

Deutsche Bank Aktiengesellschaft, Hong Kong Branch

(Incorporated in the Federal Republic of Germany and
members' liability is limited)

Key Financial Information Disclosure Statement
Year Ended December 31, 2024



Deutsche Bank Aktiengesellschaft, Hong Kong Branch (Incorporated in the Federal Republic of Germany and members' liability is limited) releases its Key Financial Information Disclosure Statement for the year ended December 31, 2024 as follow:

Deutsche Bank Aktiengesellschaft, Hong Kong Branch
(Incorporated in the Federal Republic of Germany and members' liability is limited)

Key Financial Information Disclosure Statement for the year ended December 31, 2024
Section A – Branch Information (Hong Kong Office Only)

(I) Income Statement Information

HKD Million	Year Ended December 31, 2024	Year Ended December 31, 2023
Interest income	6,468	5,556
Interest expense	(5,280)	(4,051)
Other operating income		
- Gains less losses arising from trading in foreign currencies	259	292
- Gains less losses on securities held for trading purposes	1,530	1,340
- Gains less losses from other trading activities	906	333
- <i>Net fees and commission income</i>		
- Gross fees and commission income	2,106	1,593
- Gross fees and commission expenses	(73)	(65)
- Others	(440)	(227)
Operating expenses		
- Staff expenses	(1,837)	(1,953)
- Rental expenses	(172)	(223)
- Others	(1,944)	(2,078)
Impairment losses and provisions for impaired loans and receivables	<u>51</u>	<u>(132)</u>
Profit/ (loss) before taxation	1,574	385
Taxation	<u>(263)</u>	<u>(96)</u>
Profit/ (loss) after taxation	<u>1,311</u>	<u>289</u>

(II) Balance Sheet Information

HKD Million	December 31, 2024	June 30, 2024
Assets		
Cash and balances with banks	4,437	5,405
Placements with banks with residual maturity between 1 months and 12 months	42	42
Due from Exchange Fund	467	825
Amount due from overseas offices of the institution	69,908	81,233
Trade bills	635	808
Securities held for trading purposes	13,221	24,851
Loans and receivables (including derivatives receivables)	64,020	63,405
Investment securities	4,447	4,338
Other investments	494	496
Property, plant and equipment	<u>507</u>	<u>546</u>
Total assets	<u>158,178</u>	<u>181,949</u>
Liabilities		
Deposits and balances from banks	800	536
Deposits from customers		
- Demand deposits and current accounts	15,440	13,752
- Time, call and notice deposits	62,349	70,136
Amount due to overseas offices of the institution	31,187	53,180
Certificates of deposit issued	300	300
Other liabilities (including derivatives payables)	<u>48,102</u>	<u>44,045</u>
Total liabilities	<u>158,178</u>	<u>181,949</u>

(III) Additional Information

(i) Basis of preparation

Deutsche Bank Aktiengesellschaft and its subsidiaries ('the Group') prepared its annual consolidated financial statements in accordance with International Financial Reporting Standards ('IFRS') endorsed by the European Union ('EU'). The financial information contained in this statement pertain only to the activities of Deutsche Bank Aktiengesellschaft, Hong Kong Branch (Incorporated in the Federal Republic of Germany and members' liability is limited) ('the Branch') and these have been prepared in accordance with the Group accounting policies, and as required by the Banking (disclosure) rules made under section 60A of the Banking Ordinance ('the Rules').

(ii) Loans and receivables

HKD Million	December 31, 2024	June 30, 2024
Loans and advances to customers	20,536	22,758
Loans and advances to banks	244	273
Accrued interest and other accounts	5,746	7,964
Derivative receivables	37,577	32,494
Less: Allowance for credit losses		
- Collectively assessed	21	28
- Individually assessed	62	56
	<u>64,020</u>	<u>63,405</u>

(iii) Trade bills

HKD Million	December 31, 2024	June 30, 2024
Trade bills	661	819
Less: Allowance for credit losses		
- Collectively assessed	1	2
- Individually assessed	23	7
Less: Country Risk Provision	<u>2</u>	<u>2</u>
	<u>635</u>	<u>808</u>

