



Citibank, N.A. - Hong Kong Branch

Financial Information Disclosure Statement

2024 Interim

CITIBANK, N.A. - HONG KONG BRANCH

We enclose herewith the Financial Information Disclosure Statement for the half-year ended June 30, 2024, which are prepared under the Banking (Disclosure) Rules made pursuant to Section 60A of the Banking Ordinance.

Aveline San
Chief Executive, Hong Kong
September 30, 2024

CITIBANK, N.A. - HONG KONG BRANCH

Income Statement (unaudited)

Figures in US\$ millions	Half-year ended June 30, 2024	Half-year ended June 30, 2023
Interest income	1,488	1,483
Interest expense	<u>(731)</u>	<u>(591)</u>
Net interest income	757	892
Profits arising from dealing in foreign currencies	207	62
(Loss)/profits on disposal of available-for-sale securities	(1)	5
Profits on securities dealing	38	8
Profits from other dealing activities	40	26
Fee and commission income	466	357
Fee and commission expenses	(344)	(375)
Net fees and commission income	122	(18)
Others	<u>19</u>	<u>(2)</u>
Operating income	1,182	973
Staff costs	(113)	(128)
Premises and equipment expenses	(11)	(8)
Intercompany service fees expenses	(253)	(131)
Custodian charges & clearance fees	(17)	(20)
Others	(30)	(28)
Other operating expenses	<u>(300)</u>	<u>(179)</u>
Operating profit before impairment	758	658
Net charge of impairment losses	<u>-</u>	<u>(1)</u>
Profit before taxation	758	657
Taxation	<u>(129)</u>	<u>(107)</u>
Profit after taxation	<u>629</u>	<u>550</u>

CITIBANK, N.A. - HONG KONG BRANCH

Balance Sheet (unaudited)

Figures in US\$ millions	At June 30 2024	At December 31 2023
Assets		
Cash and balances with banks and other financial institutions	4,003	3,504
Placements with banks and other financial institutions (Note 1)	1,623	1,675
Amounts due from overseas offices	22,636	33,529
Trade bills	125	184
Securities held for trading	9,860	7,618
Loans and receivables (Note 2)	28,127	23,902
Available-for-sale securities	3,176	2,833
Other investments	34	45
Fixed assets	18	11
Total Assets	70,030	73,301
Liabilities		
Deposits and balances of banks and other financial institutions	4,089	2,361
Deposits from customers (Note 9)	48,538	51,997
Amounts due to overseas offices	4,642	7,899
Other liabilities	12,761	11,044
Total Liabilities	70,030	73,301

CITIBANK, N.A. - HONG KONG BRANCH

ADDITIONAL INFORMATION (UNAUDITED)

Figures in US\$ millions	At June 30 2024	At December 31 2023
1. Placements with banks and other financial institutions		
	<u>Amount</u>	<u>Amount</u>
Maturing between one month and one year	1,623	1,676
2. Loans and receivables		
Advances to customers	13,446	12,607
Advances to banks	358	296
Accrued interest and other accounts	14,351	11,030
Less: impairment allowances - collectively assessed	(23)	(26)
Less: impairment allowances - individually assessed	(5)	(5)
	<u>28,127</u>	<u>23,902</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, 2024		At December 31, 2023	
3. Advances to customers analyzed by industry sector				
	<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	79	0%	80	0%
Property investment	840	19%	845	21%
Financial concerns	3,371	89%	3,371	84%
Stockbrokers	1	0%	39	0%
Wholesale and retail trade	417	17%	513	22%
Manufacturing	700	6%	1,036	4%
Transport and transport equipment	127	4%	183	7%
Recreational activities	4	0%	7	0%
Information technology	120	0%	121	0%
Others	684	0%	588	0%
	<u>6,343</u>		<u>6,783</u>	
Individuals				
Advances for the purchase of other residential properties	26	100%	34	100%
Others	1,879	100%	1,244	100%
	<u>1,905</u>		<u>1,278</u>	
Gross advances to customers for use in Hong Kong	8,248	65%	8,061	57%
Trade finance	1,074	26%	750	27%
Gross advances to customers for use outside Hong Kong	4,124	19%	3,796	17%
Gross advances to customers	<u>13,446</u>	48%	<u>12,607</u>	43%

