



**BNP Paribas Hong Kong Branch**  
(Incorporated in France with Limited Liability)  
**INTERIM FINANCIAL DISCLOSURE STATEMENT**  
As at 30 June 2022

**SECTION A – HONG KONG BRANCH INFORMATION**

<b>I. Income Statement Information</b>	<b>30 Jun 2022</b>	<b>30 Jun 2021</b>
	<i>HKD'000s</i>	<i>HKD'000s</i>
Interest income	2,320,059	1,979,501
Interest expense	(970,264)	(510,897)
Other operating income		
- Gains less losses arising from trading in foreign currencies	(151,639)	(58,855)
- Gains less losses on securities held for trading purposes	(59,459)	57,428
- Gains less losses from other trading activities	163,777	37,437
- Net fees and commission income		
- Fees and commission income	3,003,402	2,853,094
- Fees and commission expenses	(323,692)	(415,682)
- Others	(91,707)	(44,264)
Operating expenses		
- Staff and rental expenses	(1,996,718)	(1,668,602)
- Other expenses	(636,444)	(494,269)
- Net write back for other provisions	-	2
Net charge for impaired loans and receivables	(416,508)	(208,170)
Gains less losses from the disposal of property, plant and equipment and investment properties	(448)	99
Profit before taxation	840,359	1,526,822
Tax expense	(151,270)	(271,092)
<b>Profit after taxation</b>	<b>689,089</b>	<b>1,255,730</b>
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<b>II Balance Sheet Information</b>	<b>30 Jun 2022</b>	<b>31 Dec 2021</b>
	<i>HKD'000s</i>	<i>HKD'000s</i>
<b>Assets</b>		
(i) Cash and balances with banks (except those included in amount due from overseas offices of BNP Paribas)	3,698,163	8,668,319
(ii) Placements with banks which have a residual contractual maturity of more than one month but not more than 12 months (except those included in amount due from overseas offices of BNP Paribas)	-	584,749
(iii) Amount due from overseas offices of BNP Paribas	126,612,627	109,130,329
(iv) Trade bills	7,917,830	10,202,225
(v) Certificates of deposit held	-	-
(vi) Securities held for trading purposes	6,714,565	7,205,266
(vii) Loans and receivables		
- Loans and advances to customers	139,657,280	150,176,619
- Loans and advances to banks	-	-
- Other accounts	40,058,315	38,864,332
- Provisions for impaired loans and receivables		
Specific provisions	(1,108,525)	(935,162)
Collective provisions	(375,937)	(272,091)
(viii) Investment securities	22,665,322	35,018,796
Specific provisions	(335)	(347)
(ix) Other investments	10,748	11,004
(x) Property, plant and equipment and investment properties	175,647	200,658
(xi) Amount receivable under reverse repos	273,316	293,948
(xii) Goodwill	917,693	1,048,792
(xiii) <b>Total assets</b>	<b>347,216,709</b>	<b>360,197,437</b>
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<b>Liabilities</b>		
(i) Deposits and balances from banks (except those included in amount due to overseas offices of BNP Paribas)	14,836,152	3,261,844
(ii) Deposits from customers		
- Demand deposits and current accounts	27,483,459	31,050,209
- Time, call and notice deposits	158,710,698	169,764,505
(iii) Amount due to overseas offices of BNP Paribas	92,974,383	110,954,003
(iv) Certificates of deposit issued	1,068,693	-
(v) Issued debt securities	20,359,069	23,638,041
(vi) Amount payable under repos	3,391,135	-
(vii) Other liabilities	28,393,120	21,528,835
(viii) <b>Total liabilities</b>	<b>347,216,709</b>	<b>360,197,437</b>
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### III Additional Balance Sheet Information