(iv) Impaired loans and advances to customers

	December 31, 2024		June 30, 2024	
	As % of		As % of	
	advances to		advances to	
	customers		customers	
	HKD Million		HKD Million	
Impaired loans and advances to customer net of allowance for individually assessed credit losses				
- Impaired loans and advances to customers	708	3.45%	477	2.10%
- Individually assessed allowance	<u>(43)</u>		<u>(16)</u>	
	<u>665</u>		<u>461</u>	
Representing by geographical segments:				
- Australia	241		-	
- Mainland China	99		100	
- Germany	27		12	
- Ghana	341		358	
- British Virgin Islands	-		7	

(iv) Impaired loans and advances to customers (Continued)

	December 31, 2024 HKD Million	June 30, 2024 HKD Million
Market value of collateral held against impaired loans and advances to customers	<u>376</u>	<u>415</u>
Covered portion of impaired loans and advances	<u>376</u>	<u>415</u>
Uncovered portion of impaired loans and advances	<u>332</u>	<u>62</u>

The collateral held in respect of the impaired loans and advances to customers is credit insurance.

Impaired trades bills was HKD 19 million at December 31, 2024 and HKD 12 million at June 30, 2024.

There were no impaired advances to banks at December 31, 2024 and June 30, 2024.

(v) Overdue loans and advances and trade bills

	December 31, 2024 HKD Million	As % of advances to customers	June 30, 2024 HKD Million	As % of advances to customers
Overdue advances to customers:				
- Over 1 month and up to 3 months	-	-	8	0.04%
- Over 3 months and up to 6 months	-	-	-	-
- Over 6 months and up to one year	-	-	-	-
- More than one year	<u>341</u>	1.66%	<u>358</u>	1.57%
	<u>341</u>		<u>366</u>	
Allowances for credit losses				
- individually assessed allowances	1		11	
Representing:				
- Loans for use in Hong Kong	-		8	
- Loans and advances for use outside Hong Kong	341		358	
By geographical segments:				
- Ghana	341		358	
- Hong Kong	-		8	
- Mainland China	-		-	
Market value of collateral held against overdue loans and advances to customers	<u>302</u>		<u>315</u>	
Covered portion of overdue loans and advances to customers	<u>302</u>		<u>315</u>	
Uncovered portion of overdue loans and advances to customers	<u>39</u>		<u>51</u>	

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

There were no overdue advances to banks and trade bills at December 31, 2024 and June 30, 2024.

(vi) Rescheduled loans and receivables and trade bills

No rescheduled assets to customers which have been overdue for more than 1 month but not more than 3 months at December 31, 2024 and June 30, 2024.

No repossessed asset was held for impaired and overdue loans and receivables and trade bills at December 31, 2024 and June 30, 2024.

(vii) Analysis of advances to customers by industry sectors (as defined in the "Return of Quarterly Analysis of Loans and Advances and Provisions"- MA(BS)2A)

HKD Million	December 31, 2024		June 30, 2024	
	Gross advances	Collateral or other security	Gross advances	Collateral or other security
Loans for use in Hong Kong				
Industrial, commercial and financial				
- Manufacturing	6	-	5	-
- Building and construction	276	-	-	-
- Wholesale and retail trade	96	-	109	-
Transport and transport equipment	-	-	-	-
- Financial concerns	-	-	-	-
- Stockbrokers	-	-	-	-
- Others	865	865	2,754	2,691
	1,243	865	2,868	2,691
Individuals				
- Others	1,476	1,476	985	985
Total loans for use in Hong Kong	2,719	2,341	3,853	3,676
Trade finance	9,613	1,412	8,571	1,302
Loans for use outside Hong Kong	8,204	7,334	10,334	9,480
	20,536	11,087	22,758	14,458

(viii) Analysis of advances to customers by geographical areas (as defined in the "Return of International Banking Statistics"- MA(BS)21/ MA(BS)29 after taking into consideration, transfers of risk)

HKD Million	December 31, 2024	June 30, 2024
Hong Kong	3,760	4,930
United States	5,096	4,090
South Korea	3,811	4,008
Mainland China	5,013	5,705
Others	2,856	4,025
	20,536	22,758

(ix) Mainland Activities (as defined in the “Return of Mainland Activities” – MA(BS)20)

