

Barclays Bank PLC
Hong Kong Branch

Key Financial Information Disclosure Statement

As at 30 Jun 2024



Barclays Bank PLC

Hong Kong Branch

SECTION A - Branch Information (Hong Kong office only)

Income statement

For the period ended 30 Jun 2024

	Notes	30 Jun 2024 HKD million	30 Jun 2023 HKD million
Interest income		631	1,096
Interest expense		(519)	(982)
Net interest (expense)/income		<u>112</u>	<u>114</u>
Other operating income	1	748	799
Net fees and commission income	2	548	649
Operating expenses	3	(1,162)	(1,098)
Credit impairment releases		<u>-</u>	<u>5</u>
Profit before taxation for the period		246	469
Tax expense		<u>(45)</u>	<u>(72)</u>
Profit after taxation for the period		<u><u>201</u></u>	<u><u>397</u></u>

Balance sheet

As at 30 Jun 2024

		30 Jun 2024 HKD million	31 Dec 2023 HKD million
Assets			
Cash and balances with banks		354	508
Amount due from Exchange Fund		23	219
Amount due from overseas offices		8,074	10,300
Investment securities	4	4,158	2,694
Loans and receivables	5	773	673
Other accounts		98	117
Deferred tax assets		-	32
Property, plant and equipment and investment properties		<u>67</u>	<u>73</u>
Total Assets		<u><u>13,547</u></u>	<u><u>14,616</u></u>
Liabilities			
Deposits and balances from banks		4,544	2,889
Deposits from customers	6	1,349	5,091
Amount due to Exchange Fund		4,685	-
Amount due to overseas offices		3,020	6,376
Current tax liability		13	-
Other liabilities	7	<u>(64)</u>	<u>260</u>
Total Liabilities		<u><u>13,547</u></u>	<u><u>14,616</u></u>

Barclays Bank PLC
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Off-balance sheet and liquidity information
As at 30 Jun 2024

	30 Jun 2024 HKD million	31 Dec 2023 HKD million
Contingent liabilities and commitments		
Other commitments	105	137
Others (forward forward deposits placed)	-	4,205

Derivatives instruments

	30 Jun 2024 HKD million		
	<u>Fair Value Assets</u>	<u>Fair Value Liabilities</u>	<u>Total Notional Amount</u>
Exchange rate-related derivative contracts	3	4	2,260
	<u>3</u>	<u>4</u>	<u>2,260</u>
	31 Dec 2023 HKD million		
	<u>Fair Value Assets</u>	<u>Fair Value Liabilities</u>	<u>Total Notional Amount</u>
Exchange rate-related derivative contracts	9	10	3,503
	<u>9</u>	<u>10</u>	<u>3,503</u>

The notional amounts of the above instruments indicate the volume of transactions outstanding as of the balance sheet date. They do not represent amounts at risk.

Liquidity information disclosure

	For the quarter ended 30 Jun 2024	For the quarter ended 30 Jun 2023
Average Liquidity Maintenance Ratio for the financial reporting period	160.40%	179.47%

The liquidity maintenance ratio ("LMR") is prepared in accordance with the Banking (Liquidity) Rules ("BLR") issued by the Hong Kong Monetary Authority ("HKMA"). The average LMR is calculated based on the arithmetic mean of the monthly LMR as reported in the Liquidity Position Return submitted to the HKMA for the abovementioned reporting periods.

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Notes to the Financial Information Disclosure Statement

1 Other operating income	Notes	30 Jun 2024 HKD million	30 Jun 2023 HKD million
Income from foreign currency related activities			
- Transfer pricing income		79	179
- Trading gains less losses from foreign currency trading		6	(2)
Income from securities-related activities			
- Transfer pricing income		658	772
Income from derivatives-related activities			
- Transfer pricing income/(expense)		5	(150)
		<u>748</u>	<u>799</u>
 2 Net fees and commission income		 30 Jun 2024 HKD million	 30 Jun 2023 HKD million
Gross fees and commission income		601	699
Gross fees and commission expenses		(53)	(50)
		<u>548</u>	<u>649</u>
 3 Operating expenses		 30 Jun 2024 HKD million	 30 Jun 2023 HKD million
Management fee recharged from related companies		(1,148)	(1,086)
Depreciation		(14)	(12)
		<u>(1,162)</u>	<u>(1,098)</u>
 4 Investment securities		 30 Jun 2024 HKD million	 31 Dec 2023 HKD million
Financial Assets at fair value through other comprehensive income		<u>4,158</u>	<u>2,694</u>
There were no investment securities subject to sale and repurchase agreement as of 30 Jun 2024 and 31 Dec 2023. All investment securities held were free from encumbrances.			
 5 Loans and receivables		 30 Jun 2024 HKD million	 31 Dec 2023 HKD million
Loans and advances to customers	8, 9, 10, 11	89	56
Other receivables			
- Accrued interest		271	275
- Other receivables		414	343
Credit impairment allowance		(1)	(1)
		<u>773</u>	<u>673</u>

