



**Hong Kong Branch**

a banking corporation (having limited liability)  
incorporated in the State of California in the United States of America

**Cathay Bank  
Hong Kong Branch**

**Banking Disclosure Statement**

**December 31, 2022**

**(Unaudited)**

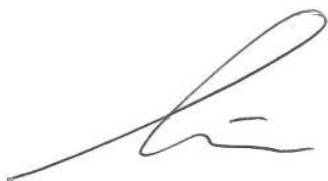
## **Hong Kong Branch Banking Disclosure Statement as of December 31, 2022**

### **Principal activities**

The Branch provides a range of banking, financial and related services.

### **Chief Executive's Declaration of Compliance**

I certify that the information disclosed in this statement is prepared in compliance with the Banking (Disclosure) Rules made under section 60A of the Banking Ordinance and, to the best of my knowledge and belief, it is not false or misleading in any material respect.



Louis Hsien-Chen Fong  
Senior Vice President & Chief Executive  
Hong Kong Branch

March 23, 2023

### **Disclosure Statement Available to The Public**

Copies of the Disclosure Statement may be obtained from the reception of Cathay Bank, Hong Kong Branch on 3008, 30/F, Tower 2, The Gateway, 25 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong.

A copy of the Disclosure Statement has been lodged with the Hong Kong Monetary Authority's Public Registry and is available on the website <https://www.cathaybank.com/cathay-general/financial-information/regulatory-disclosures> for public inspection.

**Key Financial Information Disclosure Statement**  
(Unaudited)

**Section A - Hong Kong Branch Information**

**1. Income statement**

	<b>For the year ended Dec 31, 2022</b>	<b>For the year ended Dec 31, 2021</b>
	HK\$000	HK\$000
Interest income	100,558	56,029
Interest expense	(42,687)	(6,229)
<b>Net interest income</b>	<b>57,871</b>	<b>49,800</b>
Fees and commission income	5,563	6,136
Fees and commission expense	(480)	(461)
<b>Net fees and commission income</b>	<b>5,083</b>	<b>5,675</b>
Gains less losses arising from trading in foreign currencies	0	0
Gains less losses arising from non-trading in foreign currencies	7,346	5,538
Gains less losses on securities held for trading purposes	0	0
Gains less losses from the disposal of property, plant and equipment and investment properties	0	(5)
Other operating income	0	0
<b>Total operating income before impairment losses and provisions</b>	<b>70,300</b>	<b>61,008</b>
Impairment losses and provisions for impaired loans and receivables	(1,558)	(73,570)
<b>Net operating income / (expense)</b>	<b>68,742</b>	<b>(12,562)</b>
Staff and rental expenses	(31,745)	(31,512)
Other expenses	(14,022)	(12,290)
<b>Operating expenses</b>	<b>(45,767)</b>	<b>(43,802)</b>
<b>Profit / (Loss) before taxation</b>	<b>22,975</b>	<b>(56,364)</b>
Tax expense	0	0
<b>Profit / (Loss) after taxation</b>	<b>22,975</b>	<b>(56,364)</b>

**Key Financial Information Disclosure Statement**  
(Unaudited)

**Section A - Hong Kong Branch Information**

**2. Balance sheet**

	<b>Dec 31, 2022</b>	<b>Jun 30, 2022</b>
	HK\$000	HK\$000
<b>ASSETS</b>		
Cash and balances with banks (except those included in amount due from overseas offices)	161,931	82,660
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)	0	0
Amount due from overseas offices	1,084,526	907,852
Trade bills	0	0
Certificates of deposit held	0	0
Loans and advances to bank	0	0
Loans and advances to customers (net of provisions)	2,504,199	2,408,712
Investment securities		
- Available-for-sale securities	136,909	141,565
- Held-to-maturity securities	0	0
Property, plant and equipment and investment properties	5,244	6,155
Other assets	96,464	59,531
<b>Total assets</b>	<b>3,989,273</b>	<b>3,606,475</b>
<b>LIABILITIES</b>		
Deposits and balances from banks (except those included in amount due to overseas offices)	0	0
Deposits from customers		
- demand deposits and current accounts	148,919	171,087
- savings deposits	238,511	459,132
- time, call and notice deposits	1,052,082	984,843
	1,439,512	1,615,062
Amount due to overseas offices	2,544,788	2,002,872
Other liabilities	4,973	(11,459)
<b>Total liabilities</b>	<b>3,989,273</b>	<b>3,606,475</b>