HKD Million	On-balance sheet exposure	Off- balance sheet exposure	Total
At December 31, 2024			
Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	3,124	2,515	5,639
Local governments, local government-owned entities and their subsidiaries and JVs	204	60	264
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	1,636	1,033	2,669
Other entities of central government not reported above	-	-	-
Other entities of local governments not reported above	-	-	-
PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	-	-	-
Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	<u>559</u>	<u>36</u>	<u>595</u>
Total	<u>5,523</u>	<u>3,644</u>	<u>9,167</u>
Total assets after provision	<u>158,178</u>		
On-balance sheet exposures as percentage of total assets	3.49%		

HKD Million	On-balance sheet exposure	Off- balance sheet exposure	Total
At June 30, 2024			
Central government, central government-owned entities and their subsidiaries and JVs	2,553	6,174	8,727
Local governments, local government-owned entities and their subsidiaries and JVs	1,470	193	1,663
PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	632	1,126	1,758
Other entities of central government not reported above	-	-	-
Other entities of local governments not reported above	-	-	-
PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	-	-	-
Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	<u>1,245</u>	<u>27</u>	<u>1,272</u>
Total	<u>5,900</u>	<u>7,520</u>	<u>13,420</u>
Total assets after provision	<u>181,949</u>		
On-balance sheet exposures as percentage of total assets	3.24%		

- (x) International claims (other than local claims in HKD) by geographical segments (as defined in the "Return of International Banking Statistics" – MA(BS)21/ MA(BS)29 after taking into consideration, transfer of risks)

HKD Million
At December 31, 2024

	Banks	Official Sector	Non-bank Financial institutions	Non-bank private sector Non-bank private sector	Total
Developed countries, of which	99,949	-	584	8,795	109,328
- <i>Germany</i>	72,755	-	-	2,162	74,917
- <i>United Kingdom</i>	24,950	-	-	176	25,126
- <i>United States</i>	117	-	547	5,667	6,331
Developing Africa and Middle East	82	-	-	398	480
Developing Asia and Pacific, of which	7,358	2,146	26	10,371	19,901
- <i>China</i>	6,994	2,146	2	6,254	15,396
Developing Latin America and Caribbean	-	-	-	182	182
Developing Europe	452	-	-	43	495
Offshore centres, of which	11,576	-	90	8,370	20,036
- <i>Hong Kong</i>	8,825	-	38	7,147	16,010
International organization	-	-	-	-	-
Total	119,417	2,146	700	28,159	150,422

HKD Million
At June 30, 2024

	Banks	Official Sector	Non-bank Financial institutions	Non-bank private sector Non-bank private sector	Total
Developed countries, of which	108,732	-	-	9,249	117,981
- <i>Germany</i>	86,644	-	-	1,742	88,386
- <i>United Kingdom</i>	20,390	-	-	225	20,615
- <i>United States</i>	350	-	-	4,658	5,008
Developing Africa and Middle East	26	-	-	460	486
Developing Asia and Pacific, of which	14,692	1,396	-	11,681	27,769
- <i>China</i>	14,293	1,396	-	7,281	22,970
Developing Latin America and Caribbean	-	-	-	382	382
Developing Europe	466	-	-	52	518
Offshore centres, of which	16,072	-	2	10,770	26,844
- <i>Hong Kong</i>	13,445	-	-	9,319	22,764
International organization	-	-	-	-	-
Total	139,988	1,396	2	32,594	173,980

(xi) Currency risk

At December 31, 2024

Equivalent in HKD Million	USD	RMB	EUR	Other Foreign Currencies	Total
Spot assets	71,728	20,722	7,191	4,874	104,515
Spot liabilities	(71,318)	(18,141)	(5,552)	(4,851)	(99,862)
Forward purchases	1,098,573	1,015,387	24,047	8,071	2,146,078
Forward sales	(1,099,630)	(1,016,137)	(25,498)	(7,988)	(2,149,253)
Net options positions	-	-	-	-	-
Net long / (short) position	(647)	1,831	188	106	1,478

At June 30, 2024

Equivalent in HKD Million	USD	RMB	EUR	Other Foreign Currencies	Total
Spot assets	74,315	33,114	13,152	7,680	128,261
Spot liabilities	(83,984)	(15,360)	(19,734)	(7,722)	(126,800)
Forward purchases	987,497	892,997	27,708	16,828	1,925,030
Forward sales	(981,853)	(906,306)	(20,769)	(16,838)	(1,925,766)
Net options positions	-	-	-	-	-
Net long / (short) position	(4,025)	4,445	357	(52)	725

Internal reporting method is adopted as basis of calculating the net options positions.

