



兆豐國際商業銀行 香港分行
Mega International Commercial Bank Hong Kong Branch
(Incorporated in Taiwan with limited liability)

香港九龍尖沙咀廣東道21號
海港城港威大廈保誠保險大樓
22樓2201室
Suite 2201, 22/F, Prudential Tower
The Gateway, Harbour City, 21 Canton Road
Tsimshatsui, Kowloon, Hong Kong
Tel: (852) 2525 9687
Fax: (852) 2525 9014
SWIFT: ICBCHKHH

**MEGA INTERNATIONAL COMMERCIAL BANK CO., LTD.
HONG KONG BRANCH**

**Key Financial Information Disclosure Statements
For the period ended 30 June 2024**

CONTENT

SECTION A - INFORMATION OF THE BRANCH (HONG KONG BRANCH ONLY)	PAGE
I. INCOME STATEMENT INFORMATION	3
II. BALANCE SHEET INFORMATION	4
III. ADDITIONAL BALANCE SHEET INFORMATION	5
A) Loans and other assets	5
B) Off-balance sheet exposures	5
C) International claims	6
D) Sector information	7
E) Impaired, overdue and rescheduled loans	8
F) Mainland activities	9
G) Currency risk	10
IV. LIQUIDITY INFORMATION DISCLOSURES	10
SECTION B - INFORMATION OF THE BANK (CONSOLIDATED BASIS)	
I. CAPITAL AND CAPITAL ADEQUACY	11
II. OTHER FINANCIAL INFORMATION	11
SECTION C - DECLARATION	11

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

I. INCOME STATEMENT INFORMATION

	<u>HK\$ Thousand</u>	
	<u>30/6/2024</u>	<u>30/6/2023</u>
Income		
Net interest income		
Interest income	898,376	786,011
Interest expenses	(515,624)	(421,106)
	<u>382,752</u>	<u>364,905</u>
Other operating income/(expenses)		
Gains less losses arising from non-trading activities in foreign currencies	2,850	13,570
Gains less losses arising from trading in other derivatives	909	915
	<u>3,759</u>	<u>14,485</u>
Net fees and commission income/(expenses)		
Gross fees and commission income	13,512	13,394
Gross fees and commission expenses	(979)	(1,117)
	<u>12,533</u>	<u>12,277</u>
Other income	10	45
Total income	<u>399,054</u>	<u>391,712</u>
Expenses and other charges		
Staff and rental expenses	(29,431)	(28,148)
Other expenses	(5,438)	(5,669)
Net (charge)/credit for debt provision	(11,996)	2,033
Net (charge)/credit for other provisions	341	(177)
	<u>(46,524)</u>	<u>(31,961)</u>
Profit before taxation	<u>352,530</u>	<u>359,751</u>
Tax expenses	(77,764)	(59,359)
Profit after taxation	<u>274,766</u>	<u>300,392</u>

MEGA INTERNATIONAL COMMERCIAL BANK CO., LTD. - HONG KONG BRANCH

II. BALANCE SHEET INFORMATION

	<u>HK\$ Thousand</u>	
	<u>30/6/2024</u>	<u>31/12/2023</u>
<u>Assets</u>		
Cash and balances with banks (except those included in amount due from overseas offices)	6,014,177	5,402,046
Placements with banks maturing between 1 and 12 months (except those included in amount due from overseas offices)	10,170,861	8,260,934
Amount due from overseas offices	120,506	102,731
Certificates of deposit held	1,678,827	1,991,996
Loans and other assets (Net of provisions and impairment)	10,402,394	8,969,540
Investment securities	10,355,744	10,382,281
Tangible fixed assets	614	768
Total assets	<u>38,743,123</u>	<u>35,110,296</u>
<u>Liabilities</u>		
Deposits and balances of banks (excluding the amount due to overseas offices)	3,192,732	2,650,018
Deposits from customers:		
Demand deposits and current accounts	114,421	103,553
Savings deposits	10,782,314	11,092,410
Time, call and notice deposits	23,385,791	19,840,169
Amount due to overseas offices	64,991	38,440
Other liabilities	993,755	853,590
Total liabilities	<u>38,534,004</u>	<u>34,578,180</u>
Reserves and current profit/(loss)	209,119	532,116
Total equity and liabilities	<u>38,743,123</u>	<u>35,110,296</u>