**Key Financial Information Disclosure Statement**  
(Unaudited)

**Section A - Hong Kong Branch Information**

**3. Additional balance sheet information**

**(a) Loans and advances to customers**

	<b>Dec 31, 2022</b>	<b>Jun 30, 2022</b>
	HK\$000	HK\$000
Gross amount of loans and advances to customers by countries or geographical segments after taking into account any recognized risk transfer		
- Hong Kong	1,969,500	1,934,968
- China	116,958	117,687
- British Virgin Islands	232,374	101,193
- Singapore	79,190	144,657
- Cayman Islands	130,278	129,916
	<u>2,528,300</u>	<u>2,428,421</u>
Provisions for impaired loans and advances		
- specific provisions	0	0
- collective provisions	(24,101)	(19,709)
	<u>(24,101)</u>	<u>(19,709)</u>
	<u>2,504,199</u>	<u>2,408,712</u>
Provisions made by the head office of Cathay Bank against the exposure of Hong Kong Branch as follows:		
- specific provisions	0	0
- collective provisions	0	0
	<u>0</u>	<u>0</u>
Gross value of assets against which specific provisions have been made	<u>0</u>	<u>0</u>

**(b) Overdue loans and advances to customers**

Gross amount of loans and advances to customers which have been overdue for more than three months and their expression as a percentage of its total amount of loans and advances to customers are as follows:

	<b>Dec 31, 2022</b>		<b>Jun 30, 2022</b>	
	HK\$000	%	HK\$000	%
Hong Kong:				
- more than 3 months but not more than 6 months	0	0.00	0	0.00
- more than 6 months but not more than one year	0	0.00	0	0.00
- more than one year	1,821	0.07	1,821	0.07
	<u>1,821</u>	<u>0.07</u>	<u>1,821</u>	<u>0.07</u>
			<b>Dec 31, 2022</b>	<b>Jun 30, 2022</b>
			HK\$000	HK\$000
- specific provisions			0	0
- covered portion of overdue loans and advances			0	0
- uncovered portion of overdue loans and advances			1,821	1,821
- current market value of collateral held against the covered portion of overdue loans and advances			0	0
			<u>0</u>	<u>0</u>

**Key Financial Information Disclosure Statement**  
(Unaudited)

**Section A - Hong Kong Branch Information**

**(c) Impaired loans and advances to customers**

	<u>Dec 31, 2022</u>	<u>Jun 30, 2022</u>
	HK\$000	HK\$000
Gross impaired loans and advances	57,333	21,923
Specific provisions	0	0
Net impaired loans and advances	<u>57,333</u>	<u>21,923</u>
Gross impaired loans and advances as a percentage of gross loans and advances to customers	<u>2.27%</u>	<u>0.90%</u>
Specific provisions as a percentage of gross impaired loans and advances	<u>0.00%</u>	<u>0.00%</u>
Current market value of collateral related to impaired loans and advances	<u>20,512</u>	<u>20,102</u>

**(d) Rescheduled loans and advances to customers**

Rescheduled loans and advances to customers excluding those which have been overdue for more than 3 months and their expression as a percentage of its total amount of loans and advances to customers are as follows:

	<u>Dec 31, 2022</u>		<u>Jun 30, 2022</u>	
	HK\$000	%	HK\$000	%
Rescheduled loans and advances to customers	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>

**Key Financial Information Disclosure Statement**  
(Unaudited)

**Section A - Hong Kong Branch Information**

**(e) Loans and advances to customers by industry sector**

	<u>Dec 31, 2022</u>		<u>Jun 30, 2022</u>	
	HK\$000	The percentage covered by collateral %	HK\$000	The percentage covered by collateral %
<b>Gross amount of loans and advances to customers for use in Hong Kong:</b>				
<b>Industrial, commercial and financial</b>				
- property development	0	0.00	0	0.00
- property investment	985,752	100.00	850,428	100.00
- financial concerns	113,795	69.24	286,540	73.48
- stockbrokers	0	0.00	0	0.00
- wholesale and retail trade	180,731	97.18	193,835	95.95
- manufacturing	134,679	9.97	117,911	8.92
- transport and transport equipment	0	0.00	0	0.00
- Information technology	0	0.00	0	0.00
- others	190,897	91.99	181,286	94.30
	<u>1,605,854</u>	<u>89.00</u>	<u>1,630,000</u>	<u>87.63</u>
<b>Individuals</b>				
- loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	0	0.00	0	0.00
- loans for the purchase of other residential properties	9,438	100.00	9,741	100.00
- credit card advances	0	0.00	0	0.00
- others	0	0.00	0	0.00
	<u>9,438</u>	<u>100.00</u>	<u>9,741</u>	<u>100.00</u>
<b>Total loans and advances for use in Hong Kong</b>	<u>1,615,292</u>	<u>89.06</u>	<u>1,639,741</u>	<u>87.71</u>
<b>Trade finance</b>	<u>246,118</u>	<u>76.60</u>	<u>253,878</u>	<u>81.84</u>
<b>Loans and advances for use outside Hong Kong</b>	<u>666,890</u>	<u>59.72</u>	<u>534,802</u>	<u>37.12</u>
	<u><u>2,528,300</u></u>	<u><u>80.11</u></u>	<u><u>2,428,421</u></u>	<u><u>75.95</u></u>

