

TAIWAN COOPERATIVE BANK, HONG KONG BRANCH

Financial Information Disclosure Statement

For the Half Year Ended June 30, 2025

TAIWAN COOPERATIVE BANK, HONG KONG BRANCH
FINANCIAL INFORMATION DISCLOSURE STATEMENT
FOR THE HALF YEAR ENDED JUNE 30, 2025

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

I. PROFIT AND LOSS INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2025

Figures in HKD thousands

	2025-06-30	2024-06-30
INTEREST INCOME	151,964	187,482
INTEREST EXPENSE	(79,520)	(108,559)
	<u>72,444</u>	<u>78,923</u>
OTHER OPERATING INCOME		
Gains less losses arising from dealing in foreign currencies	185	549
Gains less losses on securities held for trading purposes	0	0
Gains less losses from other trading activities	0	0
Net fees and commission income		
Gross fees and commission income	1,411	1,309
Fees and commission expense	(588)	(513)
Others	66	0
	<u>1,074</u>	<u>1,345</u>
Total income	73,518	80,268
OPERATING EXPENSES		
Staff and rental expenses	(8,275)	(9,169)
Other expenses (less fees and commission expenses)	(8,276)	(7,209)
	<u>(16,551)</u>	<u>(16,378)</u>
IMPAIRMENT PROVISION FOR LOANS	(890)	1,100
Total expenses	(17,441)	(15,278)
PROFIT BEFORE TAXATION	56,077	64,990
TAXATION CHARGE	(9,594)	(12,034)
PROFIT AFTER TAXATION	<u>46,483</u>	<u>52,956</u>

II. BALANCE SHEET INFORMATION
AS AT 30 JUNE 2025

	Figures in HKD thousands	
	As at	
	2025-06-30	2024-12-31
ASSETS		
Cash and short term fund (except those included in amount due from overseas offices)	136,820	190,234
Placement with Bank maturity of more than one month but not more than 12 months (except those included in amount due from overseas offices)	1,513,298	1,421,037
Amount due from overseas offices	0	0
Loans and advances less impairment allowances	3,572,406	3,357,804
Certificates of deposit held	592,023	565,306
Amortised cost securities	0	0
Fair value through other comprehensive income securities	1,057,008	1,344,856
Other accounts	24,619	31,234
Property, plant and equipment	25,632	24,994
Accumulated depreciation	(19,081)	(15,918)
Intangible assets	5,934	6,018
Total Assets	6,908,659	6,925,565
LIABILITIES		
Deposit and balances from banks (except those included in amount due to overseas offices)	286,017	504,569
Deposit from customers		
-Demand deposits and current accounts	13,173	1,454
-Savings deposits	2,075,397	1,991,161
-Time, call and notice deposits	3,292,243	3,236,648
Amount due to overseas offices	87,049	83,037
Other accounts	74,582	104,243
Total Liabilities	5,828,461	5,921,112
Reserves and current profit	1,080,198	1,004,453
Total equity and Liabilities	6,908,659	6,925,565

III. SUPPLEMENT FINANCIAL INFORMATION

AS AT 30 JUNE 2025

Figures in HKD thousands

	2025-06-30	As at 2024-12-31
A. ADVANCES AND IMPAIRMENT ALLOWANCES ON ADVANCES		
Advances to customers	2,028,443	1,924,180
Advances to Banks	1,580,048	1,467,638
Total	3,608,491	3,391,818
Collective impairment allowances	(36,085)	(34,014)
Individual impairment allowances	0	0
Total	(36,085)	(34,014)
Gross advances less impairment allowances	3,572,406	3,357,804
Allowances as a percentage of gross advances		
-Collective impairment allowances	1.00%	1.00%
-Individual impairment allowances	0.00%	0.00%
Total allowances	1.00%	1.00%

A1. IMPAIRMENT ALLOWANCES

	2025-06-30			As at 2024-12-31		
	Collective impairment allowances	Individual impairment allowances	Total	Collective impairment allowances	Individual impairment allowances	Total
Advances to customers	20,285	0	20,285	19,338	0	19,338
Advances to banks	15,800	0	15,800	14,676	0	14,676
Total			36,085			34,014

a) Impaired advances to customers

	2025-06-30	As at 2024-12-31
Amount of individual impaired loans and advances	0	0
Amount of individual impairment allowances made	0	0
Value of collateral	0	0
As a percentage of total advances to customers	0.00%	0.00%

b) Impaired advances to banks

	2025-06-30	As at 2024-12-31
Amount of individual impaired loans and advances	0	0
Amount of individual impairment allowances made	0	0
Value of collateral	0	0
As a percentage of total advances to banks	0.00%	0.00%

