

# **Bank SinoPac Hong Kong Branch**

(Incorporated In Taiwan With Limited Liability)

## **Key Financial Information Disclosure Statement FOR HALF-YEAR ENDED JUNE 30, 2021**

Note:

A copy of the Key Financial Information Disclosure Statement is available on the website below for public inspection.

<https://bank.sinopac.com/sinopacBT/about/introduction/seabranh/branch-hongkong.html>

# **Bank SinoPac Hong Kong Branch**

## **KEY FINANCIAL INFORMATION DISCLOSURE STATEMENT FOR HALF-YEAR ENDED JUNE 30, 2021**

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## Bank SinoPac Hong Kong Branch

### SECTION A. - INFORMATION OF THE BRANCH <INCLUDE H.K. BR. ONLY>

#### I. PROFIT AND LOSS INFORMATION FOR HALF-YEAR ENDED JUNE 30, 2021

Figures in HKD thousands

	<u>Half Year to 2021-06-30</u>	<u>Half Year to 2020-06-30</u>
INTEREST INCOME	270,111	301,502
INTEREST EXPENSE	(56,308)	(118,809)
	<u>213,803</u>	<u>182,693</u>
OTHER OPERATING INCOME		
Fees and commission income	43,163	39,112
Fees and commission expenses	(5,766)	(5,066)
Net fees and commission income	<u>37,397</u>	<u>34,046</u>
Gains less losses arising from trading in foreign currencies	21,089	31,210
Gains less losses on securities held for trading purposes	6,312	(2,544)
Gains less losses from other trading activities	363	4,711
Others	35,191	84
	<u>100,352</u>	<u>67,507</u>
OPERATING EXPENSES		
Staff and rental expenses	(67,519)	(66,916)
Other expenses	(16,108)	(15,949)
Net charge for other provisions		
- Other provisions	(1,050)	(9,832)
- Impairment loss on assets	(2,526)	(114,721)
	<u>(87,203)</u>	<u>(207,418)</u>
IMPAIRMENT LOSSES AND PROVISIONS FOR IMPAIRED LOANS AND RECEIVABLES	(64,332)	(5,033)
GAINS LESS LOSSES FROM THE DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES	-	-
PROFIT BEFORE TAXATION	162,620	37,749
TAX EXPENSE	-	-
PROFIT AFTER TAXATION	<u>162,620</u>	<u>37,749</u>

## Bank SinoPac Hong Kong Branch

### II. BALANCE SHEET INFORMATION AS AT JUNE 30, 2021

Figures in HKD thousands

	<u>2021-06-30</u>	<u>2020-12-31</u>
<u>ASSETS</u>		
Cash and balances with banks (except those included in amount due from overseas offices)	3,129,530	3,243,417
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)	504,734	1,063,801
Amount due from overseas offices	2,107,451	4,490,656
Trade bills	923,296	314,574
Certificates of Deposit held	903,207	637,279
Securities measured at fair value through profit or loss	-	58,786
Securities measured at amortised cost	1,652,420	1,048,532
Securities measured at fair value through other comprehensive income	13,941,287	11,601,952
Loans and receivables	11,699,471	10,205,171
Property, plant and equipment and investment properties	<u>3,033</u>	<u>3,351</u>
Total assets	<u>34,864,429</u>	<u>32,667,519</u>
<u>LIABILITIES</u>		
Deposits and balances from banks and other financial institutions (except those included in amount due to overseas offices)	4,608,189	1,567,049
Deposits from customers		
- demand deposits and current accounts	443,769	473,862
- savings deposits	13,137,128	11,755,261
- time, call and notice deposits	10,883,130	12,244,243
Amount due to overseas offices	3,308,020	4,666,192
Other accounts and provisions	<u>1,494,343</u>	<u>1,015,417</u>
Total liabilities	33,874,579	31,722,024
Capital and reserves	<u>989,850</u>	<u>945,495</u>
Total equity and liabilities	<u>34,864,429</u>	<u>32,667,519</u>

**Bank SinoPac Hong Kong Branch****III. ADDITIONAL BALANCE SHEET INFORMATION**

Figures in HKD thousands

**1. TRADE BILLS**

	<u>2021-06-30</u>	<u>2020-12-31</u>
Trade bills	936,467	319,803
Less : Impairment allowances	<u>(13,171)</u>	<u>(5,229)</u>
	<u>923,296</u>	<u>314,574</u>