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Notes to the Financial Information Disclosure Statement (continued)

5 Loans and receivables (continued)

Barclays Group is required to recognise expected credit losses (ECLs) based on unbiased forward-looking information for all financial assets at amortised cost and at fair value through other comprehensive income and loan commitments under IFRS 9 Financial Instruments (IFRS 9). An allowance (or provision for loan commitments) is required for the 12 month (Stage 1) ECLs. If the credit risk has significantly increased since initial recognition (Stage 2), or if the financial instrument is credit impaired (Stage 3), an allowance (or provision) should be recognised for the lifetime ECLs.

The measurement of the ECLs are calculated using three main components as follows:

- (i) probability of default (PD)
- (ii) loss given default (LGD)
- (iii) exposure at default (EAD)

The 12 month and lifetime ECLs are calculated by multiplying the respective PD, LGD and EAD discounted at the original effective interest rate. Expected credit loss measurement is based on the ability of borrowers to make payments as they fall due. The Group also considers sector-specific risks and whether additional adjustments are required in the measurement of ECL.

IFRS 9 impairment involves several important areas of judgement, including estimating forward-looking modelled parameters (PD, LGD and EAD), developing a range of unbiased future economic scenarios, estimating expected lives and assessing significant increases in credit risk, based on the Group's experience of managing credit risk.

Impairment models are used to determine impairment allowance and management adjustments which contain an element of subjectivity are applied by the Group to factor in certain conditions or changes in policy that are not fully incorporated into the impairment models, or to reflect additional facts and circumstances at the period end. Management adjustments are reviewed and incorporated into future model development where appropriate.

The credit impairment allowances made by Barclays Bank PLC Hong Kong Branch as at 30 Jun 2024 and 31 Dec 2023 represent Stage 1 ECL for loan and advances to customers and loan commitments respectively. These credit impairment allowances are assessed on a collective basis.

6 Deposits from customers	30 Jun 2024	31 Dec 2023
	HKD million	HKD million
Demand deposits and current accounts	41	41
Time, call and notice deposits	1,308	5,050
	<u>1,349</u>	<u>5,091</u>

7 Other liabilities	30 Jun 2024	31 Dec 2023
	HKD million	HKD million
Accrued interest	268	302
Other liabilities	(332)	(42)
	<u>(64)</u>	<u>260</u>

8 Analysis of advances to customers by industry sector

	30 Jun 2024		
	HKD million		
	<u>Secured</u>	<u>Unsecured</u>	<u>Total</u>
Loans and advances for use outside Hong Kong	-	89	89
Total loans and advances to customers	<u>-</u>	<u>89</u>	<u>89</u>

	31 Dec 2023		
	HKD million		
	<u>Secured</u>	<u>Unsecured</u>	<u>Total</u>
Loans and advances for use outside Hong Kong	-	56	56
Total loans and advances to customers	<u>-</u>	<u>56</u>	<u>56</u>

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Notes to the Financial Information Disclosure Statement (continued)

9 Overdue loans and advances to customers and banks

The Branch did not have any overdue or rescheduled loans and advances to customers and banks as at 30 Jun 2024 and 31 Dec 2023.

The Branch did not have any impaired loans and advances to customers and banks as at 30 Jun 2024 and 31 Dec 2023.

10 Repossessed assets

The Branch did not have any repossessed assets as at 30 Jun 2024 and 31 Dec 2023.

11 Loans and advances to customers by country or geographical segment

	30 Jun 2024 HKD million	31 Dec 2023 HKD million
Macau	<u>89</u>	<u>56</u>
	<u>89</u>	<u>56</u>

Loans and advances to customer by country or geographical segment are classified according to the location of the counterparties after taking into account of the transfer of risk.

Countries or geographical segments constituting 10% or more of the aggregate amount of loans and advances to customers are disclosed.