III. SUPPLEMENT FINANCIAL INFORMATION - CONTINUED

AS AT 30 JUNE 2025

Figures in HKD thousands

B. OVERDUE AND RESCHEDULED ASSETS

	2025-06-30		As at 2024-12-31	
	Amount	%	Amount	%
a) Loans and Advances to customers overdue for				
More than 3 months and up to 6 months	0		0	
More than 6 months and up to 1 year	0		0	
More than 1 year	0		0	
b) Rescheduled loans and advances to customers	0	0.00%	0	0.00%
c) Value of collateral held against such overdue loans and advances to customers				
- Current market value of collateral held against the covered portion of overdue loans and advances	0	0	0	0
- Covered portion of overdue loans and advances	0	0	0	0
- Uncovered portion of overdue loans and advances	0	0	0	0
d) Individual impairment allowances on such overdue loans and advances	0		0	

B1. Loans and advances to banks and other financial institutions

There were no loans and advances to banks and other financial institutions which were overdue as at 30 June 2025 and 31 December 2024.

B2. OTHER ASSETS (including debt securities)

There were no other assets (including debt securities) which were overdue as at 30 June 2025 and 31 December 2024.

B3. REPOSSESSED ASSETS

There were no repossessed assets held by Hong Kong branch as at 30 June 2025 and 31 December 2024.

III. SUPPLEMENT FINANCIAL INFORMATION - CONTINUED

AS AT 30 JUNE 2025

Figures in HKD thousands

C. OFF-BALANCE SHEET INFORMATION

C1. CONTINGENT LIABILITIES AND COMMITMENTS

The following is a summary of the contractual amounts of each significant class of contingent liabilities and commitments :

	As at	
	2025-06-30	2024-12-31
Off-balance sheet exposures (in contractual amounts)		
Direct credit substitutes	0	0
Transaction-related contingencies	0	0
Trade-related contingencies	159,379	126,574
Other commitments	754,655	527,438
Forward forward deposits placed	0	0
	<u>914,034</u>	<u>654,012</u>

C2. DERIVATIVES

Interest rate contracts	0	0
Exchange rate contracts	0	4,310
	<u>0</u>	<u>4,310</u>

C3. REPLACEMENT COSTS OF DERIVATIVES

Interest rate contracts	0	0
Exchange rate contracts	0	0
	<u>0</u>	<u>0</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 total of the contract amount is not representative of future liquidity requirements. The replacement costs represent the cost of replacing all contracts which have a positive value when marked to market . They do not take into account the effects of bilateral netting arrangements.

III. SUPPLEMENT FINANCIAL INFORMATION - CONTINUED

AS AT 30 JUNE 2025

Figures in HKD thousands

D. SEGMENTAL INFORMATION

D1. GROSS LOANS AND ADVANCES TO CUSTOMERS BY MAJOR SECTORS ANALYSIS

The following information concerning advances to customers by industry sectors has been classified in accordance with industry categories contained in the banking return of "Quarterly Analysis of Loans and Advances and Provisions" which was submitted to Hong Kong Monetary Authority ("HKMA").

	<u>2025-06-30</u>		<u>2024-12-31</u>	
	Gross	Balance	Gross	Balance
	Amount	covered by	Amount	covered by
		collateral		collateral
D2. LOANS AND ADVANCES FOR USE IN HONG KONG				
a). Industrial, commercial and financial:				
-Property development	0	0	0	0
-Property investment	0	0	0	0
-Financial concerns	30,000	0	0	0
-Stockbrokers	0	0	0	0
-Wholesale and retail trade	0	0	271,785	0
-Manufacturing	17,665	0	112,926	0
-Transport and transport equipment	0	0	0	0
-Electricity and gas	0	0	0	0
-Recreational activities	0	0	0	0
-Information technology	50,050	0	0	0
-Other	0	0	0	0
b). Individuals				
-Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	0	0	0	0
-Loans for the purchase of other residential properties	0	0	0	0
-Credit card advances	0	0	0	0
-Others	0	0	0	0
D3. TRADE FINANCE	13,292	4,711	13,201	4,659
D4. LOANS AND ADVANCES FOR USE OUTSIDE HONG KONG	1,917,436	74,345	1,526,268	64,944
Total loans & advances to customers	2,028,443	79,056	1,924,180	69,603

D5. GROSS LOANS AND ADVANCES TO CUSTOMERS BY COUNTRIES OR GEOGRAPHICAL AREAS ANALYSIS

After taking into account the transfer of risk, exposures to a single country or geographical area exceeding 10% of the aggregate gross advances to customers which are disclosed as follows:

	<u>2025-06-30</u>	<u>2024-12-31</u>
-Hong Kong	626,007	854,711
-China	0	0
-British Virgin Islands	0	0
-Singapore	244,509	151,046
-Others	1,157,927	918,423
Total	2,028,443	1,924,180

D6. OVERDUE AND IMPAIRED LOANS BY COUNTRIES OR GEOGRAPHICAL AREAS ANALYSIS

	<u>2025-06-30</u>	<u>2024-12-31</u>
-Hong Kong	0	0
-China	0	0
-British Virgin Islands	0	0
-Cayman Islands	0	0
-Others	0	0
Total	0	0

III. SUPPLEMENT FINANCIAL INFORMATION - CONTINUED

AS AT 30 JUNE 2025

Figures in HKD millions

E. INTERNATIONAL CLAIMS

The following tables analyses 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 recognized risk transfer. They are prepared in accordance with the completion instructions of HKMA Return of "International Banking Statistics". Countries or geographical segments constituting not less than 10% of the total cross-border claims are disclosed.

		Non-bank private sector			
	<u>Banks</u>	<u>Official Sectors</u>	<u>Non-bank Financial Insitution</u>	<u>Non-financial private sector</u>	<u>Total</u>
<u>As at June 30,2025</u>					
1. Developed countries	833	0	101	87	1,021
2. Offshore centres	84	28	75	809	996
of which: Hong Kong	33	28	75	564	700
3. Developing Europe	0	0	0	0	0
4. Developing Latin America and Caribbean	38	37	0	79	154
5. Developing Africa and Middle East	422	301	38	245	1,006
6. Developing Asia-Pacific	2,948	57	443	309	3,757
of which: China	98	0	0	0	98
Taiwan	1,002	0	0	6	1,008
7. International Organisations	0	0	0	0	0
Total	4,325	423	657	1,529	6,934

		<u>Non-bank private sector</u>			
	<u>Banks</u>	<u>Official Sectors</u>	<u>Non-bank Financial Institution</u>	<u>Non-financial private sector</u>	<u>Total</u>
<u>As at December 31, 2024</u>					
1. Developed countries	1,361	0	140	81	1,582
2. Offshore centres	376	0	122	1,019	1,517
of which: Hong Kong	327	0	0	867	1,194
3. Developing Europe	0	0	0	0	0
4. Developing Latin America and Caribbean	37	34	0	0	71
5. Developing Africa and Middle East	178	290	0	308	776
6. Developing Asia-Pacific	2,414	54	0	532	3,000
of which: China	40	0	0	0	40
Taiwan	395	0	0	5	400
7. International Organisations	0	0	0	0	0
Total	4,366	378	262	1,940	6,946

III. SUPPLEMENT FINANCIAL INFORMATION - CONTINUED

AS AT 30 JUNE 2025

Figures in HKD millions

F. NON-BANK MAINLAND EXPOSURES

Non-bank counterparties are identified in accordance with the definitions set out in the "Return of Mainland Activities" issued by the HKMA.

Exposures in Mainland China arising from non-bank counterparties are summarised as follows:

<u>As at June 30, 2025</u>	<u>On-balance sheet exposure</u>	<u>Off-balance sheet exposure</u>	<u>Total</u>
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	0	0	0
4. Other entities of central government not reported in item 1 above	0	0	0
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	45	0	45
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	0	0	0
Total	45	0	45
Total assets after provision	6,909		
On-balance sheet exposures as percentage of total assets	0.65%		

<u>As at December 31, 2024</u>	<u>On-balance sheet exposure</u>	<u>Off-balance sheet exposure</u>	<u>Total</u>
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	0	0	0
4. Other entities of central government not reported in item 1 above	0	0	0
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	0	0	0
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	0	0	0
Total	0	0	0
Total assets after provision	6,926		
On-balance sheet exposures as percentage of total assets	0.00%		

III. SUPPLEMENT FINANCIAL INFORMATION - CONTINUED

AS AT 30 JUNE 2025

Figures in HKD millions

G. FOREIGN CURRENCY POSITION

The foreign currency exposures are prepared in accordance with the completion instructions of HKMA banking return of "Foreign Currency Position Of An Authorized Institution". The net position in foreign currencies are disclosed as follows:

As at June 30, 2025

	USD	EUR	JPY	CNY	AUD	NZD	Total
Spot assets	5,162	104	79	235	98	10	5,688
Spot liabilities	(5,163)	(105)	(79)	(234)	(97)	(11)	(5,689)
Forward purchases	0	0	0	0	0	0	0
Forward sales	0	0	0	0	0	0	0
Net long (short) position	(1)	(1)	0	1	1	(1)	(1)

As at December 31, 2024

	USD	EUR	JPY	CNY	AUD	NZD	Total
Spot assets	5,294	92	74	244	91	10	5,805
Spot liabilities	(5,294)	(92)	(74)	(243)	(91)	(10)	(5,804)
Forward purchases	0	0	0	0	0	0	0
Forward sales	0	0	0	0	0	0	0
Net long (short) position	0	0	0	1	0	0	1

There were no foreign currency structural positions as at 30 June 2025 and 31 December 2024.

