

ICICI Bank Limited Hong Kong Branch
Unaudited Disclosure Statement
As at March 31, 2021

**ICICI BANK LIMITED HONG KONG BRANCH
UNAUDITED FINANCIAL DISCLOSURE AS AT MARCH 31, 2021**

Statement of Compliance

We have prepared this unaudited Disclosure Statement of ICICI Bank Limited Hong Kong Branch ("the Branch") as at March 31, 2021. It is compiled according to the Banking (Disclosure) Rules under the Banking Ordinance (Chapter 155M).

The information is available at the registered offices of ICICI BANK LIMITED Hong Kong Branch and the Public Registry of HKMA. The statement can also be found on ICICI Bank's website at https://www.icicibank.hk/about_us.page.

As the Chief Executive of the Branch, I confirm that, to the best of my knowledge, the information contained in the Disclosure Statement is compiled in accordance with the Banking (Disclosure) Rules requirement, which is not false or misleading in any material respect, and consistent with the books and records of the Branch.

ICICI Bank Limited
Hong Kong Branch



Rohit Gupta
Chief Executive

**ICICI BANK LIMITED HONG KONG BRANCH
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Section A – Branch information (Hong Kong office only)

I. Profit and Loss Information

	Year ended March 31, 2021 HK\$ in million	Year ended March 31, 2020 HK\$ in million
Income		
Interest income	416	856
Interest expense	<u>(359)</u>	<u>(792)</u>
Net interest income	57	64
Other operating income		
Gains less losses arising from trading in foreign currencies	32	121
Gains less losses on securities held for trading purposes	20	(44)
Gains less losses from other trading activities	(3)	(93)
Fees and commission income	142	178
Fees and commission expenses	<u>(10)</u>	<u>-</u>
Net fees and commission income	132	178
Other income	51	32
Total operating income	<u>289</u>	<u>258</u>
Expenses		
Operating expenses		
Staff expenses	(69)	(80)
Rental expenses	(12)	(13)
Other expenses	<u>(46)</u>	<u>(51)</u>
Total operating expenses	<u>(127)</u>	<u>(144)</u>
Operating profit before impairment losses	162	114
(Charge for) / release of impairment losses and provisions for impaired loans and receivables		
Collective provisions	23	14
Specific provisions	<u>(74)</u>	<u>(151)</u>
	(51)	(137)
Gains less losses from the disposal of property, plant and equipment and investment properties	<u>(1)</u>	<u>-</u>
Profit/(loss) before taxation	110	(23)
Tax (expense)/income	(18)	6
Profit/(loss) after taxation	<u>92</u>	<u>(17)</u>

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II. Balance Sheet Information

	At March 31, 2021 HK\$ in million		At September 30, 2020 HK\$ in million	
Assets				
Cash and balances with banks (except those included in amount due from overseas offices of the institution)		1,160		887
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 of the institution)		-		-
Amount due from overseas offices of the institution		1,734		8,305
Trade bills		2,775		2,852
Certificates of deposit held		-		-
Securities held for trading purposes				
Investment in treasury bills	1,555		504	
Investment in corporate bonds	-	1,555	-	504
Advances and other accounts				
Loans and advances to customers	1,777		2,228	
Loans and advances to banks	117		92	
Accrued interest	3		9	
Provisions for impaired loans and receivables (collective)	(54)		(58)	
Provisions for impaired loans and receivables (specific)	-	1,843	-	2,271
Investment securities				
Investment in treasury bills	80		80	
Investment in corporate bonds	968	1,048	567	647
Other investments				
Investment in group subsidiaries		1,434		1,396
Property, plant and equipment		3		3
Other assets and receivables		424		695
Total assets		<u>11,976</u>		<u>17,560</u>
Liabilities				
Deposits and balances from banks		504		913
Deposits from customers				
Demand deposits and current accounts	1,475		1,101	
Saving deposits	102		98	
Time, call and notice deposits	500	2,077	577	1,776
Amount due to overseas offices of the institution		6,942		4,311
Issued debt securities		155		8,019
Other liabilities		465		780
Retained earnings		1,828		1,755
Provisions for trade bills		5		6
Total liabilities		<u>11,976</u>		<u>17,560</u>

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III. Additional Balance Sheet Information

