

**Key Financial Information  
Disclosure Statement**

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***2022  
Year End  
Results***



**Oversea-Chinese Banking Corporation Limited  
Hong Kong Branch**  
(Incorporated in Singapore with limited liability)

**KEY FINANCIAL INFORMATION DISCLOSURE STATEMENT**

For the year ended 31 December 2022

- The Statement is displayed in the banking hall of the OCBC Hong Kong Branch at the following address:

**9/F, Nine Queen's Road Central, Hong Kong**

- A copy of the Statement has been lodged with the public registry of the Hong Kong Monetary Authority and is available on the website <https://www.ocbc.com/group/investors/investor-information#otherdisclosures>, for public inspection.

**Key Financial Information Disclosure Statement for the year ended 31 December 2022 prepared in accordance with Banking (Disclosure) Rules.**

**Section A – Branch Information (Hong Kong office only)**

**I. Profit and loss information**

	Year ended 31-Dec-2022 HK\$'000	Year ended 31-Dec-2021 HK\$'000
(i) Interest income	<b>2,756,167</b>	1,298,779
(ii) Interest expense	<b>(2,030,381)</b>	(307,733)
(iii) Other operating income		
- Gains less losses arising from trading in foreign currencies	<b>200,908</b>	292,396
- Gains less losses arising from other trading activities	<b>(182,964)</b>	(65,888)
- Gains less losses on securities held for trading purposes	<b>(34,669)</b>	(41,088)
- Fees and commissions		
- Income	<b>79,957</b>	82,301
- Expense	-	-
- Others	<b>128,589</b>	26,327
(iv) Operating expenses		
- Staff expenses	<b>(54,535)</b>	(177,453)
- Rental expenses	<b>(6,618)</b>	(27,051)
- Other expenses	<b>(347,226)</b>	(126,075)
(v) Gains less losses from the disposal of property, plant and equipment and investment properties	-	-
(vi) Net (charge) / credit for impairment losses and provisions for impaired loans and receivables	<b>(276,211)</b>	(424,708)
(vii) Profit / (Loss) before taxation	<b>233,017</b>	529,807
(viii) Taxation (charge) / credit	<b>(41,267)</b>	(88,228)
(ix) Profit / (Loss) after taxation	<b>191,750</b>	441,579

## II. Balance sheet information

	As at 31 Dec 2022 HK\$'000	As at 30 Jun 2022 HK\$'000
<b>Assets</b>		
(i) Cash and short term funds <i>(except those included in amount due from overseas offices)</i>	<b>7,477,306</b>	1,814,440
(ii) Placements with banks maturing between one and twelve months <i>(except those included in amount due from overseas offices)</i>	<b>1,403,576</b>	5,670,319
(iii) Due from Exchange Fund	<b>193,205</b>	51,879
(iv) Amount due from overseas offices	<b>7,718,108</b>	1,316,107
(v) Trade bills	<b>1,031,743</b>	1,537,669
(vi) Certificates of deposit held	<b>18,117,931</b>	25,273,012
(vii) Investment securities	<b>17,738,352</b>	16,069,134
(viii) Trading securities	<b>550,236</b>	715,276
(ix) Loans and advances and other accounts		
- Loans and advances to customers	<b>61,436,324</b>	61,004,867
- Placement with banks maturing over twelve months	-	-
- Accrued interest and other accounts	<b>3,940,714</b>	6,086,740
(x) Impairment allowances on loans and advances and other accounts		
- Collectively assessed	<b>(240,256)</b>	(196,354)
- Individual assessed	<b>(20,025)</b>	(404,547)
(xi) Derivative receivables	<b>10,249,970</b>	8,401,458
(xii) Investment in subsidiaries	<b>34,568</b>	34,568
(xiii) Other investments	<b>630</b>	630
(xiv) Property, plant and equipment and investment properties	-	-
<b>Total assets</b>	<b>129,632,382</b>	127,375,198
<b>Liabilities</b>		
(i) Deposits and balances from banks <i>(except those included in amount due to overseas offices)</i>	<b>14,292,782</b>	16,768,707
(ii) Due to Exchange Fund	-	-
(iii) Deposits from customers		
- Demand deposits and current accounts	<b>198,168</b>	313,496
- Saving deposits	<b>3,253,045</b>	2,071,469
- Time, call and notice deposits	<b>20,552,635</b>	17,426,934
(iv) Amount due to overseas offices	<b>55,702,936</b>	44,548,079
(v) Certificates of deposit issued	<b>20,807,806</b>	32,832,520
(vi) Other liabilities	<b>4,579,560</b>	5,604,545
(vii) Provisions	<b>86,265</b>	68,880
(viii) Derivative payables	<b>9,904,476</b>	7,582,553
(ix) Reserve	<b>254,709</b>	158,015
<b>Total liabilities</b>	<b>129,632,382</b>	127,375,198