	30 Jun 2022		31 Dec 2021	
	HKD'000s	% to total loans and advances to customers	HKD'000s	% to total loans and advances to customers
<b>(i) Loans and Advances to Customers</b>				
1. Impaired loans and advances* to customers				
- The amount of impaired loans and advances	1,520,147	1.09%	1,649,753	1.10%
- The amount of specific provisions	958,556	0.69%	794,131	0.53%
- The amount of collective provisions	12,930	0.01%	3,814	0.00%
- Market value of collateral	240,022		1,045,864	
Covered portion of total overdue loans and advances	-		9,551	
Uncovered portion of total overdue loans and advances	490,519		510,577	
2. No impaired loans and advances to banks as at 30 Jun 2022 and 31 Dec 2021.				

\* Impaired loans are advances to customers which have been classified as “substandard”, “doubtful” and “loss” in accordance with the HKMA Return of Loans and Advances and Provisions (Form MA(BS)2A) completion instructions.

#### (ii) Sector Information

	30 Jun 2022		31 Dec 2021	
	HKD'000s	% collateral covered	HKD'000s	% collateral covered
1. Loans and advances for use in Hong Kong				
Industrial, commercial and financial				
- Property development	6,842,493	49%	8,945,717	57%
- Property investment	4,686,167	69%	4,458,370	66%
- Financial concerns	12,867,948	35%	12,825,187	35%
- Stockbrokers	-	0%	-	0%
- Wholesale and retail trade	6,749,504	31%	6,873,738	34%
- Manufacturing	10,246,888	4%	11,324,473	2%
- Transport and transport equipment	19,284,737	92%	19,259,252	96%
- Recreational activities	701,950	0%	589,115	0%
- Information technology	1,333,803	12%	2,016,078	34%
- Others	9,781,135	35%	5,900,294	36%
Individuals				
- Loans for the purchase of other residential properties	-	0%	-	0%
- Others	10,339,463	99%	14,684,099	100%
2. Trade finance	15,149,710	7%	15,975,751	4%
3. Loans and advances for use outside Hong Kong	41,673,482	56%	47,324,545	67%
Total loans and advances to customers	<b>139,657,280</b>		<b>150,176,619</b>	

#### (iii) Non-Bank Mainland China Exposures

Equivalent in HKD Millions Type of counterparties	30 Jun 2022		
	On-balance sheet exposure	Off-balance sheet exposure	Total
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	14,858	3,595	18,453
2. Local governments, local government-owned entities and their subsidiaries and JVs	6,130	2,935	9,065
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	18,207	12,258	30,465
4. Other entities of central government not reported in item 1 above	1,867	43	1,910
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	6,061	8,778	14,839
7. Other counterparties where the exposures are considered by BNP Paribas to be non-bank Mainland China exposures	5,383	522	5,905
Total	<b>52,506</b>	<b>28,131</b>	<b>80,637</b>
Total assets after provision	<b>347,217</b>		
On-balance sheet exposures as percentage of total assets	<b>15.12%</b>		
Equivalent in HKD Millions Type of counterparties	31 Dec 2021		
	On-balance sheet exposure	Off-balance sheet exposure	Total
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	13,210	4,326	17,536
2. Local governments, local government-owned entities and their subsidiaries and JVs	6,241	3,900	10,141
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	24,411	17,577	41,988
4. Other entities of central government not reported in item 1 above	1,166	212	1,378
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	6,416	7,811	14,227
7. Other counterparties where the exposures are considered by BNP Paribas to be non-bank Mainland China exposures	4,197	408	4,605
Total	<b>55,641</b>	<b>34,234</b>	<b>89,875</b>
Total assets after provision	<b>360,197</b>		
On-balance sheet exposures as percentage of total assets	<b>15.45%</b>		

(iv) International Claims by Major Countries or Geographical Segments

International claims are exposures of counterparties based on the location of the counterparties after taking into account any recognized risk transfer. International claims on individual geographical areas amounting to 10% or more of the total international claims are as follows :

