

BANK OF TAIWAN, HONG KONG BRANCH

Key Financial Information Disclosure Statement
For the year ended 31 Dec 2025

BANK OF TAIWAN – HONG KONG BRANCH
Key Financial Information Disclosure Statement
For the year ended 31 Dec 2025

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SECTION A – INFORMATION OF THE BRANCH (HONG KONG BRANCH ONLY)

I. PROFIT AND LOSS INFORMATION

HK\$'000

	For the year end	
	<u>31 Dec 25</u>	<u>31 Dec 24</u>
Interest income	611,326	710,432
Interest expense	<u>(390,487)</u>	<u>(462,154)</u>
Net interest income	220,839	248,278
Fee and commission income	5,167	5,024
Fee and commission expense	<u>(1,772)</u>	<u>(1,756)</u>
Net fee and commission income	3,395	3,268
Other operating income		
Gains less losses arising from non-trading activities in foreign currencies	1,655	1,343
Gains less losses arising from trading activities in foreign currencies	288	546
Gains less losses on disposal of securities	-	17
Others	<u>-</u>	<u>-</u>
	1,943	1,906
Total income	<u>226,177</u>	<u>253,452</u>
Operating expenses		
Staff expense	(22,089)	(21,563)
Rental expense	(1,348)	(1,650)
Other expense	<u>(14,078)</u>	<u>(16,136)</u>
	(37,515)	(39,349)
Write-back/(charges) of Impairment provisions for loans	(7,610)	(4,404)
Write-back/(charges) of Impairment provisions for other assets	329	(257)
Revaluation gains for negotiable debt instruments	-	(568)
Gains less losses from the disposal of property, plant and equipment	-	-
Profit before taxation	181,381	208,874
Tax expense	-	(3)
Profit after taxation	181,381	208,877

II. BALANCE SHEET INFORMATION

HK\$ '000

	As at	
	<u>31 Dec 25</u>	<u>30 Jun 25</u>
<u>Assets</u>		
Cash and balances with banks (except those included in amount due from overseas offices)	3,263,061	2,868,106
Placements with banks and other financial institutions with maturity of more than one month but less than twelve months (except those included in amount due from overseas offices)	4,361,263	4,436,643
Amount due from overseas offices	469	571,252
Trade bills	-	-
Certificates of deposit held	1,552,534	1,903,015
Negotiable debt instruments	2,389,123	2,395,410
Loans and impairment losses		
Loans and advances to customers	1,606,181	1,169,489
Loans and advances to banks	1,114,602	887,183
Impairment losses (collective and specific)	(16,140)	(11,773)
Property, plant and equipment	26,908	30,294
Other accounts	149,831	143,750
Total assets	14,447,832	14,393,369
<u>Liabilities</u>		
Deposits and balances of banks and other financial institutions (except those included in amount due to overseas offices)	2,102,043	1,948,283
Deposits from customers		
Demand deposits and current accounts	26,461	34,133
Savings deposits	1,460,504	1,366,308
Time, call and notice deposits	5,914,563	5,969,575
Amount due to overseas offices	2,233,283	2,416,497
Other accounts	116,961	145,571
Total liabilities	11,853,815	11,880,367
<u>Equities</u>		
Reserves	2,405,360	2,405,360
Current profit / (loss)	188,657	107,642
Total equities	2,594,017	2,513,002
Total Equities and Liabilities	14,447,832	14,393,369