### III. Additional balance sheet information

#### 1. Gross loans and advances to customers

	Collateral Value As at 31 Dec 2022 HK\$'000	Gross Loans and Advances As at 31 Dec 2022 HK\$'000	Collateral Value As at 30 Jun 2022 HK\$'000	Gross Loans and Advances As at 30 Jun 2022 HK\$'000
Analysed by industry:				
Loans and advances for use in Hong Kong				
- Industrial, commercial and financial				
- Property development	3,179,732	12,970,299	2,788,193	10,957,811
- Property investment	3,496,586	10,762,999	3,394,717	9,041,965
- Financial concerns	-	117,277	-	-
- Stockbrokers	-	-	-	-
- Wholesale and retail trade	-	3,047,556	-	3,056,274
- Manufacturing	-	-	-	-
- Transport and transport equipment	-	639,882	57,272	720,593
- Recreational activities	-	-	-	-
- Information technology	-	300,000	-	300,000
- Others	1,736,000	4,318,645	1,740,500	3,483,286
	<b>8,412,318</b>	<b>32,156,658</b>	7,980,682	27,559,929
- Individuals				
- Loans for the purchase of other residential properties	-	-	-	-
- Others	-	-	-	-
	-	-	-	-
Loans and advances for use in Hong Kong	<b>8,412,318</b>	<b>32,156,658</b>	7,980,682	27,559,929
Trade finance	-	263,736	-	444,730
Loans and advances for use outside Hong Kong	<b>1,277,473</b>	<b>29,015,930</b>	2,887,920	33,000,208
<b>Total loans and advances to customers</b>	<b>9,689,791</b>	<b>61,436,324</b>	10,868,602	61,004,867

	Gross Loans and Advances As at 31 Dec 2022 HK\$'000	Gross Loans and Advances As at 30 Jun 2022 HK\$'000
Analysed by countries:		
Hong Kong	28,911,483	24,377,056
China	26,938,513	30,790,523
Others	5,586,328	5,837,288
<b>Total loans and advances to customers</b>	<b>61,436,324</b>	61,004,867

The above analysis of gross loans and advances to customers by country is based on the physical location and/or the place of business operations of the customers and transfer of risk has been taken account of. In general, risk transfer is made when the loans and advances are guaranteed by a party in a country which is different from that of the customer.

**III. Additional balance sheet information** (continued)

2. Gross loans and advances to banks

As at 31 Dec 2022 HK\$'000	As at 30 Jun 2022 HK\$'000
-	-

3. International claims

Geographical segments or individual countries constituting 10% or more of the aggregate international claims after taking into account any recognised risk transfer are summarised as follows:

HK\$ million	<u>Non-bank private sector</u>					Total
	Banks	Official Sector	Non-bank financial institutions	Non-financial private sector	Others	
<b>As at 31 Dec 2022</b>						
<b>Developed countries</b>	8,695	250	6,814	1,151	-	16,910
<b>Offshore centres</b>	19,787	80	2,601	9,296	-	31,764
of which - Hong Kong	1,925	-	2,514	9,295	-	13,734
of which - Singapore	15,293	-	87	1	-	15,381
<b>Developing Asia and Pacific</b>	13,882	5,798	1,943	6,894	-	28,517
of which - China	12,520	5	546	6,612	-	19,683
<b>As at 30 Jun 2022</b>						
Developed countries	5,154	771	4,567	1,049	-	11,541
Offshore centres	17,042	-	3,460	12,303	-	32,805
of which - Hong Kong	4,170	-	3,325	12,303	-	19,798
of which - Singapore	11,960	-	135	-	-	12,095
Developing Asia and Pacific	16,816	3,267	2,311	8,928	-	31,322
of which - China	16,794	-	624	8,754	-	26,172

In general, risk transfer is made when claims are guaranteed by a party in a country which is different from that of the counterparty or when the claims are on an overseas branch of a bank whose head office is located in another country.