**Key Financial Information Disclosure Statement**  
(Unaudited)

**Section A - Hong Kong Branch Information**

**(f) Mainland activities**

	<b>Dec 31, 2022</b>		
	On-balance sheet exposure	Off-balance sheet exposure	Total
	HK\$000		
1. Central government, central government-owned entities and their subsidiaries and JVs	0	0	0
2. Local governments, local government-owned entities and their subsidiaries and JVs	0	0	0
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	165,101	2,889	167,990
4. Other entities of central government not reported in item 1 above	168,687	21,598	190,285
5. Other entities of local governments not reported in item 2 above	0	0	0
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	6,402	0	6,402
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	435,893	23,144	459,037
<b>Total</b>	<b>776,083</b>	<b>47,631</b>	<b>823,714</b>
Total assets after provisions	3,989,273		
On-balance sheet exposures as % of total assets	19.45%		

	<b>Jun 30, 2022</b>		
	On-balance sheet exposure	Off-balance sheet exposure	Total
	HK\$000		
1. Central government, central government-owned entities and their subsidiaries and JVs	41,325	0	41,325
2. Local governments, local government-owned entities and their subsidiaries and JVs	0	0	0
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	285,455	10,370	295,825
4. Other entities of central government not reported in item 1 above	74,056	0	74,056
5. Other entities of local governments not reported in item 2 above	0	0	0
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	10,201	0	10,201
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	333,826	15,653	349,479
<b>Total</b>	<b>744,863</b>	<b>26,023</b>	<b>770,886</b>
Total assets after provisions	3,606,475		
On-balance sheet exposures as % of total assets	20.65%		



## Key Financial Information Disclosure Statement (Unaudited)

### Section A - Hong Kong Branch Information

#### 4. International claim

International claims by major countries or geographical segments with not less than 10% of the total international claims after taking into account any recognized risk transfer (excluding claims arising between branches and subsidiaries) are shown as follows:

	Dec 31, 2022					
	HK\$million					
	Banks	Official Sector	Non-bank private sector		Others	Total
Non-bank financial institutions			Non-financial private sector			
<b>Developed countries</b>						
United States	0	0	137	0	0	137
<b>Offshore centres</b>						
Hong Kong	155	0	72	443	0	670
British Virgin Islands	0	0	0	232	0	232

	Jun 30, 2022					
	HK\$million					
	Banks	Official Sector	Non-bank private sector		Others	Total
Non-bank financial institutions			Non-financial private sector			
<b>Developed countries</b>						
United States	0	0	142	0	0	142
<b>Offshore centres</b>						
Hong Kong	79	0	74	445	0	598
Singapore	0	0	0	145	0	145
<b>Developing Asia and Pacific</b>						
China	118	0	118	0	0	236

#### 5. Off-balance sheet exposures and derivative transactions

	Dec 31, 2022	Jun 30, 2022
	HK\$000	HK\$000
<b>Contingent liabilities and commitments</b>		
- direct credit substitutes	0	0
- transaction-related contingencies	216	217
- trade-related contingencies	173,033	146,131
- other commitments	380,273	380,047
	<u>553,522</u>	<u>526,395</u>
<b>Derivative transactions (Notional amount)</b>		
- exchange rate contracts	1,254,085	996,529
- interest rate contracts	0	0
	<u>1,254,085</u>	<u>996,529</u>

**Key Financial Information Disclosure Statement  
(Unaudited)**

**Section A - Hong Kong Branch Information**

	<u>Dec 31, 2022</u>	<u>Jun 30, 2022</u>
	HK\$000	HK\$000
<b>Derivative transactions (Fair value)</b>		
- exchange rate contracts	(2,569)	557
- interest rate contracts	0	0
	<u>(2,569)</u>	<u>557</u>

The contractual amounts of the above instruments indicate the volume of transactions outstanding as of balance sheet date, they do not represent amount at risk. The contractual amount and fair value above do not take into account the effect of bilateral netting arrangements.