III. ADDITIONAL BALANCE SHEET INFORMATION

HK\$'000

A. ADVANCES AND IMPAIRMENT LOSSES

i. Advance to customers and impairment losses on advances

	As at	
	<u>31 Dec 25</u>	<u>30 Jun 25</u>
Advances to customers	1,606,181	1,169,489
Advances to banks and other financial institutions	1,114,602	887,183
Total	<u>2,720,783</u>	<u>2,056,672</u>
Collective impairment provisions	(27,286)	(20,645)
Specific impairment provisions	-	-
Total	<u>(27,286)</u>	<u>(20,645)</u>
Gross advances less impairment provisions	2,693,497	2,036,027
Provisions as a percentage of gross advances		
- Collective impairment provisions	1.00%	1.00%
- Specific impairment provisions	0.00%	0.00%
Total provisions	<u>1.00%</u>	<u>1.00%</u>

ii. Impairment provisions

	Specific impairment provisions	Collective impairment provisions	Total
<u>31 Dec 25</u>			
Advances to customers	-	16,140	16,140
Advances to banks and other financial institutions	-	11,146	11,146
Total	<u>-</u>	<u>27,286</u>	<u>27,286</u>
<u>30 Jun 25</u>			
Advances to customers	-	11,773	11,773
Advances to banks and other financial institutions	-	8,872	8,872
Total	<u>-</u>	<u>20,645</u>	<u>20,645</u>

iii. Impaired advances to customers

	<u>31 Dec 25</u>	<u>30 Jun 25</u>
amount of impaired loans and advances	-	-
amount of specific provisions made	-	-
value of collateral	-	-
% of advances to customers	0.00%	0.00%

There were no loans and advances to banks and other financial institutions which are determined impaired as at 30 June 2025 and 31 December 2025.

III. ADDITIONAL BALANCE SHEET INFORMATION - CONTINUED

HK\$'000

B. OVERDUE AND RESCHEDULED ASSETS

	<u>31 Dec 25</u>	As at <u>30 Jun 25</u>
i. Advances to customers overdue for		
more than 3 months and up to 6 months	-	-
more than 6 months and up to 1 year	-	-
more than 1 year	-	-
	<u>-</u>	<u>-</u>
Specific impairment provisions made in respect of the above overdue advances	-	-
Market value of collateral held against the covered portion of all overdue advances	<u>-</u>	<u>-</u>
Covered portion of all overdue advances	<u>-</u>	<u>-</u>
Uncovered portion of all overdue advances	-	-
ii. Rescheduled advances to customers (Net of those overdue advances which have been disclosed above)	<u>-</u>	<u>-</u>

	As a percentage of total gross advances to customers	
	<u>31 Dec 25</u>	<u>30 Jun 25</u>
	%	%
a. Advances to customers overdue for		
more than 3 months and up to 6 months	0.00	0.00
more than 6 months and up to 1 year	0.00	0.00
more than 1 year	0.00	0.00
	<u>0.00</u>	<u>0.00</u>
b. Rescheduled advances to customers	<u>0.00</u>	<u>0.00</u>

iii. Loans and advances to banks and other financial institutions

There were no loans and advances to banks and other financial institutions which were overdue as at 30 June 2025 and 31 December 2025.

iv. Other assets (trade bills and debt securities)

There were no other assets (including trade bills and debt securities) which were overdue as at 30 June 2025 and 31 December 2025.

v. Amount of repossessed assets

There were no repossessed assets held by the branch as at 30 June 2025 and 31 December 2025.

C. OFF-BALANCE SHEET INFORMATION**i. CONTINGENT LIABILITIES AND COMMITMENTS**

	As at	
	<u>31 Dec 25</u>	<u>30 Jun 25</u>
Off-balance sheet exposures (in contractual amounts)		
Direct credit substitutes	-	-
Transaction-related contingencies	-	-
Trade-related contingencies	16,299	42,579
Forward forward deposits placed	-	-
Other commitments	1,657,206	708,971

ii. DERIVATIVES

	<u>31 Dec 25</u>	<u>30 Jun 25</u>
Interest rate contracts		
Contractual amount	0	0
Replacement cost	-	-
Positive fair value	-	-
Negative fair value	-	-
Exchange rate and gold contracts		
Contractual amount	955,192	215,931
Replacement cost	-	-
Positive fair value	2,281	8,662
Negative fair value	(2,053)	(8,422)

For contingent liabilities and commitments, the contract amounts represent the amounts at risk should the contract be fully drawn upon and the client default. The total of the contract amount is not representative of future liquidity requirements. The replacement costs represent the cost of replacing all contracts which have a positive value when marked to market. They do not take into account the effects of valid bilateral netting agreements.