The geographical segments and counterparty classifications are identified in accordance with the guidelines set out in the Return of International Banking Statistics ( MA(BS)21 ) issued by the HKMA.

**III. Additional balance sheet information** *(continued)*

4. Impairment allowances for loans and advances and other exposures were as follows:

	<b>As at 31 Dec 2022</b> <b>HK\$'000</b>	As at 30 Jun 2022 HK\$'000
Collectively assessed allowances	<b>240,256</b>	196,354
Individual assessed allowances		
- Loans and Advances	<b>20,025</b>	404,547
- Trade Bills	-	-
- Other Assets	-	-
	<b>260,281</b>	600,901

Individual assessed allowances are made against loans and advances or other exposures as and when they are considered necessary by the management.

The collectively assessed allowances are calculated based on the forward-looking expected credit loss model under SFRS(I) 9.

5. Impaired loans and advances

	<b>Collateral Value</b> <b>As at 31 Dec 2022</b> <b>HK\$'000</b>	<b>Impaired Loans and</b> <b>advances</b> <b>As at 31 Dec 2022</b> <b>HK\$'000</b>	Collateral Value As at 30 Jun 2022 HK\$'000	Impaired Loans and Advances As at 30 Jun 2022 HK\$'000
- Gross amount	-	<b>20,025</b>	-	560,303
<i>(as a percentage of total loans and advances to customers)</i>	<b>(0.00%)</b>	<b>(0.03%)</b>	<i>(0.00%)</i>	<i>(0.92%)</i>
- Individual assessed allowances		<b>20,025</b>		404,547
Analysis of gross amount by countries:				
Hong Kong		<b>20,025</b>		178,929
China		-		381,374
Singapore		-		-
Others		-		-
Total impaired loans and advances		<b>20,025</b>		560,303

The above analysis of impaired loans and advances to customers by country is based on the physical location and/or the place of business operations of the customers and transfer of risk has been taken account of. In general, risk transfer is made when the loans and advances are guaranteed by a party in a country which is different from that of the customer.

**III. Additional balance sheet information** (continued)

6. Overdue loans and advances

	Collateral Value As at 31 Dec 2022 HK\$'000	Overdue Loans and Advances As at 31 Dec 2022 HK\$'000	Collateral Value As at 30 Jun 2022 HK\$'000	Overdue Loans and Advances As at 30 Jun 2022 HK\$'000
Gross amount of loans and advances which had been overdue for				
- more than one month and up to three months (as a percentage of total loans and advances to customers)	-	-	-	-
- more than three months and up to six months (as a percentage of total loans and advances to customers)	(0.00%)	(0.00%)	(0.00%)	(0.00%)
- more than six months and up to one year (as a percentage of total loans and advances to customers)	-	-	-	381,374
- more than one year (as a percentage of total loans and advances to customers)	(0.00%)	(0.00%)	(0.00%)	(0.63%)
- more than one year (as a percentage of total loans and advances to customers)	-	20,025	-	178,929
- more than one year (as a percentage of total loans and advances to customers)	(0.00%)	(0.03%)	(0.00%)	(0.29%)
Total overdue loans and advances	-	20,025	-	560,303

Value of collateral held against overdue loans and advances:

	As at 31 Dec 2022 HK\$'000	As at 30 Jun 2022 HK\$'000
Current market value of collateral held against the covered portion of overdue loans and advances	-	-
Covered portion of overdue loans and advances	-	-
Uncovered portion of overdue loans and advances	20,025	560,303
Individual assessed allowances of overdue loans and advances	20,025	404,547
Analysis of gross amount by countries:		
Hong Kong	20,025	178,929
China	-	381,374
Singapore	-	-
Others	-	-
Total overdue loans and advances	20,025	560,303

The above analysis of overdue loans and advances to customers by country is based on the physical location and/or the place of business operations of the customers and transfer of risk has been taken account of. In general, risk transfer is made when the loans and advances are guaranteed by a party in a country which is different from that of the customer.