(xii) Off-Balance Sheet Exposures

The following table summarizes contractual or notional amounts of off-balance sheet exposures:

HKD Million	December 31, 2024	June 30, 2024
Contingencies and commitments		
- Direct credit substitutes	612	122
- Transaction-related contingencies	5,506	9,246
- Trade-related contingencies	1,050	1,127
- Other commitments	4,033	1,474
- Others	-	2,652
	<u>11,201</u>	<u>14,621</u>
Derivatives		
- Exchange rate related derivative contracts	2,205,017	1,986,710
- Interest rate derivative contracts	1,354,924	1,278,419
- Others	3,032	20,173
	<u>3,562,973</u>	<u>3,285,302</u>

(xii) Off-Balance Sheet Exposures (continued)

The following table summarizes the fair value of the derivatives. There is no change in the fair value after the consideration of bilateral netting arrangements:

HKD Million	December 31, 2024	June 30, 2024
Fair value assets		
- Exchange rate related derivative contracts	30,448	25,440
- Interest rate derivative contracts	7,101	7,010
- Others	<u>28</u>	<u>44</u>
	<u>37,577</u>	<u>32,494</u>
Fair value liabilities		
- Exchange rate related derivative contracts	30,319	25,746
- Interest rate derivative contracts	7,278	7,446
- Others	<u>232</u>	<u>304</u>
	<u>37,829</u>	<u>34,496</u>

(xiii) Liquidity Maintenance Ratio

The liquidity maintenance ratio (LMR) is calculated in accordance with the Banking (Liquidity) Rules effective from 1 January 2015.

	Quarter ended December 31, 2024	Quarter ended December 31, 2023
3 months average LMR	81.75%	62.52%

The average LMR is the arithmetic mean of the average value of LMR for each calendar month as reported in the liquidity position return submitted for the reporting period. Average LMR are calculated based on 3 months average in according to Banking (disclosure) rules (BDR) section 103B.

(xiv) Core Funding Ratio

The core funding ratio (CFR) is calculated in accordance with the Banking (Liquidity) (Amendment) Rules 2017.

	Quarter ended December 31, 2024	Quarter ended December 31, 2023
3 months average CFR	264.45%	204.00%

The average CFR is the arithmetic mean of the average value of CFR for each calendar month as reported in the return submitted for the reporting period.

(xv) Liquidity risk management

Liquidity risk is defined as the risk arising from the branch's potential inability to meet all payment obligations when they fall due or to only being able to meet these obligations at excessive costs. The branch's liquidity management model provides a framework to identify, monitor, mitigate and manage the liquidity and funding risks to which the branch is exposed. The framework ensures that roles and responsibilities are clearly defined and understood, in both normal and stressed liquidity conditions.

Liquidity risk governance

Treasury is responsible for the overall liquidity management of the Branch. Under the stewardship of local Treasury, Deutsche Bank Hong Kong Assets and Liabilities Committee provides the forum for managing capital, funding and liquidity and the interest rate risk in the banking book of the Branch.

Liquidity Risk Management acting as an independent control function, responsible for the oversight of liquidity and funding risk management strategy and the validation of Liquidity Risk models which are developed by Treasury, to measure and manage the liquidity risk profile.

Liquidity and Treasury Reporting and Analysis Team is responsible for the internal reporting on liquidity and funding across the firm on a global and local level.

Treasury and LRM work with businesses and relevant functional areas to identify the relevant inherent liquidity risks and look to ensure that they are controlled and mitigated through its liquidity management framework.

Liquidity Management Tools

Liquidity risk is managed through the main below items:

- **Internal Stress testing**

Daily stress testing is one of the key tools for measuring liquidity risk and evaluating the Branch short-term liquidity position within the liquidity framework.