III. ADDITIONAL BALANCE SHEET INFORMATION - CONTINUED

HK\$'000

D. GROSS ADVANCES TO CUSTOMERS SEGMENTAL ANALYSIS

The following information concerning advances to customers by industry sectors has been classified in accordance with industry categories contained in the banking returns of Quarterly Analysis of Loans and Advances and the Provisions

i. BY INDUSTRY SECTOR

	As at			
	<u>31 Dec 25</u>		<u>30 Jun 25</u>	
	<u>Gross Amount</u>	<u>Balance Covered By Collateral</u>	<u>Gross Amount</u>	<u>Balance Covered By Collateral</u>
Loans and advances for use in Hong Kong				
Industrial, Commercial and Financial				
Property development	-	-	-	-
Property investment	-	-	-	-
Financial concerns	-	-	-	-
Stockbrokers	-	-	-	-
Manufacturing	15,571	-	18,042	-
Wholesale and retail trade	-	-	1,571	1,571
Transport and transport equipment	-	-	-	-
Electricity and gas	-	-	-	-
Information technology	-	-	-	-
Recreational activities	-	-	-	-
All others	-	-	-	-
Individuals				
Loans for the purchase of other residential properties	8,067	8,067	11,829	11,829
Subtotal	23,638	8,067	31,442	13,400
Trade finance	51,727	7,086	50,746	9,418
Loans and advances for use outside Hong Kong	1,530,816	93,424	1,087,301	70,661
Total loans and advances	1,606,181	108,577	1,169,489	93,479

III. ADDITIONAL BALANCE SHEET INFORMATION - CONTINUED

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ii. BY MAJOR COUNTRIES OR GEOGRAPHICAL SEGMENTS

After taking into account recognized risk transfer, exposures to a single country exceeding 10% of the aggregate gross loans and advances to customers by geographical segment disclosed.

<u>As at 31 Dec 25</u>	<u>Gross Amount</u>	<u>Overdue & Impaired</u>	<u>Specific impairment provisions</u>
1. United Arab Emirates	544,974	-	-
2. Korea	295,843		
3. Kingdom of Saudi Arabia	233,560		
4. Vietnam	132,351		
5. Hong Kong	50,117		
6. Others	349,335	-	-
	<u>1,606,180</u>	-	-

<u>As at 30 Jun 25</u>	<u>Gross Amount</u>	<u>Overdue & Impaired</u>	<u>Specific impairment provisions</u>
1. Korea	298,345	-	-
2. United Arab Emirates	243,386		
3. British Virgin Islands	192,354		
4. Vietnam	153,726		
5. Hong Kong	63,641		
6. Others	218,037	-	-
	<u>1,169,489</u>	-	-

E. INTERNATIONAL CLAIMS

The information on international claims discloses exposures to foreign counterparties on which the ultimate risk lies, and is derived according to the location of the counterparties after taking into account any recognised risk transfer. In general, such transfer of risk takes place if the claims are guaranteed by a party in a country which is different from that of the counterparty or if the claims are on an overseas branch of a bank whose head office is located in another country. Only regions constituting 10% or more of the aggregate international claims after taking into account any recognised risk transfer are disclosed.

	<u>Banks</u>	<u>Official Sector</u>	<u>Non-bank private sector</u>		<u>Others</u>	<u>Total</u>
			<u>Non-bank financial institutions</u>	<u>Non-financial private sector</u>		
As at 31 Dec 25						
1. Developed countries	2,986	-	79	-	-	3,065
2. Offshore centres	350	-	39	350	-	739
<i>of which:</i>						
<i>Hong Kong SAR</i>	196	-	-	156	-	352
3. Developing Europe	-	-	-	-	-	-
4. Developing Latin America and Caribbean	-	-	-	-	-	-
5. Developing Africa and Middle East	1,455	-	351	234	-	2,040
6. Developing Asia-Pacific	5,938	-	221	377	-	6,536
<i>of which:</i>						
<i>China</i>	-	-	-	16	-	16
<i>Chinese Taipei</i>	3,529	-	2	-	-	3,531
7. International organisations	81	-	234	-	-	315
8. Unallocated by country	-	-	-	-	-	-

