116	640,247
Total Deposits (including those from banks)	1,319,867	1,365,954

Figures in US\$ millions	Half-year ended June 30, 2023	Half-year ended June 30, 2022
<b>Pre-tax Profit</b>	10,225	11,237