	At March 31, 2021		At September 30, 2020	
	HK\$ in million		HK\$ in million	
(a) Loans and receivables				
Loans and advances to customers		1,777		2,228
Loans and advances to banks		117		92
Accrued interest		3		9
Provisions for impaired loans and advances to customers				
- Collective		(54)		(58)
- Individual		-		-
		<u>1,843</u>		<u>2,271</u>
(b) Overdue and rescheduled advances				
Overdue advances				
	Gross amount	% to total	Gross amount	% to total
	HK\$ in million	loans and advances to customers	HK\$ in million	loans and advances to customers
Advances to customers overdue for				
- Above 1 month but up to 3 months	-	-	-	-
- Above 3 months but up to 6 months	-	-	-	-
- Above 6 months but up to 1 year	-	-	-	-
- Above 1 year	-	-	-	-
Total overdue advances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Secured overdue advances	-		-	
Unsecured overdue advances	<u>-</u>		<u>-</u>	

There were no specific provisions made on overdue advances which were impaired as at March 31, 2021 and September 30, 2020.

There were no impaired loans and advances to customers as at March 31, 2021 and September 30, 2020. There were no impaired loans and advances to banks as at March 31, 2021 and September 30, 2020.

There were no specific provisions made on impaired loans and advances to customers as at March 31, 2021 and September 30, 2020. There were no collective and specific provisions made on impaired loans and advances to banks as at March 31, 2021 and September 30, 2020.

There were no collateral held with respect to overdue loans and advances to customers as at March 31, 2021 and September 30, 2020. No collateral has been taken into account in respect of loans and advances to customers to which individual impairment allowances relate as at March 31, 2021 and September 30, 2020.

Impaired loans and advances to customers did not include any rescheduled loans and advances to customers as at March 31, 2021 and September 30, 2020. There were no rescheduled loans and advances to banks as at March 31, 2021 and September 30, 2020. There were no rescheduled loans and advances to customers which are overdue more than 90 days as at March 31, 2021 and September 30, 2020.

No repossessed asset was held for impaired and overdue advance as at March 31, 2021 and September 30, 2020. There are no advances to customers overdue for more than 1 month as at March 31, 2021 and September 30, 2020.

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(c) The breakdown of the gross amount of loans and advances to customers by industry categories

	At March 31, 2021	HK\$ in million	
	Gross loans and advances	Overdue loans and advances	Collateral or other security
Loans and advances for use in Hong Kong	166	-	110
- Wholesale and retail trade	166	-	110
Loans and advances for use outside Hong Kong	1,458	-	330
Trade finance	153	-	151
	<u>1,777</u>	<u>-</u>	<u>591</u>

	At September 30, 2020	HK\$ in million	
	Gross loans and advances	Overdue loans and advances	Collateral or other security
Loans and advances for use in Hong Kong	105	-	105
- Wholesale and retail trade	105	-	105
Loans and advances for use outside Hong Kong	2,016	-	419
Trade finance	107	-	92
	<u>2,228</u>	<u>-</u>	<u>616</u>

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(d) Analysis of gross loans and advances to customer by geographical areas

	At March 31, 2021 HK\$ in million		
	Gross loans and advances	Overdue loans and advances	Impaired loans (individually determined)
- Asia & Pacific (excluding Hong Kong)	1,567	-	-
<i>of which India</i>	1,567	-	-
- Hong Kong	208	-	-
- Others	2	-	-
	1,777	-	-

	At September 30, 2020 HK\$ in million		
	Gross loans and advances	Overdue loans and advances	Impaired loans (individually determined)
- Asia & Pacific (excluding Hong Kong)	1,808	-	-
<i>of which India</i>	1,808	-	-
- Hong Kong	115	-	-
- Others	305	-	-
	2,228	-	-

Note: Gross amount of loans and advances to customers by geographical areas are derived according to the location of the counterparties and constitutes not less than 10% of the total amount of loans and advances to customers after taking into account any recognised risk transfer at either March 31, 2021 or September 30, 2020.

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(e) Non-bank Mainland exposures

The following Mainland exposures to non-bank counterparties are prepared in accordance with HKMA Return of Mainland Activities (Form MA(BS)(20)) completion instructions.