	<u>Banks</u>	<u>Official Sector</u>	<u>Non-bank private sector</u>		<u>Others</u>	<u>Total</u>
			<u>Non-bank financial institutions</u>	<u>Non-financial private sector</u>		
As at 30 Jun 25						
1. Developed countries	3,028	-	203	-	-	3,231
2. Offshore centres	383	-	79	357	-	819
<i>of which:</i>						
<i>Hong Kong SAR</i>	102	-	-	161	-	263
3. Developing Europe	-	-	-	-	-	-
4. Developing Latin America and Caribbean	-	-	-	-	-	-
5. Developing Africa and Middle East	1,270	-	47	-	-	1,317
6. Developing Asia-Pacific	6,362	-	261	468	-	7,091
<i>of which:</i>						
<i>China</i>	1	-	-	16	-	17
<i>Chinese Taipei</i>	3,705	-	-	3	-	3,708
7. International organisations	81	-	235	-	-	316
8. Unallocated by country	-	-	-	-	-	-

The above figures are disclosed according to the HKMA return of international banking statistics and pursuant to Section 63 of the Banking Ordinance.

III. ADDITIONAL BALANCE SHEET INFORMATION - CONTINUED

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F. MAINLAND ACTIVITIES

The categories of non-bank counterparties and the type of direct exposures refers to the Completion Instructions for the Return of Mainland Activities-MA(BS)20.

As at 31 Dec 25

	<u>On-balance sheet exposures</u>	<u>Off-balance sheet exposures</u>	<u>Total exposures</u>
1. Central government, central government-owned entities & their subsidiaries & JVs	-	-	-
2. Local governments, local government-owned entities & their subsidiaries & JVs	-	-	-
3. PRC national residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	-	-	-
4. Other entities of central government not reported in item 1 above	-	-	-
5. Other entities of local government not reported in item 1 above	-	-	-
6. PRC national residing outside ML China or entities incorporated outside ML China where the credit is granted for use in ML China	16	4	20
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank ML exposures	-	-	-
	<u>16</u>	<u>4</u>	<u>20</u>
Total assets after provision	14,448		
On-balance sheet exposures as percentage of total assets	0.11%		

As at 30 Jun 25

	<u>On-balance sheet exposures</u>	<u>Off-balance sheet exposures</u>	<u>Total exposures</u>
1. Central government, central government-owned entities & their subsidiaries & JVs	-	-	-
2. Local governments, local government-owned entities & their subsidiaries & JVs	-	-	-
3. PRC national residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	-	-	-
4. Other entities of central government not reported in item 1 above	-	-	-
5. Other entities of local government not reported in item 1 above	-	-	-
6. PRC national residing outside ML China or entities incorporated outside ML China where the credit is granted for use in ML China	16	7	23
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank ML exposures	-	-	-
	<u>16</u>	<u>7</u>	<u>23</u>
Total assets after provision	14,393		
On-balance sheet exposures as percentage of total assets	0.11%		

III. ADDITIONAL BALANCE SHEET INFORMATION - CONTINUED

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G. FOREIGN CURRENCY POSITION

The foreign currency exposures are prepared in accordance with the H.K.M.A. return of completion Foreign Currency Position completion instructions. The net position (in absolute terms) for each foreign currency which constitutes 10% or more of the total net position in all foreign currencies.