**6. Currency risk**

Foreign currency exposures with net position (in absolute terms) constituting not less than 10% of the total net positions in all foreign currencies are disclosed.

	<u>Dec 31, 2022</u>
	Equivalent in HK\$million
<b>Non-structural position</b>	<b>US\$</b>
Spot assets	2,321
Spot liabilities	(3,441)
Forward purchases	1,185
Forward sales	(67)
Net options position	0
Net long / (short) position	<u>(2)</u>
<b>Structural position</b>	<u>0</u>

	<u>Jun 30, 2022</u>
	Equivalent in HK\$million
<b>Non-structural position</b>	<b>US\$</b>
Spot assets	2,139
Spot liabilities	(2,984)
Forward purchases	921
Forward sales	(75)
Net options position	0
Net long / (short) position	<u>1</u>
<b>Structural position</b>	<u>0</u>

## Key Financial Information Disclosure Statement (Unaudited)

### Section A - Hong Kong Branch Information

#### 7. Liquidity information disclosure

Average liquidity maintenance ratio for the reporting period

Quarter ended Dec 31, 2022	Quarter ended Dec 31, 2021
46.11%	52.28%

The average liquidity maintenance ratio disclosed is a 3 months' average for each quarter based on the requirement of the Banking (Disclosure) Rules.

#### Qualitative disclosures

##### a. Governance of liquidity risk management

The Board of Directors of Cathay Bank head office delegates the responsibility for managing the overall liquidity of Cathay Bank Hong Kong Branch (CBHK) to CBHK's Assets and Liabilities Committee (ALCO). The ALCO formulates both the long-term strategy for funding sources and short-term tactics to address prevailing conditions. CBHK manages its liquidity risk in accordance with Liquidity Risk Management Policy which provides a set of guidelines for the prudent management of liquidity in the normal course of business. It also sets out the responsibilities of the ALCO and functional units for liquidity risk monitoring, control and reporting.

##### b. Funding strategy

CBHK maintains an appropriate mix of high quality liquid assets as a source of liquidity cushion for meeting emergency funding needs. The amount and composition of such assets should be determined with reference to the business need and liquidity risk profile. In managing the funding strategy, CBHK establishes a clear strategy for holding liquid assets, determines the appropriate volume, tenor and mix of such holdings.

##### c. Liquidity risk mitigation techniques

To mitigate the liquidity risk, CBHK maintains an adequate cushion of unencumbered, high quality liquid assets that can be reliably sold in the markets to obtain funds to meet CBHK's liquidity needs at all times, even in periods of severe idiosyncratic and market stress. The size of the liquidity cushion reflects CBHK's established risk tolerance and should be sufficient to cover funding gaps generated from the liquidity stress scenarios.

##### d. Stress testing

CBHK conducts regular stress tests on cash flows by applying various "what if" scenarios on the liquidity positions for all currencies in aggregate so as to ensure that CBHK has adequate liquidity to withstand stressed conditions. To ensure that liquidity is managed in line with the risk tolerance, the type of scenarios and survival period are set for monitoring and control.

##### e. Contingency funding plan

CBHK's Liquidity Contingency Policy defines the framework and basic principles of liquidity contingency management and stipulates the tools and procedures for the application of these principles. It provides guidance for the monitoring of liquidity positions and identification of liquidity contingency issues occur and identifies the tools for managing liquidity contingency situations.

#### Quantitative disclosures

##### f. Cash flow maturity mismatch analysis

HK\$000 (#)	Up to 7 days	7 days to 1 month	1 to 3 months	3 to 6 months	6 to 12 months
<b>Dec 31, 2022</b>					
Net liquidity mismatch	583,463	(427,681)	(397,717)	(73,401)	(736,575)
Cumulative mismatch	<u>583,463</u>	<u>155,782</u>	<u>(241,935)</u>	<u>(315,336)</u>	<u>(1,051,911)</u>
<b>Jun 30, 2022</b>					
Net liquidity mismatch	321,870	(199,685)	70,347	(483,709)	(675,827)
Cumulative mismatch	<u>321,870</u>	<u>122,185</u>	<u>192,532</u>	<u>(291,177)</u>	<u>(967,004)</u>

(#) Positive indicates a position of liquidity surplus. Negative indicates a liquidity shortfall that has to be funded.