III. ADDITIONAL BALANCE SHEET INFORMATION

	HK\$ Thousand	
	30/6/2024	31/12/2023
A) <u>Loans and other assets</u>		
Advances to customers	7,048,648	6,881,275
Advances to banks and other financial institutions	2,514,337	1,418,614
Sub-total loans and advances	9,562,985	8,299,889
Accrued interest and other assets	942,174	760,269
Total	10,505,159	9,060,158
Percentage of such loans and advances to customers to the total loans and advances	74%	83%
Percentage of such loans and advances to banks and other financial institutions to the total loans and advances	26%	17%
Less: Provisions and impairment against loans and advances:		
Advances to customers :		
General provision	71,601	69,898
Specific provision	-	-
Country risk	2,295	2,636
Advances to banks and other financial institutions		
General provision	26,141	15,111
Specific provision	-	-
Country risk	-	-
Accrued Interest :		
General provision	61	300
Specific provision	-	-
Country risk	-	8
Provisions against value of other claims and investments:		
General provision	2,667	2,665
Specific provision	-	-
Country risk	-	-
Total Provisions and impairment	102,765	90,618
Total loans and other assets (Net of provisions and impairment)	10,402,394	8,969,540
B) <u>Off-balance sheet exposures</u>		
	HK\$ Thousand	
	30/6/2024	31/12/2023
1. Contingent liabilities and commitments		
Direct credit substitutes	-	-
Transaction-related contingencies	31,007	27,830
Trade-related contingencies	54,787	19,816
Other commitments	1,882,660	2,103,334
Total	1,968,454	2,150,980
Derivatives (notional amount)		
Exchange rate contracts	1,641,262	2,064,899
Total contractual or notional amounts of off-balance sheet exposures	3,609,716	4,215,879
2. Replacement costs of derivatives outstanding:		
Exchange rate contracts:		
Positive fair value	649	565
Negative fair value	(502)	(554)

Notes:

- (1) For contingent liabilities and commitments, the contract amount represents the amount at risk should the contract be drawn upon and the client defaults. The total contract amount is not representative of future liquidity requirements.
- (2) For derivatives, the notional amounts indicate the nominal value of transactions outstanding at the reporting date, not the amounts at risk.
- (3) In deriving the replacement cost of derivatives, no effect of bilateral netting arrangements has been taken into account.

MEGA INTERNATIONAL COMMERCIAL BANK CO., LTD. - HONG KONG BRANCH

C) International claims

The international claims by geographical segments are categorized in accordance with the residence of the counterparties. Countries or geographical segments are disclosed in gross amount after taking into account the effect of any recognized risk transfer. The major country or geographical segment which constitutes 10% or more of the total international claims are separately disclosed. The information of international claims are reported based on the completion instruction of "Return of International Banking Statistics."

HK\$ Million

		<u>30/6/2024</u>				<u>Total</u>
		<u>Banks</u>	<u>Official sector</u>	<u>Non-bank financial institutions</u>	<u>Non-financial private sector</u>	
1	Developed countries	7,028	265	-	127	7,420
2	Offshore centers	1,822	455	445	6,032	8,754
	<i>of which Hong Kong</i>	1,822	455	-	3,754	6,031
3	Developing Europe	-	-	-	-	-
4	Developing Latin America and Caribbean	-	-	-	-	-
5	Developing Africa and Middle East	1,908	1,130	-	1,206	4,244
6	Developing Asia Pacific	17,572	-	-	828	18,400
	<i>of which Taiwan</i>	6,799	-	-	-	6,799
	<i>of which China</i>	2,859	-	-	118	2,977
7	International organizations	-	-	-	-	-
8	Unallocated by country	-	-	-	-	-

		<u>31/12/2023</u>				<u>Total</u>
		<u>Banks</u>	<u>Official sector</u>	<u>Non-bank financial institutions</u>	<u>Non-financial private sector</u>	
1	Developed countries	8,072	498	-	100	8,670
2	Offshore centers	905	477	460	6,235	8,077
	<i>of which Hong Kong</i>	905	477	15	3,904	5,301
3	Developing Europe	-	-	-	-	-
4	Developing Latin America and Caribbean	-	-	-	-	-
5	Developing Africa and Middle East	1,588	979	-	1,002	3,569
6	Developing Asia Pacific	13,936	-	-	900	14,836
	<i>of which Taiwan</i>	3,512	-	-	-	3,512
	<i>of which China</i>	3,374	-	-	130	3,504
7	International organizations	-	-	-	-	-
8	Unallocated by country	-	-	-	-	-

