

Bank SinoPac Hong Kong Branch

(Incorporated In Taiwan With Limited Liability)

Key Financial Information Disclosure Statement FOR HALF-YEAR ENDED JUNE 30, 2022

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/seabbranch/branch-hongkong.html>

Bank SinoPac Hong Kong Branch

KEY FINANCIAL INFORMATION DISCLOSURE STATEMENT FOR HALF-YEAR ENDED JUNE 30, 2022

<u>CONTENTS</u>	<u>PAGE(S)</u>
SECTION A. - INFORMATION OF THE BRANCH <INCLUDE HONG KONG BRANCH ONLY>	
I. PROFIT AND LOSS INFORMATION	1
II. BALANCE SHEET INFORMATION	2
III. ADDITIONAL BALANCE SHEET INFORMATION	3~4
IV. OFF-BALANCE SHEET INFORMATION	5
V. OTHER FINANCIAL INFORMATION	6~8
VI. LIQUIDITY DISCLOSURE	8
VII. DISCLOSURE ON REMUNERATION	8
SECTION B. - INFORMATION OF THE BANK AS A WHOLE	
I. CAPITAL AND CAPITAL ADEQUACY RATIO	9
II. OTHER FINANCIAL INFORMATION	9
DECLARATION	10

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, 2022

Figures in HKD thousands

	<u>Half Year to 2022-06-30</u>	<u>Half Year to 2021-06-30</u>
INTEREST INCOME	325,691	270,111
INTEREST EXPENSE	<u>(81,993)</u>	<u>(56,308)</u>
	243,698	213,803
OTHER OPERATING INCOME		
Fees and commission income	48,195	43,163
Fees and commission expenses	<u>(4,458)</u>	<u>(5,766)</u>
Net fees and commission income	43,737	37,397
Gains less losses arising from trading in foreign currencies	49,865	21,089
Gains less losses on securities held for trading purposes	(3,885)	6,312
Gains less losses from other trading activities	27,333	363
Others	<u>11,066</u>	<u>35,191</u>
	128,116	100,352
OPERATING EXPENSES		
Staff and rental expenses	(75,763)	(67,519)
Other expenses	(14,733)	(16,108)
Net charge for other provisions		
- Other provisions	(3,839)	(1,050)
- Reversal of impairment loss / (impairment loss) on assets	<u>7,201</u>	<u>(2,526)</u>
	<u>(87,134)</u>	<u>(87,203)</u>
IMPAIRMENT LOSSES AND PROVISIONS FOR IMPAIRED LOANS AND RECEIVABLES	(18,658)	(64,332)
GAINS LESS LOSSES FROM THE DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES	<u>-</u>	<u>-</u>
PROFIT BEFORE TAXATION	266,022	162,620
TAX EXPENSE	-	-
PROFIT AFTER TAXATION	<u>266,022</u>	<u>162,620</u>

Bank SinoPac Hong Kong Branch

II. BALANCE SHEET INFORMATION AS AT JUNE 30, 2022

Figures in HKD thousands

	<u>2022-06-30</u>	<u>2021-12-31</u>
<u>ASSETS</u>		
Cash and balances with banks (except those included in amount due from overseas offices)	3,029,725	4,931,376
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)	589,951	311,848
Amount due from overseas offices	4,080,942	2,452,218
Trade bills	712,802	983,098
Certificates of Deposit held	450,000	795,000
Securities measured at fair value through profit or loss	47,684	54,863
Securities measured at amortised cost	2,100,484	1,779,287
Securities measured at fair value through other comprehensive income	13,695,416	14,392,081
Loans and receivables	11,456,257	11,073,019
Property, plant and equipment and investment properties	<u>3,894</u>	<u>3,973</u>
Total assets	<u><u>36,167,155</u></u>	<u><u>36,776,763</u></u>
<u>LIABILITIES</u>		
Deposits and balances from banks and other financial institutions (except those included in amount due to overseas offices)	1,475,899	2,814,437
Deposits from customers		
- demand deposits and current accounts	665,033	494,430
- savings deposits	12,194,404	13,241,124
- time, call and notice deposits	12,916,712	14,259,548
Amount due to overseas offices	4,558,310	3,676,745
Other accounts and provisions	<u>3,727,551</u>	<u>1,250,872</u>
Total liabilities	35,537,909	35,737,156
Capital and reserves	<u>629,246</u>	<u>1,039,607</u>
Total equity and liabilities	<u><u>36,167,155</u></u>	<u><u>36,776,763</u></u>