The stress testing approach is based on the use of Liquidity Risk Drivers, where each Liquidity Risk Drives reflects the potential liquidity outflows or inflows associated with different on and off-Balance sheet funding relevant items.

The Stressed Net Liquidity Positions reflect the Branch's ability to withstand certain defined stress scenarios - severe downgrade, emerging market and combined – through an eight-week horizon.

- **BAU Cash Flow Projection**

The liquidity position under normal conditions is calculated to supplement the stress test for day-to-day liquidity management. The cash inflows and outflows from assets, liabilities and off-balance sheets items are projected based on their contractual maturities or behavioural assumptions without any stress elements.

In deriving behavioural cash-flow assumptions, the Bank analyses historical observations on cash-flow patterns. Treasury has to make sure assumptions used are consistent and reasonable and they are supported by sufficient historical or empirical evidence.

(xv) **Liquidity risk management (continued)**

- **Funding Matrix**

Funding Matrix is the Branch's primary tool for monitoring and managing funding risk. The Funding Matrix assesses the Branch's structural funding profile for the greater than one year time horizon.

All funding-relevant assets and liabilities are mapped into time buckets corresponding to their maturities. The liquidity maturity profile is based on contractual cash flow information. If the contractual maturity profile of a product does not adequately reflect the liquidity maturity profile, it is replaced by modelling assumptions. This enables the identification of expected excesses and shortfalls in term liabilities over assets in each time bucket, facilitating the management of potential liquidity exposures.

- **Liquidity Dashboard and Early Warning Indicators**

The liquidity Dashboard monitors a number of the Group's specific liquidity risk and market indicators which are considered to provide early warning indicators of deteriorations in the bank's liquidity risk profile and financial market conditions.

Contingency Funding Plan

The branch's CFP outlines how the branch would respond to an actual or anticipated liquidity risk scenario. This includes a decisive set of actions that can be taken to raise cash and/ or recover branch's liquidity metrics in a stress scenario.

Liquidity Cushion

The Branch maintains a liquidity cushion that is largely made up of the most liquid and readily marketable assets. The bank defines the following liquid assets can be included in its liquidity cushion:

- Cash on hand
- Unencumbered exchange Fund debt securities.
- Other unencumbered high quality government debt securities or similar instruments that can be easily or immediately monetized at all times irrespective.

The Branch also diversifies the maturity bucket of debt securities to minimise re-financing risks.

Liquidity information disclosures can be obtained from the Deutsche Bank Aktiengesellschaft, Hong Kong Branch (Incorporated in the Federal Republic of Germany and members' liability is limited) annual report as of December 31, 2024 at www.db.com/hongkong/.

Section B – Deutsche Bank Aktiengesellschaft Group (Incorporated in the Federal Republic of Germany and members' liability is limited) Information - Consolidated (Unaudited)

(I) Capital and Capital Adequacy

Capital adequacy ratios (reported/phase-in):

	December 31, 2024	June 30, 2024
- Common Equity Tier 1 capital ratio	13.8%	13.5%
- Tier 1 capital ratio	17.0%	16.3%
- Total capital ratio	19.2%	18.6%

Total shareholders' equity was EUR 66.3 billion at December 31, 2024 and EUR 63.6 billion at June 30, 2024.

(II) Other Financial Information

Extracts from the consolidated financial statements for the year ended December 31, 2024:

EUR Billion	December 31, 2024	June 30, 2024
- Total assets	1,387	1,351
- Total liabilities	1,308	1,276
- Total loans and advances	479	477
- Total deposits	666	641

EUR Million	Period Ended December 31, 2024	Period Ended December 31, 2023
Income/ (loss) before income taxes	5,291	5,678

Further details of Deutsche Bank Aktiengesellschaft Group (Incorporated in the Federal Republic of Germany and members' liability is limited) can be obtained from the annual report as of December 31, 2024 at www.db.com.

Chief Executive's Declaration of Compliance

It is certified by the Chief Executive of Deutsche Bank Aktiengesellschaft Hong Kong Branch (incorporated in the Federal Republic of Germany and members' liability is limited) that the information disclosed above is in compliance with the Banking (disclosure) rules and the disclosure standards of the Supervisory Policy Manual – "Guideline on the Application of the Banking (Disclosure) Rules" issued by the Hong Kong Monetary Authority.