## Key Financial Information Disclosure Statement (Unaudited)

### Section A - Hong Kong Branch Information

#### g. Sources of funding

CBHK's source of funding is mainly from customer deposits and borrowing from Cathay Bank head office/other banks.

	Dec 31, 2022		Jun 30, 2022	
	HK\$000	%	HK\$000	%
Customer deposits	1,439,512	36	1,615,062	45
Borrowing from Cathay Bank head office/other banks	2,544,788	64	2,002,872	55
	<u>3,984,300</u>	<u>100</u>	<u>3,617,934</u>	<u>100</u>

#### h. Liquidity exposures and funding needs at the level of individual legal entities, foreign branches and subsidiaries

This item is not applicable to CBHK

#### i. Liquidity gap (HK\$000)

The table below analyses the on- and off-balance sheet items, broken down into maturity buckets of CBHK.

##### As of Dec 31, 2022

	On demand	Up to 1 month	Between 1 and 3 months	Between 3 and 6 months	Between 6 and 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years	Balancing figure	Total
<b>On-balance sheet assets</b>											
Cash and balances with banks (except those included in amount due from overseas offices)	161,931	0	0	0	0	0	0	0	0	0	161,931
Amount due from overseas offices	1,084,526	0	0	0	0	0	0	0	0	0	1,084,526
Loans and advances to customers	58,094	334,875	238,010	151,825	192,603	355,079	761,099	266,815	169,900	0	2,528,300
Investment securities											
- Available-for-sale securities	0	0	0	0	0	0	0	136,909	0	0	136,909
Property, plant and equipment and investment properties	0	0	0	0	0	0	0	0	0	5,244	5,244
Other assets	77,441	7,198	1,911	357	0	0	0	0	0	9,557	96,464
Impairment allowance	0	0	0	0	0	0	0	0	0	(24,101)	(24,101)
	<u>1,381,992</u>	<u>342,073</u>	<u>239,921</u>	<u>152,182</u>	<u>192,603</u>	<u>355,079</u>	<u>761,099</u>	<u>403,724</u>	<u>169,900</u>	<u>(9,300)</u>	<u>3,989,273</u>
<b>On-balance sheet liabilities</b>											
Deposits and balances from banks (except those included in amount due to overseas offices)	0	0	0	0	0	0	0	0	0	0	0
Deposits from customers	387,430	584,793	324,191	110,598	32,500	0	0	0	0	0	1,439,512
Amount due to overseas offices	283,600	311,888	350,874	116,958	896,678	584,790	0	0	0	0	2,544,788
Other liabilities	700	8,791	2,646	605	313	0	0	0	0	(8,082)	4,973
	<u>671,730</u>	<u>905,472</u>	<u>677,711</u>	<u>228,161</u>	<u>929,491</u>	<u>584,790</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(8,082)</u>	<u>3,989,273</u>
<b>Off-balance sheet claims</b>											
Irrevocable loan commitments or facilities received	467,832	0	0	0	0	0	0	0	0	0	467,832
	<u>467,832</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>467,832</u>
<b>Off-balance sheet obligations</b>											
Direct credit substitutes	0	0	0	0	0	0	0	0	0	0	0
Transaction-related contingencies	0	0	0	0	0	0	0	0	0	216	216
Trade-related contingencies	0	7,928	159,374	4,315	0	0	0	0	0	1,416	173,033
Other commitments	0	69,852	100,101	119,537	84,237	1,715	1,710	3,121	0	0	380,273
	<u>0</u>	<u>77,780</u>	<u>259,475</u>	<u>123,852</u>	<u>84,237</u>	<u>1,715</u>	<u>1,710</u>	<u>3,121</u>	<u>0</u>	<u>1,632</u>	<u>553,522</u>
<b>Net liquidity gaps</b>	<u>1,178,094</u>	<u>(641,179)</u>	<u>(697,265)</u>	<u>(199,831)</u>	<u>(821,125)</u>	<u>(231,426)</u>	<u>759,389</u>	<u>400,603</u>	<u>169,900</u>	<u>(2,850)</u>	<u>(85,690)</u>