- The amount of rescheduled loans and advances to customers, net of those which have been overdue for over three months and reported under note 6 above, as at 31 December 2022 was Nil (30 June 2022: Nil).
- As at 31 December 2022, there were no loans and advances to banks and other financial institutions that were overdue, rescheduled or impaired (30 June 2022: Nil).



**III. Additional balance sheet information (continued)**

9. Overdue Trade Bills

	<b>As at 31 Dec 2022</b>	As at 30 June 2022
	<b>HK\$'000</b>	HK\$'000
Trade bills which had been overdue for		
- more than one month and up to three months	-	-
- more than three months and up to six months	-	-
- more than six months and up to one year	-	-
- more than one year	-	-
Total overdue Trade Bills	<u>-</u>	<u>-</u>

As at 31 December 2022, there was no other asset that was overdue (30 June 2022: Nil).

10. There was no repossessed asset held as at 31 December 2022 (30 June 2022: Nil).

11. Foreign currency risk exposure:

The net position in a particular foreign currency is disclosed below if the net position (in absolute terms) constitutes 10% or more of the total net position in all foreign currencies.

**As at 31 Dec 2022**

<b>HK\$ million</b>	<b>KRW</b>	<b>CNY</b>	<b>USD</b>	<b>Total</b>
Spot assets	<b>5,840</b>	<b>8,143</b>	<b>46,748</b>	<b>60,731</b>
Spot liabilities	<b>(229)</b>	<b>(2,957)</b>	<b>(85,190)</b>	<b>(88,376)</b>
Forward purchases	-	<b>68,019</b>	<b>236,771</b>	<b>304,790</b>
Forward sales	<b>(5,875)</b>	<b>(73,391)</b>	<b>(197,431)</b>	<b>(276,697)</b>
Net options position	-	<b>(6)</b>	<b>(238)</b>	<b>(244)</b>
<b>Net long/(short) position</b>	<b>(264)</b>	<b>(192)</b>	<b>660</b>	<b>204</b>

As at 30 Jun 2022

HK\$ million	CNY	USD	Total
Spot assets	10,506	47,995	58,501
Spot liabilities	(3,486)	(87,719)	(91,205)
Forward purchases	84,213	264,860	349,073
Forward sales	(91,835)	(224,543)	(316,378)
Net options position	70	(370)	(300)
<b>Net long/(short) position</b>	<b>(532)</b>	<b>223</b>	<b>(309)</b>

There was no structural position as at 31 December 2022 (at 30 June 2022: Nil).

The net options position is calculated based on the delta-weighted position as set out in the Return of "Foreign Currency Position" issued by the HKMA.

III. Additional balance sheet information (continued)

12. Non-bank Mainland China Exposures:

As at 31 Dec 2022

Types of Counterparties	[A] On-balance sheet exposure HK\$ million	[B] Off-balance sheet exposure HK\$ million	[A] + [B] Total HK\$ million
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	11,883	283	12,166
2. Local governments, local government-owned entities and their subsidiaries and JVs	1,900	-	1,900
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	8,206	1,029	9,235
4. Other entities of central government not reported in item 1 above	1,680	389	2,069
5. Other entities of local governments not reported in item 2 above	2,051	-	2,051
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	5,998	2,016	8,014
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
<b>Total</b>	<b>31,718</b>	<b>3,717</b>	<b>35,435</b>
<b>Total assets after provision</b>	<b>129,632</b>		
<b>On-balance sheet exposures as percentage of total assets</b>	<b>24.47%</b>		

As at 30 Jun 2022

Types of Counterparties	[A] On-balance sheet exposure HK\$ million	[B] Off-balance sheet exposure HK\$ million	[A] + [B] Total HK\$ million
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	11,533	2,000	13,533
2. Local governments, local government-owned entities and their subsidiaries and JVs	2,457	-	2,457
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	10,270	227	10,497
4. Other entities of central government not reported in item 1 above	3,095	42	3,137
5. Other entities of local governments not reported in item 2 above	1,850	-	1,850
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	8,125	1,977	10,102
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
<b>Total</b>	<b>37,330</b>	<b>4,246</b>	<b>41,576</b>
<b>Total assets after provision</b>	<b>127,375</b>		
<b>On-balance sheet exposures as percentage of total assets</b>	<b>29.31%</b>		