D) **Sector information**

1 Breakdown of advances to customers by industry sectors:

	<u>30/6/2024</u>		<u>31/12/2023</u>	
	HK\$'000	% of Loan Covered by Collateral	HK\$'000	% of Loan Covered by Collateral
Loan for use in Hong Kong				
Industrial, Commercial and Financial:				
Manufacturing	50,755	0.00%	43,529	0.00%
Property development	80,339	100.00%	78,094	100.00%
Property investment	2,034,178	47.32%	2,107,391	41.89%
Electricity and gas	-	0.00%	-	0.00%
Information technology	65,000	0.00%	65,000	0.00%
Wholesale and retail trade	456,574	48.69%	464,215	49.52%
Transport and transport equipment	200,000	0.00%	200,000	0.00%
Financial concerns	635,903	45.58%	1,483,890	22.40%
Hotel, boarding houses & catering	31,500	0.00%	63,000	0.00%
Stockbrokers	-	0.00%	-	0.00%
Professional & private individuals	-	0.00%	-	0.00%
Others	-	0.00%	-	0.00%
Sub-total	3,554,249		4,505,119	
Trade finance	61,711	12.65%	53,212	17.62%
Loan for use outside Hong Kong	3,432,688	14.89%	2,322,944	28.48%
Total advances to customers	7,048,648		6,881,275	

2 Breakdown of loans and advances to customers by geographical areas after taking account of risk transfer:

	<u>30/6/2024</u>			HK\$ Thousand
	Amount	Overdue loans	Provisions	
Hong Kong	3,854,810	-	39,536	
Cayman Islands	1,236,908	-	13,076	
British Virgin Islands	700,000	-	7,000	
Others	1,256,930	-	13,143	
Total	7,048,648	-	72,755	
Provisions as a percentage of gross amount of loans and advances to customers				<u>1.03%</u>
	<u>31/12/2023</u>			
	Amount	Overdue loans	Provisions	
Hong Kong	3,851,171	-	39,574	
Cayman Islands	1,295,159	-	13,880	
British Virgin Islands	700,000	-	7,000	
Others	1,034,945	-	10,994	
Total	6,881,275	-	71,448	
Provisions as a percentage of gross amount of loans and advances to customers				<u>1.04%</u>

E) **Impaired, overdue and rescheduled loans**

HK\$ Thousand

30/6/2024 31/12/2023

1	Disclosure of impaired loans:		
	Amount of impaired loans and advances	-	-
	Amount of specific provisions	-	-
	Value of collateral held against impaired loans	-	-
	Percentage of total loans and advances	-	-
2	Disclosure of overdue loans :		
	Amount of overdue loans for more than:		
	1 month and up to 3 months	-	-
	3 months and up to 6 months	-	-
	6 months and up to 1 year	-	-
	Over 1 year	-	-
	Amount of specific provisions	-	-
	Value of collateral held against overdue loans:		
	Current market value of collateral	-	-
	Covered portion of overdue loans	-	-
	Uncovered portion of overdue loans	-	-
	Percentage of total loans and advances	-	-
	Breakdown of overdue loans by geographical :		
3	Rescheduled advances to customers	-	-
4	Reposessed assets held	-	-

Note:

(1) The Branch has no impaired, overdue, rescheduled loans and reposessed assets related to banks and other financial institutions as at the reporting dates.

(2) The Branch has no other assets (including trade bills and debt securities), which have been overdue as at the reporting dates.

F) Mainland Activities

	<u>30/6/2024</u>		<u>HK\$ Million</u>
Breakdown of non-bank Mainland exposures by counterparties :	<u>On-balance sheet exposures</u>	<u>Off-balance sheet exposures</u>	<u>Total</u>
1 Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	80	6	86
2 Local governments, local government-owned entities and their subsidiaries and JVs	-	-	-
3 PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	-	-	-
3.1 Of which, PRC nationals residing in Mainland China or entities beneficially- owned by Mainland interest	-	-	-
4 Other entities of central government not reported in item 1 above	-	-	-
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	419	101	520
7 Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	499	107	606
Total assets after provision	38,743		
On-balance sheet exposures as percentage of total assets	<u>1.29%</u>		

	<u>31/12/2023</u>		
Breakdown of non-bank Mainland exposures by counterparties :	<u>On-balance sheet exposures</u>	<u>Off-balance sheet exposures</u>	<u>Total</u>
1 Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	93	15	108
2 Local governments, local government-owned entities and their subsidiaries and JVs	-	-	-
3 PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	-	-	-
3.1 Of which, PRC nationals residing in Mainland China or entities beneficially- owned by Mainland interest	-	-	-
4 Other entities of central government not reported in item 1 above	-	-	-
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	436	127	563
7 Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	529	142	671
Total assets after provision	35,110		
On-balance sheet exposures as percentage of total assets	<u>1.51%</u>		

MEGA INTERNATIONAL COMMERCIAL BANK CO., LTD. - HONG KONG BRANCH

G) Currency risk

The information of foreign currency exposures are reported based on the completion instruction of "Return of Foreign Currency Position."