## Key Financial Information Disclosure Statement (Unaudited)

### Section A - Hong Kong Branch Information

#### i. Liquidity gap (HK\$000) (continued)

As of Jun 30, 2022

<b>On-balance sheet assets</b>	On demand	Up to 1 month	Between 1 and 3 months	Between 3 and 6 months	Between 6 and 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 5 years	Over 5 years	Balancing figure	Total
Cash and balances with banks (except those included in amount due from overseas offices)	82,660	0	0	0	0	0	0	0	0	0	82,660
Amount due from overseas offices	907,852	0	0	0	0	0	0	0	0	0	907,852
Loans and advances to customers	59,729	277,171	326,187	163,922	182,447	345,627	728,696	194,314	150,328	0	2,428,421
Investment securities											
- Available-for-sale securities	0	0	0	0	0	0	0	141,565	0	0	141,565
Property, plant and equipment and investment properties	0	0	0	0	0	0	0	0	0	6,155	6,155
Other assets	49,194	2,154	1,597	690	0	0	0	0	0	5,896	59,531
Impairment allowance	0	0	0	0	0	0	0	0	0	(19,709)	(19,709)
	1,099,435	279,325	327,784	164,612	182,447	345,627	728,696	335,879	150,328	(7,658)	3,606,475
<b>On-balance sheet liabilities</b>											
Deposits and balances from banks (except those included in amount due to overseas offices)	0	0	0	0	0	0	0	0	0	0	0
Deposits from customers	630,220	595,305	256,647	59,196	73,694	0	0	0	0	0	1,615,062
Amount due to overseas offices	198,338	0	0	588,435	784,580	431,519	0	0	0	0	2,002,872
Other liabilities	675	1,249	228	111	388	85	0	0	0	(14,195)	(11,459)
	829,233	596,554	256,875	647,742	858,662	431,604	0	0	0	(14,195)	3,606,475
<b>Off-balance sheet claims</b>											
Irrevocable loan commitments or facilities received	549,206	0	0	0	0	0	0	0	0	0	549,206
	549,206	0	0	0	0	0	0	0	0	0	549,206
<b>Off-balance sheet obligations</b>											
Direct credit substitutes	0	0	0	0	0	0	0	0	0	0	0
Transaction-related contingencies	0	0	0	0	0	0	0	0	0	217	217
Trade-related contingencies	0	45,071	56,322	21,462	0	0	0	0	0	23,276	146,131
Other commitments	0	104,453	155,156	66,814	53,624	0	0	0	0	0	380,047
	0	149,524	211,478	88,276	53,624	0	0	0	0	23,493	526,395
<b>Net liquidity gaps</b>	819,408	(466,753)	(140,569)	(571,406)	(729,839)	(85,977)	728,696	335,879	150,328	(16,956)	22,811

#### 8. Remuneration system

With reference to HKMA Supervisory Policy Manual CG-5, "Guideline on a sound remuneration system", remuneration information for senior management and key personnel is disclosed by Cathay Bank head office, hence it is not separately disclosed by Cathay Bank Hong Kong Branch. For details on head office remuneration information, please refer to pages 19 - 34 of the Cathay General Bancorp 2022 Proxy Statement.

## Key Financial Information Disclosure Statement (Unaudited)

### Section B - Bank Information (Consolidated Basis)

#### 1. Capital and capital adequacy

	<u>Dec 31, 2022</u>	<u>Jun 30, 2022</u>
Capital adequacy ratio	13.60%	13.46%

The consolidated capital adequacy ratio of the Bank is computed in accordance with the Basel Capital Accord. The ratio compares the capital base of the Bank with on and off balance sheet assets, weighted for risk. Such ratio incorporates an allowance for market risk.

	<u>Dec 31, 2022</u>	<u>Jun 30, 2022</u>
	Equivalent in HK\$million	Equivalent in HK\$million
Total amount of shareholders' funds	20,010	19,582

#### 2. Other financial information

	<u>Dec 31, 2022</u>	<u>Jun 30, 2022</u>
	Equivalent in HK\$million	Equivalent in HK\$million
Total assets	171,338	166,487
Total liabilities	151,328	146,905
Total loans and advances	141,427	138,695
Total customer deposits	144,412	143,788
	<u>For the year ended Dec 31, 2022</u>	<u>For the year ended Dec 31, 2021</u>
	Equivalent in HK\$million	Equivalent in HK\$million
Pre-tax profit	3,751	3,023

Note:

The exchange rate for translation of US\$ against HK\$:	
Dec 31, 2022	7.7972
Jun 30, 2022	7.8458
Dec 31, 2021	7.7966