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

Figures in US\$ millions

At June 30, 2024

At December 31, 2023

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	1,667	12.40%	1,684	13.36%

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	0.02%	-	3	0.02%	-
1 year or less but over 6 months	6	0.04%	-	21	0.17%	-
Over 1 year	20	0.15%	-	7	0.06%	-
	<u>30</u>	<u>0.21%</u>	<u>-</u>	<u>31</u>	<u>0.25%</u>	<u>-</u>
Current market value of collateral held against the covered portion of overdue advances to customers	<u>13</u>			<u>9</u>		
Covered portion of overdue advances to customers	30			31		
Uncovered portion of overdue advances to customers	-			-		
	<u>30</u>			<u>31</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, 2024 and December 31, 2023.

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, 2024 and December 31, 2023.

Figures in US\$ millions

At June 30, 2024

At December 31, 2023

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	30	0.21%	31	0.25%
Rescheduled advances to customers	-	-	-	-
Less: impairment allowances - collectively assessed	-	-	-	-
Less: impairment allowances - individually assessed	-	-	-	-
	<u>30</u>	<u>0.21%</u>	<u>31</u>	<u>0.25%</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	16	32
Less: impairment allowances - individually assessed	<u>(5)</u>	<u>(5)</u>
	<u>11</u>	<u>27</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>5</u>
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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	33,357	37,121
Saving deposits	2,712	2,991
Time, call and notice deposits	<u>12,469</u>	<u>11,885</u>
	<u>48,538</u>	<u>51,997</u>

Figures in US\$ millions	At June 30 2024			At December 31 2023		
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)	3,773	163	3,936	3,601	167	3,768
2 Local governments, local government-owned entities and their subsidiaries and JVs	-	50	50	8	-	8
3 PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	781	1,010	1,791	1,082	941	2,023
4 Other entities of central governments not reported in item 1 above	-	-	0	-	-	0
5 Other entities of local governments not reported in item 2 above	-	-	0	-	-	0
6 PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	130	103	233	162	158	320
7 Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	1,482	454	1,936	1,257	146	1,403
Total	<u>6,166</u>	<u>1,780</u>	<u>7,946</u>	<u>6,110</u>	<u>1,412</u>	<u>7,522</u>
Total assets after provision	69,984			73,217		
On-balance sheet exposures as percentage of total assets	8.81%			8.35%		

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 2024	At December 31 2023
a) Hong Kong Dollars		
Spot assets	20,835	17,173
Spot liabilities	(16,853)	(17,012)
Forward purchases	87,697	72,837
Forward sales	(92,500)	(73,528)
Net short position	<u>(821)</u>	<u>(530)</u>
b) Chinese Renminbi		
Spot assets	6,674	6,500
Spot liabilities	(8,306)	(6,695)
Forward purchases	170,186	125,402
Forward sales	(168,997)	(124,874)
Net long position	<u>(443)</u>	<u>333</u>

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

 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
<u>As at June 30, 2024</u>						
a) Developed countries	23,379	3,904	1,521	980	-	29,784
Of which: United States	22,717	675	679	380	-	24,451
b) Offshore centres	4,144	2	941	2,298	-	7,385
Of which: Hong Kong SAR	4,099	2	817	1,585	-	6,503
c) Developing Asia and Pacific	3,433	3,607	776	2,019	-	9,835
Of which: China	1,697	3,606	622	1,082	-	7,007
<u>As at December 31, 2023</u>						
a) Developed countries	34,431	3,077	1,269	835	-	39,612
Of which: United States	33,843	640	538	301	-	35,322
b) Offshore centres	3,242	-	965	2,644	-	6,851
Of which: Hong Kong SAR	3,197	-	877	1,898	-	5,972
c) Developing Asia and Pacific	2,457	3,619	432	1,948	-	8,456
Of which: China	1,631	3,539	402	1,293	-	6,865