					HK\$ Million
	<u>30/6/2024</u>				
Foreign currency positions:	<u>USD</u>	<u>EUR</u>	<u>CNY</u>	<u>Other Currencies</u>	<u>Total</u>
Spot assets	31,671	543	1,486	534	34,234
Spot liabilities	(31,762)	(688)	(1,566)	(926)	(34,942)
Forward purchases	822	145	80	502	1,549
Forward sales	(731)	-	-	(112)	(843)
Net option position	-	-	-	-	-
Net long (short) position	-	-	-	(2)	(2)

	<u>31/12/2023</u>				
Foreign currency positions:	<u>USD</u>	<u>EUR</u>	<u>CNY</u>	<u>Other Currencies</u>	<u>Total</u>
Spot assets	27,561	611	1,302	919	30,393
Spot liabilities	(28,493)	(554)	(1,626)	(934)	(31,607)
Forward purchases	1,446	52	324	140	1,962
Forward sales	(513)	(109)	-	(127)	(749)
Net option position	-	-	-	-	-
Net long (short) position	1	-	-	(2)	(1)

Note: The Branch has no net foreign currency structural position as at the reporting dates.

IV. LIQUIDITY INFORMATION DISCLOSURES

	<u>2024</u>	<u>2023</u>
Average liquidity maintenance ratio :		
- 1st Quarter (Jan~Mar)	60.78%	62.79%
- 2nd Quarter (Apr~Jun)	63.21%	62.49%

Starting from June 2018, an authorized institution that is a category 2 institution must disclose, for each quarterly reporting period, the average value of Liquidity Maintenance Ratio (LMR) under Banking (Disclosure) Rules Cap 155M Section 103B. The average LMR is expressed by taking the arithmetic mean of the average LMR of each month during the reporting period. The LMR is calculated in accordance with the completion instruction of "Return of Liquidity Position" and the Banking (Liquidity) Rules.

Hong Kong Branch (the Branch) has established the policies, procedures, contingency funding plan and Asset and Liability Management Committee (ALCO) to manage and monitor the liquidity risk of the Branch. Liquidity indicators (e.g. LMR and RMB liquidity ratio) are monitored daily. Besides, Accounting Division performs liquidity stress tests (e.g. monthly cash flow projection and LMR stress testing) on a monthly basis, and provides the results to Treasury Division and Risk Management Division for review, and to the Chief Executive for approval. For more details with regard to the Branch's liquidity risk management, please refer to the Branch's official website:

<https://www.megabank.com.tw/abroad/hong-kong/zh-tw/regulatory-disclosures>

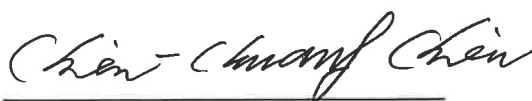
SECTION B - INFORMATION OF THE BANK (CONSOLIDATED BASIS)

	<u>NT\$ Million</u>	
	<u>30/6/2024</u>	<u>31/12/2023</u>
I. CAPITAL AND CAPITAL ADEQUACY		
A. Consolidated capital adequacy ratio:	14.49%	15.30%
Note: The capital adequacy ratio is computed in accordance with the Basel III Accord framework implemented in Taiwan, after taking into account the credit risk, market risk and operational risk.		
B. Capital		
Aggregate amount of shareholders' funds	331,676	331,220
II. OTHER FINANCIAL INFORMATION		
Total assets	4,092,495	3,988,318
Total liabilities	3,760,820	3,657,098
Total loans and advances	2,220,873	2,133,342
Total customer deposits and remittances	3,019,788	2,857,119
	<u>30/6/2024</u>	<u>30/6/2023</u>
Pre-tax profit	19,947	20,988

SECTION C - DECLARATION**Chief Executive's Declaration of Compliance**

It is certified by the Chief Executive of Mega International Commercial Bank Co., Ltd. Hong Kong Branch that the information disclosed above complies, in all material respects, with Banking (Disclosure) Rules and CA-D-1 of the Supervisory Policy Manual. To the best of my knowledge and belief, the financial information disclosures are not false and misleading.

For and on behalf of
Mega International Commercial Bank Co., Ltd.
Hong Kong Branch



Chien Chien Chuang
Chief Executive

Date: **25 SEP 2024**