#### IV. Off-balance sheet information

		As at 31 Dec 2022 HK\$'000	As at 30 Jun 2022 HK\$'000
<b>Contingent liabilities and commitments</b>			
(i) Contractual/notional amounts			
Direct credit substitutes		63,444	65,675
Transaction-related contingencies		-	-
Trade-related contingencies		1,474,619	1,352,728
Other commitments			
- over one year		11,594,483	13,968,482
- one year or less		15,341,505	13,367,812
Others (including forward asset purchases, amounts owing on partly paid shares and securities, forward forward deposits placed, asset sales or other transactions with recourse)		1,509,829	7,618,418
		<b>29,983,880</b>	<b>36,313,115</b>
	Credit Conversion Factor		
(ii) Credit risk weighted amounts			
Direct credit substitutes	100%	63,444	65,675
Transaction-related contingencies	50%	-	-
Trade-related contingencies	20%	294,924	270,546
Other commitments			
- over one year	50%	5,797,242	6,984,241
- one year or less	0%	-	-
Others (including forward asset purchases, amounts owing on partly paid shares and securities, forward forward deposits placed, asset sales or other transactions with recourse)	100%	1,509,829	7,618,418
		<b>7,665,439</b>	<b>14,938,880</b>
<b>Derivatives</b>			
(i) Contractual/notional amounts			
Exchange rate contracts		441,432,088	496,909,391
Interest rate contracts		277,877,731	282,430,955
Others		31,940	66,299
		<b>719,341,759</b>	<b>779,406,645</b>
The amounts are shown on a gross basis and do not take into account the effect of bilateral netting arrangements.			
The contractual/notional amounts of these instruments indicate the volume of transactions outstanding as at the balance sheet date. They do not represent amounts at risk.			
(ii) Total fair value			
Exchange rate contracts		(56,371)	523,869
Interest rate contracts		401,832	294,677
Others		33	359
		<b>345,494</b>	<b>818,905</b>

## V. Liquidity Information

### 1. Liquidity Maintenance Ratio

	<b>Quarter ended 31 Dec 2022</b>	Quarter ended 31 Dec 2021
Quarterly average liquidity maintenance ratio	<b>93.26%</b>	85.14%

The average liquidity maintenance ratio is calculated as the simple average of each month's average corresponding ratio for the quarter.

### 2. Core Funding Ratio

	<b>Quarter ended 31 Dec 2022</b>	Quarter ended 31 Dec 2021
Quarterly average core funding ratio	<b>95.41%</b>	91.83%

The average core funding ratio is calculated as the simple average of each month's average corresponding ratio for the quarter.

### 3. Sources of Funding

<b>HK\$ million</b>	<b>As at 31 Dec 2022</b>	<b>As % of Total Liabilities</b>	As at 31 Dec 2021	As % of Total Liabilities
Deposits from customers	<b>26,197</b>	<b>20%</b>	19,946	17%
Funding raised from connected banks	<b>65,506</b>	<b>51%</b>	54,581	48%
Funding raised from banks	<b>5,013</b>	<b>4%</b>	6,183	5%
Debt securities issued	<b>20,913</b>	<b>16%</b>	26,415	23%
<b>Total Funding Sources</b>	<b>117,629</b>	<b>91%</b>	107,125	93%

V. Liquidity Information (continued)

4. Liquidity Gap

The following maturity profile is based on the remaining period to repayment on a contractual maturity basis at the end of the reporting period.