12 International claims

	30 Jun 2024 HKD million				Total
	<u>Banks</u>	<u>Official sector</u>	<u>Non-bank private sector</u>		
			<u>Non-bank financial institutions</u>	<u>Non-financial private sector</u>	
Developed countries	9,156	-	4	-	9,160
<i>of which</i> United Kingdom (excludes Guernsey, Isle of Man and Jersey)	9,156	-	-	-	9,156
	31 Dec 2023 HKD million				Total
	<u>Banks</u>	<u>Official sector</u>	<u>Non-bank private sector</u>		
			<u>Non-bank financial institutions</u>	<u>Non-financial private sector</u>	
Developed countries	11,433	-	3	-	11,436
<i>of which</i> United Kingdom (excludes Guernsey, Isle of Man and Jersey)	11,433	-	-	-	11,433

International claims information discloses exposures in relation to all cross-border claims and local claims in foreign currencies after taking into account of the transfer of risk. The above information is prepared in accordance with the HKMA Return of International Banking Statistics MA(BS)21 completion instructions. Countries or geographical segments constituting 10% or more of total international claims are disclosed.

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Notes to the Financial Information Disclosure Statement (continued)

13 Non-bank Mainland exposures

	30 Jun 2024 HKD million		
	<u>On-balance sheet exposure</u>	<u>Off-balance sheet exposure</u>	<u>Total</u>
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and joint ventures	-	-	-
Total	-	-	-
Total assets after provision	13,547		
On-balance sheet exposure as percentage of total assets	0.00%		

	31 Dec 2023 HKD million		
	<u>On-balance sheet exposure</u>	<u>Off-balance sheet exposure</u>	<u>Total</u>
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and joint ventures	-	1	1
Total	-	1	1
Total assets after provision	14,616		
On-balance sheet exposure as percentage of total assets	0.00%		

14 Currency Risk

	30 Jun 2024 HKD million		
	<u>USD</u>	<u>Others</u>	<u>Total</u>
Spot assets	8,306	27	8,333
Spot liabilities	(8,216)	(26)	(8,242)
Forward purchases	1,087	83	1,170
Forward sales	(1,178)	(84)	(1,262)
Net options position	-	-	-
Net (short)/long position	<u>(1)</u>	<u>-</u>	<u>(1)</u>

	31 Dec 2023 HKD million		
	<u>USD</u>	<u>Others</u>	<u>Total</u>
Spot assets	7,322	2,143	9,465
Spot liabilities	(9,399)	(2,143)	(11,542)
Forward purchases	2,788	326	3,114
Forward sales	(710)	(326)	(1,036)
Net options position	-	-	-
Net long position	<u>1</u>	<u>-</u>	<u>1</u>

The above information is prepared in accordance with the HKMA Return of Foreign Currency Position MA(BS)6 completion instructions and presents open currency positions of the Branch. The Branch had no structural positions in any particular foreign currency as at 30 Jun 2024 and 31 Dec 2023.

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SECTION B - Barclays PLC

Consolidated Financial Information

As at 30 Jun 2024

Capital ratio (Note 1)

	30 Jun 2024	31 Dec 2023
Total Regulatory Capital	19.9%	20.1%
Common Equity Tier 1 (CET1)	13.6%	13.8%

	30 Jun 2024 GBP million	31 Dec 2023 GBP million
Total Shareholders' equity (excluding non-controlling interests)	71,173	71,204

Other financial information

	30 Jun 2024 GBP million	31 Dec 2023 GBP million
Balance sheet		
Total assets	1,576,634	1,477,487
Total liabilities	1,504,801	1,405,623
Total loans and advance at amortised cost	337,809	342,747
Deposits at amortised cost from banks	19,371	14,472
Deposits at amortised cost from customers	538,081	524,317
	30 Jun 2024 GBP million	30 Jun 2023 GBP million
Profit and Loss		
Pre-tax profit for the financial period	4,215	4,562

Notes

(1) Total Regulatory Capital ratio is calculated as total regulatory capital divided by risk weighted assets.

The Common Equity Tier 1 ratio is a risk based ratio calculated with reference to the requirements of Capital Requirements Regulation (CRR) Common Equity Tier 1 capital divided by risk weighted assets.

(2) Further details regarding Barclays PLC can be obtained from the 2024 Barclays PLC Interim Results Announcement at www.barclays.com.

Barclays Bank PLC Hong Kong Branch

Principal activities

Barclays Bank PLC Hong Kong Branch ("the Branch") is a branch of Barclays Bank PLC, a bank incorporated in the United Kingdom with limited liability. The Branch is a licensed bank authorised under the Hong Kong Banking Ordinance. The Branch's principal activities are lending, deposit taking, foreign currency trading, derivatives trading, securities trading and advising on corporate finance.

Declaration of Compliance

I certify that the information disclosed above is in compliance with the Banking Ordinance Chapter 155M Banking (Disclosure) Rules and "Guideline on the Application of the Banking (Disclosure) Rules" issued by the HKMA is not false or misleading.



Rachel Catherine Huf, Chief Executive
Barclays Bank PLC, Hong Kong Branch