Types of Counterparties	At March 31, 2021		HK\$ in million
	On-balance sheet exposure	Off-balance sheet exposure	Total
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	-	-	-
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	4	178	182
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	-	150	150
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	4	328	332
Total assets after provision ¹	11,971		
On-balance sheet exposures as percentage of total assets	0.03%		

1. Total assets after provision are based on HKMA Return of Assets & Liabilities (Form MA(BS)(1)).

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(e) Non-bank Mainland exposures (continued)

Types of Counterparties	At September 30, 2020		HK\$ in million
	On-balance sheet exposure	Off-balance sheet exposure	Total
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	-	-	-
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	1	21	22
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	-	267	267
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	1	288	289
Total assets after provision ¹	17,554		
On-balance sheet exposures as percentage of total assets	0%		

1. Total assets after provision are based on HKMA Return of Assets & Liabilities (Form MA(BS)(1)).

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IV. International claims (excluding intra-group claims) by geographical areas after taking into consideration of transfer of risks

	HK\$ in million					
			<u>Non-bank private sector</u>			
	Banks	Official sector	Non-bank financial institutions	Non-financial private sector	Others	Total
At March 31, 2021						
- Developing Asia-Pacific	3,213	-	49	1,588	-	4,850
<i>of which India</i>	2,995	-	49	1,588	-	4,632
- Developed Countries	1,169	1,555	-	2	-	2,726
<i>of which United States</i>	1,062	1,555	-	-	-	2,617
- Offshore Centres	173	-	89	314	-	576

	HK\$ in million					
			<u>Non-bank private sector</u>			
	Banks	Official sector	Non-bank financial institutions	Non-financial private sector	Others	Total
At September 30, 2020						
- Developing Asia-Pacific	1,850	-	41	1,884	-	3,775
<i>of which India</i>	1,623	-	41	1,884	-	3,548
- Developed Countries	1,051	504	7	-	-	1,562
<i>of which United States</i>	850	504	-	-	-	1,354
- Offshore Centres	206	-	110	368	-	684

Note: International claims by geographical area are derived according to the location of the counterparties, which are prepared in accordance with HKMA Return of International Banking Statistics (Form MA(BS)(21)) completion instructions. A major country or geographical segment is disclosed if international claims attributable to the country or segment (including Hong Kong) constitute not less than 10% of total international claims after taking into account any recognized risk transfer at either March 31, 2021 or September 30, 2020. Claims arising between branches and subsidiaries are excluded.

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V. Currency risk

Foreign currency exposures (Position of individual currency reported is the net position and constitutes 10% or more of the total net position in all foreign currencies).

At March 31, 2021

	JPY	INR	USD	EUR	CAD	SGD	OTHER	HK\$ in million TOTAL
Spot assets	46	2	10,826	100	554	1	64	11,593
Spot liabilities	-	-	(11,419)	(11)	-	-	(161)	(11,591)
Forward purchases	14	48,929	8,236	877	-	944	173	59,173
Forwards sales	(57)	(48,928)	(7,642)	(965)	(553)	(946)	(75)	(59,166)
Net options position	-	-	-	-	-	-	-	-
Net long / (short) position	<u>3</u>	<u>3</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>(1)</u>	<u>1</u>	<u>9</u>

At September 30, 2020

	JPY	INR	USD	EUR	CAD	SGD	OTHER	HK\$ in million TOTAL
Spot assets	54	2	16,410	112	518	2	48	17,146
Spot liabilities	-	-	(17,037)	(14)	-	-	(130)	(17,181)
Forward purchases	53	22,307	17,846	884	-	930	129	42,149
Forwards sales	(104)	(22,307)	(17,193)	(981)	(517)	(932)	(46)	(42,080)
Net options position	-	-	-	-	-	-	-	-
Net long / (short) position	<u>3</u>	<u>2</u>	<u>26</u>	<u>1</u>	<u>1</u>	<u>-</u>	<u>1</u>	<u>34</u>

There was no structural position held by the branch as at March 31, 2021 and September 30, 2020.

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VI. Off-balance sheet exposures

The contractual or notional amounts of each of the following class of off-balance sheet exposures outstanding:

	At March 31, 2021 HK\$ in million	At September 30, 2020 HK\$ in million
Contingent liabilities and commitments		
- Direct credit substitutes	10	27
- Transaction-related contingencies	533	994
- Trade-related contingencies	1,938	1,772
- Other commitments	2,475	2,504
	<u>4,956</u>	<u>5,297</u>

Contingent liabilities and commitments arise from credit-related instruments which include letters of credit, guarantees and commitments to extend credit. The risk involved in these credit-related instruments is essentially the same as the credit risk involved in extending loan facilities to customers. The contractual amounts represent the amounts at risk should the contract be fully drawn upon and the client defaults. As the facilities may expire without being drawn upon, the contractual amounts do not represent expected future cash flows.