HK\$ million	Total *	Next day	2 to 7 days	8 days to 1 month	> 1 month up to 3 months	> 3 months up to 12 months	Over 1 year	Balancing amount
<b>As at 31 Dec 2022</b>								
Cash and balances with central banks	193	193	-	-	-	-	-	-
Due from banks	16,621	4,225	1,571	9,299	1,438	88	-	-
Debt securities	36,272	36,217	-	-	-	55	-	-
Trade Bills	1,032	98	131	498	305	-	-	-
Loans and advances to customers	61,616	2,518	295	57	4,278	13,050	41,398	20
Other assets	13,876	2,785	2,767	4,843	11,895	31,472	102,243	713
<b>Total on-balance sheet assets</b>	<b>129,610</b>	<b>46,036</b>	<b>4,764</b>	<b>14,697</b>	<b>17,916</b>	<b>44,665</b>	<b>143,641</b>	<b>733</b>
<b>Total off-balance sheet claims</b>	<b>8,048</b>	<b>300</b>	<b>7,748</b>	-	-	-	-	-
Deposits from customers	24,082	8,408	2,490	3,754	5,305	4,125	-	-
Due to banks	70,413	2,307	1,762	19,385	22,162	4,288	20,508	-
Debt securities issued	20,913	-	-	350	55	17,388	3,119	-
Other liabilities (including reserves)	13,947	3,038	2,662	4,876	11,864	31,127	101,876	1,106
<b>Total on-balance sheet liabilities</b>	<b>129,355</b>	<b>13,753</b>	<b>6,914</b>	<b>28,365</b>	<b>39,386</b>	<b>56,928</b>	<b>125,503</b>	<b>1,106</b>
<b>Total off-balance sheet obligations</b>	<b>18,005</b>	<b>3,009</b>	<b>14,920</b>	<b>31</b>	<b>44</b>	-	-	-
Contractual Maturity Mismatch		29,574	(9,322)	(13,699)	(21,514)	(12,263)	18,138	
Cumulative Contractual Maturity Mismatch		29,574	20,252	6,553	(14,961)	(27,224)	(9,086)	
<b>As at 31 Dec 2021</b>								
Cash and balances with central banks	74	74	-	-	-	-	-	-
Due from banks	12,862	2,064	6,682	307	510	3,299	-	-
Debt securities	38,258	37,303	43	-	427	484	-	-
Trade Bills	1,991	2	172	534	1,261	22	-	-
Loans and advances to customers	55,171	78	20	512	2,507	16,526	34,958	571
Other assets	6,466	1,508	540	3,089	3,621	26,614	94,639	647
<b>Total on-balance sheet assets</b>	<b>114,822</b>	<b>41,029</b>	<b>7,457</b>	<b>4,442</b>	<b>8,326</b>	<b>46,945</b>	<b>129,597</b>	<b>1,218</b>
<b>Total off-balance sheet claims</b>	<b>11,697</b>	<b>1,560</b>	<b>10,138</b>	-	-	-	-	-
Deposits from customers	20,509	5,300	2,400	6,376	5,435	999	-	-
Due to banks	60,765	2,848	11,789	12,883	28,564	2,342	2,339	-
Debt securities issued	26,415	-	1,950	4	7	7,066	17,390	-
Other liabilities (including reserves)	6,766	1,475	547	2,750	3,610	26,880	94,759	1,025
<b>Total on-balance sheet liabilities</b>	<b>114,455</b>	<b>9,623</b>	<b>16,686</b>	<b>22,013</b>	<b>37,616</b>	<b>37,287</b>	<b>114,488</b>	<b>1,025</b>
<b>Total off-balance sheet obligations</b>	<b>18,092</b>	<b>708</b>	<b>11,923</b>	<b>2</b>	<b>1,560</b>	<b>3,899</b>	-	-
Contractual Maturity Mismatch		32,258	(11,014)	(17,573)	(30,850)	5,759	15,109	
Cumulative Contractual Maturity Mismatch		32,258	21,244	3,671	(27,179)	(21,420)	(6,311)	

\* The "Total" column of other assets and other liabilities includes the amount receivable / payable arising from derivative contracts, not the cash flow as shown in each time buckets.

## V. Liquidity Information (continued)

### 4. Liquidity Gap (continued)

The following maturity profile is based on behavioural assumptions at the end of the reporting period for selected assets and off-balance sheet items.