**2. LOANS AND RECEIVABLES**

	<u>2021-06-30</u>	<u>2020-12-31</u>
A. i) Loans and advances to customers	10,305,939	8,452,047
Less : Impairment allowances	<u>(139,166)</u>	<u>(135,870)</u>
	<u>10,166,773</u>	<u>8,316,177</u>
ii) Loans and advances to banks	244,726	245,848
Less : Impairment allowances	<u>(2,739)</u>	<u>(2,757)</u>
	<u>241,987</u>	<u>243,091</u>
iii) Other accounts		
-Accrued interest	136,998	126,574
-Others	<u>1,191,015</u>	<u>1,555,276</u>
	<u>1,328,013</u>	<u>1,681,850</u>
Less : Impairment allowances	<u>(37,302)</u>	<u>(35,947)</u>
	<u>1,290,711</u>	<u>1,645,903</u>
	<u>11,699,471</u>	<u>10,205,171</u>

**B. Impairment allowances policy**

There were no impairment allowances maintained at Head Office as at the above respective reporting dates.

**C. Details of the impaired loans to customers**

	<u>2021-06-30</u>	<u>2020-12-31</u>
- Gross loans and advances to customers	37,829	91,881
- Impairment allowances	18,915	30,796
- Value of Collateral	-	-
Percentage of such loans and advances to total gross loans and advances	<u>0.37%</u>	<u>1.09%</u>

**III. ADDITIONAL BALANCE SHEET INFORMATION - continued**

Figures in HKD thousands

**2. LOANS AND RECEIVABLES - continued**

**D. i) Overdue or rescheduled assets**

	<u>2021-06-30</u>		<u>2020-12-31</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
a. Loans and Advances to customers overdue for more than 3 months but not more than 6 months	-	-	16,958	0.20%
more than 6 months but not more than one year	37,829	0.37%	-	-
more than one year	-	-	-	-
	<u>37,829</u>	<u>0.37%</u>	<u>16,958</u>	<u>0.20%</u>
b. Rescheduled advances to customers	-	-	-	-
Total	<u>37,829</u>	<u>0.37%</u>	<u>16,958</u>	<u>0.20%</u>

**c. Value of collateral held against such overdue loans and advances**

	<u>2021-06-30</u>	<u>2020-12-31</u>
- 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	37,829	16,958

**d. Impairment allowances on such overdue loans and advances**

	<u>2021-06-30</u>	<u>2020-12-31</u>
	18,915	15,771

ii) There were no overdue or rescheduled other assets as at the above respective reporting dates.

iii) There were no repossessed assets held as at the reporting dates, irrespective of the accounting treatment of the related loans and advances.

**E. Loans and advances to banks**

There were no overdue or rescheduled loans and advances to banks and other financial institutions as at the above respective reporting dates.

**3. OTHER ACCOUNTS AND PROVISIONS**

	<u>2021-06-30</u>	<u>2020-12-31</u>
Accrued interest	21,818	38,186
Impairment allowances on loan commitments and financial guarantee contracts	13,670	13,546
Others	<u>1,458,855</u>	<u>963,685</u>
	<u>1,494,343</u>	<u>1,015,417</u>

## Bank SinoPac Hong Kong Branch

### IV. OFF-BALANCE SHEET INFORMATION

Figures in HKD thousands

#### I. CONTINGENT LIABILITIES AND COMMITMENTS

The following is a summary of the contractual amounts of each material class of contingent liability and commitments:

	<u>2021-06-30</u>	<u>2020-12-31</u>
Direct credit substitutes	15,530	40,847
Transaction-related contingencies	4,945	12,689
Trade-related contingencies	391,192	416,840
Other commitments	3,825,476	4,630,393
Others	-	310,106
	<u>4,237,143</u>	<u>5,410,875</u>
Derivatives		
- Exchange rate contracts	41,874,231	49,379,090
- Interest rate contracts	3,872,813	4,699,648
- Others	-	-
	<u>45,747,044</u>	<u>54,078,738</u>
Fair Value of Derivatives (of the above derivatives)		
- Exchange rate contracts	340,345	849,416
- Interest rate contracts	22,418	27,523
- Others	-	-
	<u>362,763</u>	<u>876,939</u>

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 fair value represents the cost of replacing all contracts which have a positive value when marked to market.

## 1. GROSS LOANS AND ADVANCES TO CUSTOMERS BY MAJOR SECTORS ANALYSIS

The following analysis of gross loans and advances to customers by major sectors are prepared in accordance with the definitions and the detailed descriptions in the Completion Instructions for the "Return of Quarterly Analysis of Loans and Advances and Provisions". Countries or geographical segments constituting not less than 10% of the total gross amount of loans and advances to customers are disclosed.