CITIBANK, N.A. - HONG KONG BRANCH

Figures in US\$ millions	At June 30 2024	At December 31 2023
13. Off-balance sheet information		
a) Contingent liabilities and commitments		
Contractual or notional amounts		
Direct credit substitutes	718	929
Transaction-related contingencies	104	128
Trade-related contingencies	214	183
Other commitments	13,770	13,844
Others	361	-
	<u>15,167</u>	<u>15,084</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	630,566	492,708
Interest rate contracts	440,442	417,217
Others	2,400	1,710
	<u>1,073,408</u>	<u>911,635</u>
Fair value assets		
Exchange rate contracts	5,213	4,646
Interest rate contracts	2,595	2,487
Others	60	57
	<u>7,868</u>	<u>7,190</u>
Fair value liabilities		
Exchange rate contracts	4,843	4,667
Interest rate contracts	2,584	2,691
Others	59	58
	<u>7,486</u>	<u>7,416</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

	Quarter ended June 30, 2024	Quarter ended March 31, 2024
14. Liquidity ratio		
The average Liquidity Maintenance Ratio for the period	41.94%	43.76%
The average Core Funding Ratio for the period	205.80%	214.91%

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 2024		At December 31 2023	
Capital and Capital Adequacy				
	Advanced Approaches	Standardized Approach	Advanced Approaches	Standardized Approach
Common Equity Tier (CET1) Capital	149,176	149,176	147,109	147,109
Tier 1 Capital	151,305	151,305	149,238	149,238
Total Capital	163,176	170,679	160,706	168,571
CET1 Ratio	14.17%	15.34%	13.92%	14.95%
Tier 1 Capital Ratio	14.37%	15.55%	14.12%	15.17%
Total Capital Ratio	15.49%	17.55%	15.20%	17.13%
Stockholder's Equity	166,088	166,088	162,945	162,945
Total Risk Weighted Assets	1,053,103	972,719	1,057,194	983,960

Citibank's binding CET1 Capital, Tier 1 Capital and Total Capital ratios were derived under the Basel III Advanced Approaches framework for all periods presented.

Figures in US\$ millions	At June 30 2024	At December 31 2023
Other Financial Information		
Total Assets	1,678,936	1,684,710
Total Liabilities	1,512,037	1,520,999
Total Advances (Net of Allowances for Loan Losses)	633,695	633,732
Total Deposits (including those from banks)	1,304,678	1,327,597

Figures in US\$ millions	Half-year ended June 30, 2024	Half-year ended June 30, 2023
Pre-tax Profit	9,219	10,772

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

ADDITIONAL INFORMATION

Figures in US\$ millions	At June 30 2024		At December 31 2023	
Capital and Capital Adequacy				
	Advanced Approaches	Standardized Approach	Advanced Approaches	Standardized Approach
Common Equity Tier (CET1) Capital	154,357	154,357	153,595	153,595
Tier 1 Capital	173,783	173,783	172,504	172,504
Total Capital	195,494	204,204	191,919	201,768
CET1 Ratio	12.16%	13.59%	12.11%	13.37%
Tier 1 Capital Ratio	13.70%	15.30%	13.60%	15.02%
Total Capital Ratio	15.41%	17.98%	15.13%	17.57%
Stockholder's Equity	208,310	208,310	205,453	205,453
Total Risk Weighted Assets	1,268,878	1,135,750	1,268,723	1,148,608

Citi's binding CET1 Capital and Tier 1 Capital ratios were derived under the Basel III Standardized Approach, whereas Citi's binding Total Capital ratio was derived under the Basel III Advanced Approaches framework for all periods presented

Figures in US\$ millions	At June 30 2024	At December 31 2023
Other Financial Information		
Total Assets	2,405,686	2,411,834
Total Liabilities	2,196,542	2,205,583
Total Advances (Net of Allowances for Loan Losses)	669,506	671,217
Total Deposits (including those from banks)	1,278,137	1,308,681

Figures in US\$ millions	Half-year ended June 30, 2024	Half-year ended June 30, 2023
Pre-tax Profit	8,854	10,225