<i>Equivalent in HKD Millions</i>	30 Jun 2022					Total
	Banks	Official Sector	Non-bank private sector		Others	
			Non-bank financial institutions	Non-financial private sector		
1. Developed countries <i>of which France</i>	131,374 129,833	4,728 -	22,389 20,990	13,908 3,102	- -	172,399 153,925
2. Developing Asia Pacific <i>of which China</i>	5,591 4,991	5,025 5,025	2,855 2,855	16,458 8,629	- -	29,929 21,500
3. Offshore centres <i>of which Hong Kong</i>	310 55	- -	4,758 1,387	83,023 35,846	- -	88,091 37,288

  

<i>Equivalent in HKD Millions</i>	31 Dec 2021					Total
	Banks	Official Sector	Non-bank private sector		Others	
			Non-bank financial institutions	Non-financial private sector		
1. Developed countries <i>of which France</i>	117,626 116,578	2,773 -	25,617 25,288	14,166 4,553	- -	160,182 146,419
2. Developing Asia Pacific <i>of which China</i>	14,750 14,732	3,224 3,224	5,085 5,085	20,601 12,559	- -	43,660 35,600
3. Offshore centres <i>of which Hong Kong</i>	49 12	- -	4,365 713	81,705 32,239	- -	86,119 32,964

(v) Loans and Advances to Customers by Geographical Segments

The analysis of loans and advances to customers by geographical segments, which is significant according to location of the counterparties after taking into account any recognized risk transfer (constitute 10% or more of the total loans and advances to customers), are as follows :

<i>Equivalent in HKD Millions</i>	30 Jun 2022			31 Dec 2021		
	Total loans and advances to customers	Loans and advances overdue over 3 months	Impaired loans and advances to customers	Total loans and advances to customers	Loans and advances overdue over 3 months	Impaired loans and advances to customers
Hong Kong	57,043	131	312	60,340	140	294
British Virgin Islands	23,332	176	176	27,504	180	371
Cayman Islands	14,423	-	68	13,838	-	-
Others	44,859	184	964	48,495	200	985
Total	139,657	491	1,520	150,177	520	1,650

(vi) Currency Risk

<i>Equivalent in HKD Millions</i>	30 Jun 2022			
	USD	EUR	CNY	Total
Spot assets	184,341	54,684	23,217	262,242
Spot liabilities	(181,328)	(41,053)	(21,243)	(243,624)
Forward purchases	252,476	64,987	116,602	434,065
Forward sales	(255,677)	(80,874)	(119,273)	(455,824)
Net options position	-	(87)	1	(86)
Net long(short)position	(188)	(2,343)	(696)	(3,227)
Net structural position	-	-	-	-

  

<i>Equivalent in HKD Millions</i>	31 Dec 2021			
	USD	EUR	CNY	Total
Spot assets	184,701	25,640	33,780	244,121
Spot liabilities	(216,812)	(13,072)	(20,413)	(250,297)
Forward purchases	200,086	25,768	79,640	305,494
Forward sales	(169,535)	(38,351)	(95,424)	(303,310)
Net options position	-	-	1	1
Net long(short)position	(1,560)	(15)	(2,416)	(3,991)
Net structural position	-	-	-	-

Net position (in absolute terms) in a particular foreign currency constitute not less than 10% of the institution's total net position in all foreign currencies. The net option position is calculated using the delta equivalent approach.



**(vii) Overdue or Rescheduled Assets**

	30 Jun 2022		31 Dec 2021	
	HKD'000s	% to total loans and advances to customers	HKD'000s	% to total loans and advances to customers
1. Loans and advances to customers which have been overdue for				
- more than 3 months but not more than 6 months	-	0.00%	-	0.00%
- more than 6 months but not more than one year	-	0.00%	-	0.00%
- more than one year	490,519	0.35%	520,128	0.35%
- The amount of specific provisions	478,706		494,131	
- Market value of collateral	-		180,103	

The collateral held in respect of the overdue loans and advances to customers is debenture.