HK\$ million	Total	Next day	2 to 7 days	8 days to 1 month	> 1 month up to 3 months	> 3 months up to 12 months	Over 1 year	Balancing amount
<b>As at 31 Dec 2022</b>								
Irrevocable loan commitments or facilities granted according to estimated dates and amounts of drawdown by customers	14,245	-	577	-	-	-	13,668	-
Loans and advances to non-bank customers according to estimated dates and amounts of repayment by customers	61,615	4	295	53	2,032	8,585	50,646	-
HK\$ million	Total	Next day	2 to 7 days	8 days to 1 month	> 1 month up to 3 months	> 3 months up to 12 months	Over 1 year	Balancing amount
<b>As at 31 Dec 2021</b>								
Irrevocable loan commitments or facilities granted according to estimated dates and amounts of drawdown by customers	10,971	-	1,182	-	-	-	9,789	-
Loans and advances to non-bank customers according to estimated dates and amounts of repayment by customers	55,172	7	20	413	1,429	10,303	43,000	-

The figures in Liquidity Gap are extracted from the HKMA Return on Liquidity Monitoring Tools (Form MA(BS)23).

### 5. Liquidity Risk Management

The liquidity risk management of Oversea-Chinese Banking Corporation Limited, Hong Kong Branch, is part of the OCBC Group's risk management processes. The objective of liquidity risk management is to ensure that there are sufficient funds to meet contractual and regulatory financial obligations and to undertake new transactions.

The Hong Kong Asset and Liability Committee ("ALCO") comprising key members from local management and Treasury, conducts meeting on a regular basis to review and deliberate important liquidity risk management matters.

#### Liquidity Management Framework

Liquidity risk management is a component of the OCBC HK Branch's asset and liability management framework. The liquidity risk management framework comprises of the followings:-

- Roles and responsibilities, organisational structure for oversight and communications of the Bank's liquidity risk management;
- Operational liquidity risk management;
- Periodic reporting of liquidity positions;
- Managing funding sources and access to markets; and
- Liquidity contingency plan that establishes indicators to alert senior management to potential liquidity and funding problems.

Setting up Liquidity risk tolerance, including Loan-to-Deposit Ratio, maturity mismatches and concentration of funding as well as stress testing are performed to facilitate liquidity risk control within the liquidity management framework.

#### Funding Strategy

The liquidity and funding positions of OCBC HK Branch is centrally managed at Hong Kong. The Branch maintains a diverse range of funding sources. Apart from obtaining the funding from interbank markets funding, the non-bank customer deposits also form a significant part of the Branch's overall funding. In order to lengthen the duration of the funding, the Branch issues certificate of deposit with different maturities and obtains intragroup funding at arm's length.

## **V. Liquidity Information** *(continued)*

### 5. Liquidity Risk Management *(continued)*

The Branch monitors the turnover and behavioural patterns of the funding sources and these trends are tabled at the monthly ALCO meeting for discussion. Studies are performed periodically (and models used are validated) to identify the behaviour of significant indeterminate products according to the liquidity methodology adopted. The study will yield an estimate of the amount of stable non-bank deposits under normal business conditions, and facilitate more realistic projections of the funding needs.

To ensure there is no over-reliance on any single funding source by types of liability and lender, concentration ratios are imposed where appropriate and monitored by ALCO support units.

#### Liquidity Monitoring

OCBC HK Branch manages the operational liquidity by cash flows on an individual currency basis by cash flow mismatch analysis under defined business scenarios.

Short-term liquidity stress tests are performed based on an institution-specific crisis scenario, a general-market crisis scenario and a combined scenario. The results of the stress tests are used to adjust liquidity risk management strategies, policies and positions and to develop effective contingency funding plans.

Liquidity monitoring is performed daily within a framework for projecting cash flows on a contractual and behavioural basis. Simulations of liquidity exposures under stressed market scenarios are performed and the results are taken into account in the risk management processes.

OCBC HK Branch also follows the applicable guidance set forth by the HKMA in Supervisory Policy Manual LM-2 "Sound Systems and Controls for Liquidity Risk Management".

#### Liquidity Reporting

In-house systems and procedures are in place to meet the various reporting requirements. The systems include data from different sources with relevant mapping rules to generate internal and local regulatory reports.

Daily cash flow mismatch reports are produced by using contractual cash flows in the balance sheets and placing them into appropriate time bands. Daily liquidity stress reports over a 30-day stress period is prepared, and based on contractual cash flows to make behavioural adjustments. The measurement and reporting of liquidity would be on a cumulative cash flow mismatch basis for each currency. For behaviour cash flow mismatch reports, the exposure should be against the assigned Maximum Cumulative Outflow ("MCO") limits.