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

Figures in HKD thousands

1. TRADE BILLS

	<u>2022-06-30</u>	<u>2021-12-31</u>
Trade bills	723,522	998,876
Less : Impairment allowances	<u>(10,720)</u>	<u>(15,778)</u>
	<u>712,802</u>	<u>983,098</u>

2. LOANS AND RECEIVABLES

	<u>2022-06-30</u>	<u>2021-12-31</u>
A. i) Loans and advances to customers	10,110,806	9,915,687
Less : Impairment allowances	<u>(154,460)</u>	<u>(139,307)</u>
	<u>9,956,346</u>	<u>9,776,380</u>
ii) Loans and advances to banks	-	243,719
Less : Impairment allowances	<u>-</u>	<u>(2,720)</u>
	<u>-</u>	<u>240,999</u>
iii) Other accounts		
-Accrued interest	137,845	133,874
-Others	<u>1,398,601</u>	<u>959,476</u>
	<u>1,536,446</u>	<u>1,093,350</u>
Less : Impairment allowances	<u>(36,535)</u>	<u>(37,710)</u>
	<u>1,499,911</u>	<u>1,055,640</u>
	<u>11,456,257</u>	<u>11,073,019</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>2022-06-30</u>	<u>2021-12-31</u>
- Gross loans and advances to customers	117,681	11,473
- Impairment allowances	23,544	11,473
- Value of Collateral	-	-
Percentage of such loans and advances to total gross loans and advances	<u>1.16%</u>	<u>0.12%</u>

Bank SinoPac Hong Kong Branch

III. ADDITIONAL BALANCE SHEET INFORMATION - continued

Figures in HKD thousands

2. LOANS AND RECEIVABLES - continued

D. i) Overdue or rescheduled assets

	<u>2022-06-30</u>		<u>2021-12-31</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	-	-	-	-
more than 6 months but not more than one year	-	-	-	-
more than one year	-	-	11,473	0.12%
	-	-	11,473	0.12%
b. Rescheduled advances to customers	-	-	-	-
Total	-	-	11,473	0.12%

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

	<u>2022-06-30</u>	<u>2021-12-31</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	-	11,473

d. Impairment allowances on such overdue loans and advances

	<u>2022-06-30</u>	<u>2021-12-31</u>
	-	11,473

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>2022-06-30</u>	<u>2021-12-31</u>
Accrued interest	37,674	27,062
Impairment allowances on loan commitments and financial guarantee contracts	14,465	11,283
Amount payable under repos	2,994,223	746,584
Others	681,189	465,943
	<u>3,727,551</u>	<u>1,250,872</u>

Bank SinoPac Hong Kong Branch

IV. OFF-BALANCE SHEET INFORMATION

Figures in HKD thousands

1. CONTINGENT LIABILITIES AND COMMITMENTS

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

	<u>2022-06-30</u>	<u>2021-12-31</u>
Direct credit substitutes	3,923	-
Transaction-related contingencies	4,996	4,964
Trade-related contingencies	285,887	335,476
Other commitments	5,780,976	5,739,195
Others	<u>392,270</u>	<u>-</u>
	<u>6,468,052</u>	<u>6,079,635</u>
Derivatives		
- Exchange rate contracts	184,132,092	33,101,733
- Interest rate contracts	6,024,966	5,265,138
- Others	-	-
	<u>190,157,058</u>	<u>38,366,871</u>
Fair Value of Derivatives (of the above derivatives)		
- Exchange rate contracts	484,833	176,964
- Interest rate contracts	49,897	21,738
- Others	-	-
	<u>534,730</u>	<u>198,702</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.