<u>As at 31 Dec 25</u>	USD	GBP	JPY	EUR	CNY	AUD	SGD	NZD	other foreign currencies	Total
Spot assets	10,948	6	103	84	548	-	-	-	-	11,689
Spot liabilities	(10,887)	(6)	(103)	(83)	(548)	-	-	-	-	(11,627)
Forward purchases	498	-	-	-	-	-	-	-	497	995
Forward sales	(498)	-	-	-	-	-	-	-	(497)	(995)
Net option position	-	-	-	-	-	-	-	-	-	-
Net long (short) position	61	-	-	1	0	-	-	-	-	62

<u>As at 30 Jun 25</u>	USD	GBP	JPY	EUR	CNY	AUD	SGD	NZD	other foreign currencies	Total
Spot assets	10,657	5	102	58	833	2	-	-	-	11,657
Spot liabilities	(10,622)	(6)	(102)	(58)	(833)	(2)	-	-	-	(11,623)
Forward purchases	110	-	-	-	-	-	-	-	120	230
Forward sales	(110)	-	-	-	-	-	-	-	(120)	(230)
Net option position	-	-	-	-	-	-	-	-	-	-
Net long (short) position	35	(1)	0	0	-	0	-	-	-	34

There were no foreign currency structural positions as at 30 June 2025 and 31 December 2025.

H. LIQUIDITY INFORMATION DISCLOSURE

i. Liquidity Risk Management System

(i) Liquidity Risk Management Strategy and Process : To maintain adequate liquidity level, to ensure payment ability, and to enhance contingency management, we comply with the internal policies set out by head office and this branch. The policies set out by head office: “臺灣銀行股份有限公司流動性及利率風險管理政策”, “臺灣銀行股份有限公司流動性風險管理準則” and “臺灣銀行股份有限公司辦理國際金融業務作業準則”. The policies set out by this branch: “臺灣銀行股份有限公司香港分行風險管理政策” and “臺灣銀行股份有限公司香港分行流動性管理政策”.

(ii) Liquidity Risk Management Organization and Structure : 1. This branch has set up Asset and Liability Management Committee (ALCO), to maintain sound operations and strengthen ability of asset and liability management, with the branch Chief Executive as the chairman of ALCO, Alternate Chief Executive and business executives as members. 2. ALCO meetings, which held periodically or whenever once in need, review the liquidity risk, interest rate risk, foreign exchange risk, and loan-deposit structure of the branch. For liquidity risk management, ALCO is the supervisory unit and the treasury department is the unit for executing.

(iii) Liquidity Risk Reports : This branch submits monthly liquidity risk and interest rate risk analysis reports in major currencies to ALCO and head office for review. Based on liquidity gap analysis and the changes of the structure, this branch allocates adequate funding to reduce liquidity risk. In addition, we classified the assets and liabilities into interest sensitive and non-interest sensitive for interest rate risk management and for pricing basis.

(iv) Contingency Funding Plan for Liquidity Risk Management : This branch has contingency funding plan in place to respond to the situations such as abnormal deposit withdrawal and serious lack of liquidity. After reviewing the plan periodically, it would be

(v)Funding Management Strategy : This branch manages the liquidity risk based on the principle of conservativeness and stability. Besides the predictable short-term cash-flow, we dynamically adjust the liquidity gaps of different term based on our operation cash-flows or market changes.1.The funding sources should be diversified, stable and reliable.2.The use of funds should be broad.3.The funding management strategy should be conservative and should strengthen the interaction management between different currencies.

(vi)Liquidity Stress Test : This branch runs liquidity stress-testing periodically to estimate the liquidity level demand when in stress situations. The testing items including assets, liabilities and off-balance sheet commitments. The stress-testing is run by accounting department, and the result will be reported to ALCO and the head office. The result will be the reference for the future business planning, the improvement of liquidity risk management or other strategic plans.