The daily local regulatory reports, Liquidity Maintenance Ratio and Core Funding Ratio, are prepared in accordance with the relevant reporting requirements.

#### Contingency Planning

The Contingency Funding Plan ("CFP") is a critical component of the liquidity management framework and serves as an extension of the OCBC HK Branch's operational or daily liquidity management policy.

A liquidity crisis can arise due to Market-driven and/or Firm-driven events. A 3-stage approach (Green/Amber/Red) is adopted to differentiate the various states of the liquidity and funding condition.

The OCBC Branch's liquidity management framework is supported by key liquidity measures, which are monitored on an on-going basis. These measures further serve as early warning indicators ("EWI") to alert senior management of potential liquidity and funding distress situations and trigger management actions in response to the event. The EWIs are designed taking into consideration the Branch's funding profile as well as the market conditions, and are calibrated to differentiate the various level of severity in liquidity shortfall. The EWIs are monitored regularly and discussed at the ALCO. These triggers may also be alerted on an exceptional basis.

**Section B – Oversea-Chinese Banking Corporation Limited Group information (Consolidated basis)**

Amounts reported are expressed in Singapore Dollars (The exchange rate as at 31 December 2022 is HKD1 = SGD 0.172256, 30 June 2022 is HKD1 = SGD 0.177276, 31 December 2021 is HKD1 = SGD 0.173307)

**I Capital and capital adequacy**

	As at 31 Dec 2022 S\$ million	As at 30 Jun 2022 S\$ million
(i) Capital and reserves		
- Issued and paid-up capital	18,048	18,057
- Total shareholders' equity <sup>#</sup>	54,668	54,419
(ii) Consolidated capital adequacy ratio	17.7%	17.5%

**II Other financial information**

	As at 31 Dec 2022 S\$ million	As at 30 Jun 2022 S\$ million
(i) Total Assets	559,956	554,862
(ii) Total Liabilities	505,288	500,443
(iii) Total loans and advances to non-bank customers, including bills (net of individual and collectively assessed allowances)	291,467	294,480
(iv) Deposits of non-bank customers	350,081	348,821
	<b>Year ended 31 Dec 2022 S\$ million</b>	<b>Year ended 31 Dec 2021 S\$ million</b>
(v) Pre-tax profits	6,939	5,680

<sup>#</sup>: includes non-controlling interest

**III Bank profile**

Oversea-Chinese Banking Corporation Limited is a company incorporated in Singapore with limited liability. Its Hong Kong Branch provides banking and financial related services to bank and non-bank customers.

**IV Disclosure on remuneration**

OCBC HK Branch adopted the remuneration systems of the head office, OCBC Bank. The objective of the Bank's remuneration policy is to attract, motivate, reward and retain quality staff. The Board ensures that the remuneration policies are in line with the strategic objectives and corporate values of the Bank, and do not give rise to conflicts between the objectives of the Bank and the interests of individual Directors and key executives.

According to the Supervisory Policy Manual ("SPM") CG-5 "Guideline on a Sound Remuneration System" issued by HKMA, Oversea-Chinese Banking Corporation Limited, as an overseas-incorporated Authorized Institution is not required to make separate disclosures in respect of the remuneration system applicable to their Hong Kong operations. The disclosures made by Head Office in the Annual Report also cover information as set out in the said Guideline, where appropriate.


In relation to the disclosure on remuneration, such information on (but not be limited to) the decision-making process, firm-wide remuneration policy, criteria used for performance measurements and risk adjustment, the linkage between pay and performance, deferral policy and vesting criteria, and the parameters used for allocating cash versus other forms of remuneration, aggregate quantitative information, where applicable, in respect of sign-on and severance payments awarded during the financial year, and the breakdown of the total compensation of the Chief Executive Officer and other senior executives (reporting directly to him) by fixed, variable and deferred proportions, are to be publicly disclosed in our 2022 Annual Report.



**Oversea-Chinese Banking Corporation Limited, Hong Kong Branch Chief Executive's Declaration of Compliance**

I, Au-Yeung Lai Ling, being the Chief Executive of Oversea-Chinese Banking Corporation Limited, Hong Kong Branch, declare that the information disclosed in this statement complies fully with Banking (Disclosure) Rules and is not false or misleading.

Signature:



Date :

20 April 2023