A. Loans and advances for use in Hong Kong	2021-06-30		2020-12-31	
	Amount	Amount covered by collateral or other security	Amount	Amount covered by collateral or other security
a. Industrial, commercial and financial				
- Property development	-	-	-	-
- Property investment	72,822	-	188,869	59,483
- Financial concerns	2,048,512	617,835	1,712,349	713,176
- Stockbrokers	-	-	7,753	-
- Wholesale and retail trade	97,238	64,108	69,556	50,266
- Manufacturing	31,872	31,872	48,375	32,870
- Transport and transport equipment	207,175	14,299	160,706	14,279
- Recreational activities	-	-	-	-
- Information technology	516,591	-	516,591	-
- Others	25,000	-	-	-
b. Individuals				
- Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme or their respective successor schemes	-	-	-	-
- Loans for the purchase of other residential properties	-	-	-	-
- Credit card advances	-	-	-	-
- Others	2,718	2,718	3,876	3,876
B. Trade finance	1,002,336	86,809	863,190	57,385
C. Loans and advances for use outside Hong Kong	6,301,675	2,063,787	4,880,782	1,223,524
Total	10,305,939	2,881,428	8,452,047	2,154,859

## 2.A. GROSS LOANS AND ADVANCES TO CUSTOMERS BY COUNTRIES OR GEOGRAPHICAL AREAS ANALYSIS

	2021-06-30	2020-12-31
- Hong Kong	3,594,014	2,662,733
- China	1,737,576	1,624,692
- British Virgin Islands	1,077,373	1,136,362
- Taiwan	888,481	907,745
- Others	3,008,495	2,120,515
Total	10,305,939	8,452,047

## 2.B. OVERDUE AND IMPAIRED LOANS BY COUNTRIES OR GEOGRAPHICAL AREAS ANALYSIS

	2021-06-30	2020-12-31
- Hong Kong	-	16,958
- China	37,829	-
Total	37,829	16,958



**Bank SinoPac Hong Kong Branch**

**V. OTHER FINANCIAL INFORMATION - continued**

**3. INTERNATIONAL CLAIMS DISCLOSURE**

Figures in HKD millions

The following tables analyse international claims by location and types of counterparties. Country or geographical segment classification is based upon the locations of counterparties after taking into account any recognised risk transfer. They are prepared in accordance with the Completion Instructions for the "Return of International Banking Statistics". Countries or geographical segments constituting not less than 10% of the total international claims are disclosed.

**AS AT JUNE 30, 2021**

	<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>		
1 Developed countries	4,679	544	777	3,091	-	9,091
2 Offshore centres	2,365	940	1,323	7,267	-	11,895
<i>of which Hong Kong SAR</i>	2,238	940	1,040	5,013	-	9,231
3 Developing Asia-Pacific	7,808	175	1,295	2,734	-	12,012
<i>of which China</i>	1,278	103	612	1,421	-	3,414
<i>of which Chinese Taipei</i>	4,130	-	49	864	-	5,063

**AS AT DECEMBER 31, 2020**

	<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>		
1 Developed countries	4,853	467	39	2,967	-	8,326
2 Offshore centres	1,695	423	968	5,893	-	8,979
<i>of which Hong Kong SAR</i>	1,613	423	611	3,621	-	6,268
3 Developing Asia-Pacific	9,603	164	1,203	2,296	-	13,266
<i>of which China</i>	968	103	701	1,054	-	2,826
<i>of which Chinese Taipei</i>	6,912	-	45	873	-	7,830

**4. NON-BANK MAINLAND EXPOSURES**

Figures in HKD millions

The Non-Bank Mainland exposures are prepared in accordance with the Completion Instructions for the "Return of Mainland Activities".

	<u>On-balance sheet exposures</u>	<u>Off-balance sheet exposures</u>	<u>Total</u>
<b>AS AT JUNE 30, 2021</b>			
1 Central government, central government-owned entities and their subsidiaries and Joint Ventures (JVs)	700	129	829
2 Local governments, local government-owned entities and their subsidiaries and JVs	212	82	294
3 PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	2,119	716	2,835
4 Other entities of central government not reported in item 1 above	295	16	311
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	2,146	635	2,781
7 Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	5,472	1,578	7,050
Total assets after provisions	34,851		
On-balance sheet exposures as percentage of total assets	15.70		

	<u>On-balance sheet exposures</u>	<u>Off-balance sheet exposures</u>	<u>Total</u>
<b>AS AT DECEMBER 31, 2020</b>			
1 Central government, central government-owned entities and their subsidiaries and Joint Ventures (JVs)	952	177	1,129
2 Local governments, local government-owned entities and their subsidiaries and JVs	122	186	308
3 PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	1,307	282	1,589
4 Other entities of central government not reported in item 1 above	244	66	310
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	1,779	450	2,229
7 Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	4,404	1,161	5,565
Total assets after provisions	32,736		
On-balance sheet exposures as percentage of total assets	13.45		

**5. FOREIGN CURRENCY POSITION**

The foreign currency exposures are prepared in accordance with the "Return of Foreign Currency Position" Completion Instructions. The net position (in absolute terms) in a particular currency which constitutes not less than 10% of the total net position in all foreign currencies are disclosed.