	At March 31, 2021 HK\$ in million	At September 30, 2020 HK\$ in million
Derivative transactions		
- Exchange rate-related derivative contracts (excluding forward foreign exchange arising from swap deposit arrangements)	9,614	7,739
- Interest rate derivative contracts	46,013	33,139
	<u>55,627</u>	<u>40,878</u>

The principal derivative instruments used by the Branch are interest and foreign exchange rate related contracts, which are primarily over-the-counter derivatives.

	At March 31, 2021 HK\$ in million	At September 30, 2020 HK\$ in million
Fair value of outstanding derivatives		
- Exchange rate related derivative contracts	<u>-</u>	<u>13</u>
- Interest rate derivative contracts	<u>3</u>	<u>(19)</u>

There are no bilateral netting arrangements for above derivative transactions.

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VII. Liquidity

	Year ended March 31, 2021	Year ended March 31, 2020
The average liquidity maintenance ratio for the financial period	49.11%	39.65%

The average liquidity maintenance ratio is the arithmetic mean of each calendar month's average value of its liquidity maintenance ratio as reported in Part I(2) of the 'Return of Liquidity Position of an Authorized Institution'. Average liquidity maintenance ratio is calculated as the simple average of each month's average liquidity ratio for twelve months of the financial year computed in accordance with Banking Liquidity Rules.

	Quarter ended March 31, 2021	Quarter ended March 31, 2020
The average liquidity maintenance ratio for the financial period	47.93%	40.87%

Average liquidity maintenance ratio is calculated as the simple average of each month's average liquidity ratio for three months of the quarter computed in accordance with Banking Liquidity Rules.

VIII. Liquidity Risk Management

The Bank uses various tools for measurement of liquidity risk including the statement of structural liquidity, dynamic liquidity gap statements, liquidity ratios and stress testing. The Branch maintains diverse sources of liquidity to facilitate flexibility in meeting funding requirements. International branches of the Bank are primarily funded by debt capital market issuances, lines of financing from export credit agencies, syndicated loans, bilateral loans and bank lines, in addition to deposits in certain local markets.

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IX. Disclosure on Remuneration

ICICI Bank Hong Kong Branch adopted the remuneration system of ICICI Bank Limited (the ultimately holding company), where the relevant remuneration policy is broadly consistent with the principles set out in the HKMA Supervisory Policy Manual (CG-5) Guideline on Sound Remuneration System. These disclosures are in compliance with the guidelines set out in section 3 of HKMA Supervisory Policy Manual CG-5 “Guideline on a Sound Remuneration System”.

Please refer to the Annual Report published on the website (see the below link) for details on ICICI Bank Head Office’s compensation governance structure, remuneration policies and terms and conditions of the compensation elements.

<https://www.icicibank.com/aboutus/annual.page>

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Section B – Bank information (Consolidated basis)

	At March 31, 2021	At September 30, 2020
	HK\$ in million	HK\$ in million
X. Capital and Capital Adequacy		
Risk-based ratios: (Include market-risk equivalent)		
(a) Capital adequacy ratio ¹	18.87%	17.95%
(b) Total capital ¹	172,407	155,040
(c) Total amount of shareholders' funds ^{2,3}	167,554	153,425
XI. Other Financial Information		
(a) Total assets	1,673,378	1,550,842
(b) Total liabilities ⁴	1,505,825	1,397,417
(c) Total loans and advance	841,894	749,524
(d) Total deposits	1,020,670	906,897
	Year ended	Year ended
	March 31, 2021	March 31, 2020
	HK\$ in million	HK\$ in million
(e) Pre-tax profit (before minority interest)	27,675	19,046

1. As per Basel III guidelines, all group entities have been consolidated, except Group companies which are engaged in insurance business and businesses not pertaining to financial services. Capital at March 31, 2021 includes retained earnings for the financial year of 2021. (Capital at September 30, 2020 does not include retained earnings for six months ended September 30, 2020).
2. Shareholders' funds are the sum total of share capital & reserves (excluding restricted reserves).
3. Employee stock options outstanding of HK\$3.3 million (₹31.0 million), which are transitional in nature and will ultimately be transferred to equity/reserve, are not considered in shareholders' funds.
4. Total liabilities are equal to total assets minus shareholders' funds.
5. The conversion rate at March 31, 2021 is ₹9.4050 = HK\$1. (September 30, 2020 is ₹9.5175 = HK\$1).