2. Other assets to customers which have been overdue for				
- more than 3 months but not more than 6 months	-		-	
- more than 6 months but not more than one year	-		-	
- more than one year	335		347	
3. Rescheduled assets to customers, excluding those which have been overdue for more than 3 months	774,151	0.55%	607,923	0.40%
4. Loans and advances to banks which have been overdue for				
- more than 3 months but not more than 6 months	-	0.00%	-	0.00%
5. No rescheduled assets to banks as at 30 Jun 2022 and 31 Dec 2021.				
6. No repossessed assets as at 30 Jun 2022 and 31 Dec 2021.				

**IV. Off Balance Sheet Exposures**

	30 Jun 2022	31 Dec 2021
	HKD'000s	HKD'000s
<b>1. Contingent liabilities and commitments</b>		
- Direct credit substitutes	6,540,406	7,404,883
- Transaction-related contingencies	9,884,061	9,491,049
- Trade-related contingencies	19,778,669	20,967,576
- Other commitments	184,032,698	183,117,093
- Others	42,599,281	3,545,038
<b>2. Derivatives (Notional amounts)</b>		
- Exchange rate contracts**	622,288,393	484,880,631
- Interest rate contracts	151,874,364	140,995,954
- Others	24,330,689	32,911,348
<b>3. Total fair value of derivatives</b>		
- Exchange rate contracts**	(386,438)	(1,145,487)
- Interest rate contracts	(80,285)	187,408
- Others	(1,891,412)	(1,343,932)

\*\* Excluding forward foreign exchange contracts arising from swap deposit arrangements.

**V. Liquidity Information Disclosure****(i) Liquidity Maintenance Ratio (LMR)**

	30 Jun 2022	30 Jun 2021
Average LMR for 3 months period	40.68%	44.08%

The average liquidity maintenance ratio is the arithmetic mean of each months' average LMR calculated in accordance with the Banking (Liquidity) Rules.

**(ii) Core Funding Ratio (CFR)**

	30 Jun 2022	30 Jun 2021
Average CFR for 3 months period	113.72%	99.22%

The average core funding ratio is the arithmetic mean of each months' average CFR calculated in accordance with the Banking (Liquidity) Rules.

Details of liquidity information can be found in the News & Press section of our website [www.bnpparibas.com.hk](http://www.bnpparibas.com.hk).

**VI. Disclosure on Remuneration**

Pursuant to section 3 of Supervisory Policy Manual (CG-5) Guideline on a sound remuneration system issued by the Hong Kong Monetary Authority, BNP Paribas Hong Kong Branch complies with the requirements and has adopted the remuneration systems of BNP Paribas Head Office.

**SECTION B – BNP PARIBAS GROUP CONSOLIDATED INFORMATION (EUR Million)**

	<u>30 Jun 2022</u>	<u>31 Dec 2021</u>
Capital ratio	15.70%	16.40%
Shareholders' funds	115,945	117,886
Total assets	2,891,007	2,634,444
Total liabilities	2,770,478	2,511,937
Total loans and advances	892,385	835,751
Total customer deposits	1,008,661	957,684
	<u>2022</u>	<u>2021***</u>
Pre-tax profit for the 6 months end 30 June	7,246	6,560

\*\*\* Restated according to IFRS 5.

Declaration of Chief Executive Officer

We have prepared the interim financial disclosure statement of BNP Paribas, Hong Kong Branch for the six month period ended 30 June 2022. The information disclosed complies fully with the Banking (Disclosure) Rules made by Hong Kong Monetary Authority under Section 60A of the Banking Ordinance (Cap.155). To the best of my knowledge, the Disclosure Statement is not false or misleading.

**Hugo LEUNG**  
Chief Executive  
Hong Kong, 26 September 2022

**Fabien Simon-Leclerc**  
Chief Operating Officer, Hong Kong