Bank SinoPac Hong Kong Branch

V. OTHER FINANCIAL INFORMATION

Figures in HKD thousands

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	<u>2022-06-30</u>		<u>2021-12-31</u>	
	<u>Amount</u>	<u>Amount covered by collateral or other security</u>	<u>Amount</u>	<u>Amount covered by collateral or other security</u>
a. Industrial, commercial and financial				
- Property development	-	-	-	-
- Property investment	315,873	240,957	73,721	-
- Financial concerns	2,060,259	904,220	1,856,830	650,326
- Stockbrokers	-	-	-	-
- Wholesale and retail trade	103,783	78,076	41,561	14,274
- Manufacturing	173,540	11,572	160,313	30,428
- Transport and transport equipment	144,764	-	167,517	4,288
- Recreational activities	-	-	-	-
- Information technology	350,000	-	350,000	-
- Others	25,000	-	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	5,492	5,492	6,237	6,237
B. Trade finance	651,877	75,949	744,208	94,440
C. Loans and advances for use outside Hong Kong	6,280,218	1,451,967	6,490,300	1,617,521
Total	10,110,806	2,768,233	9,915,687	2,417,514

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

	<u>2022-06-30</u>	<u>2021-12-31</u>
- Hong Kong SAR	3,027,768	3,036,311
- China	2,383,822	2,542,195
- British Virgin Islands	1,007,110	652,288
- Chinese Taipei	931,791	1,020,258
- Others	2,760,315	2,664,635
Total	10,110,806	9,915,687

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

	<u>2022-06-30</u>	<u>2021-12-31</u>
- Hong Kong SAR	47,073	-
- China	23,536	11,473
- British Virgin Islands	47,072	-
Total	117,681	11,473

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, 2022

	Banks	Official Sector	Non-bank private sector		Others	Total
			Non-bank financial institutions	Non-financial private sector		
1 Developed countries	6,665	621	223	2,083	-	9,592
<i>of which Australia</i>	3,530	-	-	424	-	3,954
2 Offshore centres	1,570	1,034	1,168	6,714	-	10,486
<i>of which Hong Kong SAR</i>	1,524	1,034	566	4,641	-	7,765
3 Developing Asia-Pacific	8,994	334	1,316	3,342	-	13,986
<i>of which China</i>	874	102	804	1,826	-	3,606
<i>of which Chinese Taipei</i>	5,761	-	50	910	-	6,721

AS AT DECEMBER 31, 2021

	Banks	Official Sector	Non-bank private sector		Others	Total
			Non-bank financial institutions	Non-financial private sector		
1 Developed countries	8,493	545	-	2,699	-	11,737
<i>of which Australia</i>	3,265	-	-	481	-	3,746
2 Offshore centres	2,042	942	1,107	6,597	-	10,688
<i>of which Hong Kong SAR</i>	1,914	942	848	4,775	-	8,479
3 Developing Asia-Pacific	7,596	178	1,486	3,381	-	12,641
<i>of which China</i>	1,681	105	834	1,815	-	4,435
<i>of which Chinese Taipei</i>	3,083	-	49	996	-	4,128

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".