<u>AS AT JUNE 30, 2021</u>	<u>USD</u>	<u>CNY</u>	<u>AUD</u>	<u>NTD</u>	<u>OTHERS</u>	<u>Total</u>
Spot assets	20,219	3,953	3,476	-	586	28,234
Spot liabilities	(22,559)	(3,013)	(1,757)	-	(511)	(27,840)
Forward purchases	21,519	15,435	211	5	2,669	39,839
Forward sales	(18,763)	(16,199)	(1,889)	(44)	(2,743)	(39,638)
Net options position	-	-	-	-	-	-
Net long (short) position	416	176	41	(39)	1	595

<u>AS AT DECEMBER 31, 2020</u>	<u>USD</u>	<u>CNY</u>	<u>AUD</u>	<u>NTD</u>	<u>OTHERS</u>	<u>Total</u>
Spot assets	17,342	3,503	3,567	-	973	25,385
Spot liabilities	(19,600)	(3,314)	(1,458)	-	(479)	(24,851)
Forward purchases	24,632	19,905	23	761	1,315	46,636
Forward sales	(22,344)	(19,942)	(2,070)	(494)	(1,770)	(46,620)
Net options position	(23)	-	-	-	-	(23)
Net long (short) position	7	152	62	267	39	527

The net options position is calculated on the basis of the delta-weighted position of options contracts. There were no foreign currency structural position as at the above respective reporting dates.

**VI. LIQUIDITY DISCLOSURE**

	<u>For the Second Quarter of 2021</u>	<u>For the Second Quarter of 2020</u>
	%	%
Average liquidity maintenance ratio (LMR) for the period	<u>62.49</u>	<u>58.69</u>

The branch's average liquidity maintenance ratio (LMR) for the period is based on the arithmetic mean of the average value of its LMR for each calendar month as reported in the liquidity position return submitted for the reporting period, which is computed in accordance with the Hong Kong Banking (Liquidity) Rules.

**VII. DISCLOSURE ON REMUNERATION**

Pursuant to the disclosure requirement under the HKMA's Supervisory Policy Manual (CG-5) - Guideline on a Sound Remuneration System, please refers to the session "EMPLOYEE BENEFITS EXPENSE" in Bank's 2020 Annual Report page 55.

## Bank SinoPac Hong Kong Branch

### SECTION B. - INFORMATION OF THE BANK AS A WHOLE

#### BANK SINOPAC

#### I. CAPITAL AND CAPITAL ADEQUACY RATIO

A. Capital adequacy ratio	<u>2021-06-30</u>	<u>2020-12-31</u>
	<u>15.47%</u>	<u>15.96%</u>
B. Aggregate amount of shareholders' funds	<u>2021-06-30</u>	<u>2020-12-31</u>
	NTD '000	NTD '000
	<u>139,036,586</u>	<u>139,666,272</u>

The capital adequacy ratio is calculated in accordance with the document entitled "Regulations Governing the Capital Adequacy and Capital Category of Banks".

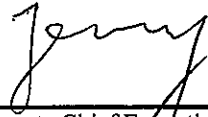
#### II. OTHER FINANCIAL INFORMATION

Figures in NTD thousands

	<u>2021-06-30</u>	<u>2020-12-31</u>
Total assets	<u>2,084,771,998</u>	<u>1,994,635,826</u>
Total liabilities	<u>1,945,735,412</u>	<u>1,854,969,554</u>
Total loans advances	<u>1,197,139,650</u>	<u>1,140,986,052</u>
Total customer deposits	<u>1,747,678,209</u>	<u>1,659,951,067</u>
	<u>Half Year of</u>	<u>Half Year of</u>
	<u>2021</u>	<u>2020</u>
Profit before taxation	<u>6,834,025</u>	<u>5,454,511</u>

## 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 SinoPac, Hong Kong Branch for half-year ended June 30, 2021. We confirm that the information contained therein complies, in all material respects, with the supervisory policy manual CA-D-1 "Guideline on the Application of the Banking (Disclosure) Rules" and to the best of our knowledge and belief, it is not false or misleading.



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Alternate Chief Executive  
Bank SinoPac  
Hong Kong Branch

28 SEP 2021

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Date