(vii)Liquidity Buffer : In addition to complying with the statutory liquidity maintenance ratio requirement of the authority, daily minimum liquidity maintenance ratio and liquidity ratio buffer are set to maintain the liquidity level of the branch in response to all the possibilities.

ii Liquidity Risk Analysis (Major currencies in HKD)

31 Dec 25

	0~2days	2~7days	0~1month	1~2month	2~3month	3~4month	4~5month	5~6month
Due Cash Inflow	1,215	195	3,480	2,278	1,898	845	553	758
Due Cash Outflow	595	1,909	3,818	1,385	1,357	923	1,157	167
Cumulative gap over Total Debt	4.73%	-8.35%	-2.58%	4.24%	8.36%	7.77%	3.16%	7.67%
	6~7month	7~8month	8~9month	9~10month	10~11month	11~12month	over 1 year	
Due Cash Inflow	226	416	77	234	50	310	4,657	
Due Cash Outflow	75	114	120	177	257	247	5,983	
Cumulative gap over Total Debt	8.82%	11.12%	10.79%	11.22%	9.64%	10.12%	0.00%	

iii.LIQUIDITY INFORMATION DISCLOSURE

For the year/period

	31 Dec 25	31 Dec 24
Average LMR for the year/period	93.85%	112.90%
Calculation period	Oct~Dec 2025	Oct~Dec 2024

Disclosure the average value of its LMR and the related information under section 103(3)(c) of the Banking (Disclosure) Rules.

The average value of its LMR calculated based on the arithmetic mean of the average value of its LMR reported in its liquidity position return for each month during the reporting period.

Liquidity ratios are monitored on a daily basis (Treasury department is responsible for adjustments of allocation of assets and liabilities based on the LMR calculated by Accounting department) and liquidity stress test has been performed quarterly in the branch. The Asset-Liability Committee (ALCO) has been established in the branch and ALCO meetings are held on a monthly basis.

I. REMUNERATION DISCLOSURE

In accordance with section 3 of the HKMA's Supervisory Policy Manual Guideline CG-5 "Sound Remuneration System", Bank of Taiwan has disclosed the relevant information in the part of Corporate Governance of the Bank's Annual Report.

SECTION B – INFORMATION OF THE BANK (CONSOLIDATED BASIS)

NT\$'000

I. CAPITAL AND CAPITAL ADEQUACY RATIO

	<u>31 Dec 25</u>	As at <u>30 Jun 25</u>
A. Capital Adequacy Ratio	17.67%	17.59%
B. Aggregate amount of shareholder's funds	537,316,896	504,393,919

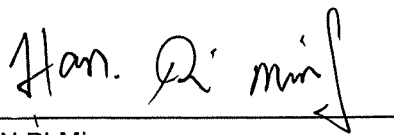
The capital adequacy ratio is computed in accordance with the Basel III Capital Accord framework after taken into account for credit risk, market risk and operational risk.

II. OTHER FINANCIAL INFORMATION

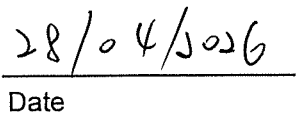
	<u>31 Dec 25</u>	As at <u>30 Jun 25</u>
Total assets	6,860,940,719	6,769,227,634
Total liabilities	6,323,623,823	6,264,833,715
Total advances	3,486,253,364	3,421,309,770
Total customer deposits	5,190,753,631	5,198,283,801
	For the year ended	
	<u>31 Dec 25</u>	<u>31 Dec 24</u>
Profit / (Loss) before taxation	32,809,710	32,182,802

Declaration

According to the requirement of the Hong Kong Monetary Authority on Key Financial Information Disclosure Statement of Authorized Institutions incorporated outside Hong Kong, we have pleasure in presenting the Key Financial Information Disclosure Statements of Bank of Taiwan, Hong Kong Branch for **the year ended 31 Dec 2025**. We confirmed that the information contained therein complies, in all material respects, with the relevant requirements for financial disclosure by overseas incorporated authorized institutions as set out in the supervisory policy manual CA-D-1 "Guideline on the Application of the Banking (Disclosure) Rules", and to the best of my knowledge and belief, it is not false or misleading.



HAN Pi-Ming
Chief Executive
Bank of Taiwan, Hong Kong Branch



Date