	On-balance sheet exposures	Off-balance sheet exposures	Total
AS AT JUNE 30, 2022			
1 Central government, central government-owned entities and their subsidiaries and Joint Ventures (JVs)	363	634	997
2 Local governments, local government-owned entities and their subsidiaries and JVs	92	376	468
3 PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	1,859	1,892	3,751
4 Other entities of central government not reported in item 1 above	131	-	131
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	2,183	916	3,099
7 Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	4,628	3,818	8,446
Total assets after provisions	36,153		
On-balance sheet exposures as percentage of total assets	12.80		

	On-balance sheet exposures	Off-balance sheet exposures	Total
AS AT DECEMBER 31, 2021			
1 Central government, central government-owned entities and their subsidiaries and Joint Ventures (JVs)	347	619	966
2 Local governments, local government-owned entities and their subsidiaries and JVs	221	211	432
3 PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	1,613	1,058	2,671
4 Other entities of central government not reported in item 1 above	74	57	131
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	2,603	460	3,063
7 Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	4,858	2,405	7,263
Total assets after provisions	36,792		
On-balance sheet exposures as percentage of total assets	13.20		

Bank SinoPac Hong Kong Branch**V. OTHER FINANCIAL INFORMATION - continued**

Figures in HKD millions

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, 2022</u>	<u>USD</u>	<u>JPY</u>	<u>CNY</u>	<u>AUD</u>	<u>NTD</u>	<u>OTHERS</u>	<u>Total</u>
Spot assets	20,531	42	3,146	4,615	-	320	28,654
Spot liabilities	(25,313)	(171)	(2,127)	(1,533)	-	(421)	(29,565)
Forward purchases	94,344	2,202	31,038	757	2,473	12,389	143,203
Forward sales	(89,517)	(2,090)	(31,997)	(3,948)	(2,554)	(12,278)	(142,384)
Net options position	-	-	-	-	-	-	-
Net long (short) position	<u>45</u>	<u>(17)</u>	<u>60</u>	<u>(109)</u>	<u>(81)</u>	<u>10</u>	<u>(92)</u>

<u>AS AT DECEMBER 31, 2021</u>	<u>USD</u>	<u>JPY</u>	<u>CNY</u>	<u>AUD</u>	<u>NTD</u>	<u>OTHERS</u>	<u>Total</u>
Spot assets	21,101	61	3,630	4,306	-	634	29,732
Spot liabilities	(24,502)	(199)	(2,677)	(1,605)	-	(402)	(29,385)
Forward purchases	18,152	198	6,407	453	491	6,281	31,982
Forward sales	(14,473)	(62)	(7,338)	(3,146)	(491)	(6,502)	(32,012)
Net options position	-	-	-	-	-	-	-
Net long (short) position	<u>278</u>	<u>(2)</u>	<u>22</u>	<u>8</u>	<u>-</u>	<u>11</u>	<u>317</u>

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 2022</u>	<u>For the Second Quarter of 2021</u>
	%	%
Average liquidity maintenance ratio (LMR) for the period	<u>58.44</u>	<u>62.49</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 2021 Annual Report page 54-55.

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>2022-06-30</u>	<u>2021-12-31</u>
	14.61%	15.78%
B. Aggregate amount of shareholders' funds	<u>2022-06-30</u>	<u>2021-12-31</u>
	NTD '000	NTD '000
	<u>132,248,584</u>	<u>143,128,664</u>

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

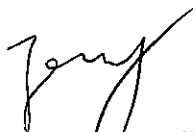
II. OTHER FINANCIAL INFORMATION

Figures in NTD thousands

	<u>2022-06-30</u>	<u>2021-12-31</u>
Total assets	<u>2,170,233,735</u>	<u>2,169,496,183</u>
Total liabilities	<u>2,037,985,151</u>	<u>2,026,367,519</u>
Total loans advances	<u>1,238,532,586</u>	<u>1,184,692,221</u>
Total customer deposits	<u>1,764,279,049</u>	<u>1,840,387,303</u>
	<u>Half Year of</u>	<u>Half Year of</u>
	2022	2021
Profit before taxation	<u>8,794,159</u>	<u>6,834,025</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, 2022. 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.



Alternate Chief Executive
Bank SinoPac
Hong Kong Branch

22 SEP 2022

Date