III. SUPPLEMENT FINANCIAL INFORMATION - CONTINUED

AS AT 30 JUNE 2025

Figures in HKD thousands

H. LIQUIDITY INFORMATION

	<u>For the quarter</u> <u>ended</u>	<u>For the quarter</u> <u>ended</u>
	30-Jun-25	30-Jun-24
Average liquidity maintenance ratio for the period	59.56%	71.64%

The average liquidity maintenance ratio for the period is the simple average of each calendar month's average liquidity maintenance ratio. The liquidity maintenance ratio ("LMR") is computed in accordance with the Banking (Liquidity) Rules with effect from 1 January 2015.

Liquidity Risk Management

(1) Governance of liquidity risk management

The liquidity risk of our branch was managed in accordance with the "Head Office's Liquidity and Interest Rate Risk Management Policy", "Hong Kong Branch's Liquidity Management Guidelines", "Hong Kong Branch's Stress Testing Standards", "Hong Kong Branch's Contingency Funding Standards" and other related regulations received from our Head Office to ensure maintaining stable and adequate liquidity in order to meet the payment and settlement obligation under the normal and pressure situations. Therefore, the payment and settlement system can be operated smoothly.

(2) Structure and responsibilities for liquidity risk management

The Risk Management Committee is mainly responsible for the liquidity risk management in our Branch. The Chief Executive is the chairman of the Committee. The members include the Heads of Treasury Department, Deposits Department, Loans Department, Accounting Department, Risk Management Department and Compliance Department. Chief Executive could also invite other staff to attend the Committee meeting if necessary.

(3) Liquidity risk reports

The branch prepares daily LMR report and delivers it to the management, and prepares monthly maturity gap ratio and repricing gap reports to The Risk Management Committee and Head Office. Based on liquidity gap analysis and the changes of the structure, the branch allocates adequate funding to reduce liquidity risk.

(4) Funding strategy

The branch manages the liquidity risk to maintain adequate liquidity level and ensure payment ability under the daily and specific stress scenarios. The liquidity risk management principles includes :

1. The funding sources should be diversified, stable and reliable.
2. The use of funds should be broad.
3. Regularly assess the structure of the asset and liability portfolio.

(5) Liquidity risk mitigation techniques

The minimum liquidity maintenance ratio included in our branch internal policy is higher than the statutory minimum requirement and liquidity position is monitored by the management on a daily basis to ensure that our branch maintains adequate liquidity.

(6) Stress testing

Liquidity stress test should be performed periodically for institution-specific, market-wide and combined stress scenarios and the results will be reported and delivered to the management. The result will be the reference for the improvement of liquidity risk management and contingency funding plan.

(7) Contingency funding plan

The Contingency Funding Plan (CFP) specifies a contingency plan when the market faces abnormal volatility and our branch fails to get funding at reasonable cost or lacks liquidity. The CFP should test periodically.

SECTION B-INFORMATION OF THE BANK (CONSOLIDATED BASIS)

AS AT 30 JUNE 2025

A. CAPITAL AND CAPITAL ADEQUACY RATIO

	30-Jun-2025	31-Dec-2024
	(%)	(%)
a) Capital Adequacy Ratio	15.70	14.92
	NTD in thousands	NTD in thousands
b) Aggregate amount of shareholder's funds	278,367,677	277,394,954

The capital adequacy ratio is computed in accordance with the "Basel III Capital Accord" and the basis of computation incorporates allowances for credit risk, market risk and operational risk.

B. OTHER FINANCIAL INFORMATION

	As at	As at
	30-Jun-2025	31-Dec-2024
	NTD in thousands	NTD in thousands
Total assets	5,048,282,250	4,929,071,870
Total liabilities	4,769,914,573	4,651,676,916
Total advances	3,022,382,321	3,060,238,590
Total customers deposits	4,107,801,829	4,086,076,750

	For the half year ended	
	30-Jun-2025	30-Jun-2024
	NTD in thousands	NTD in thousands
Profit / (Loss) before taxation	13,274,227	12,713,411

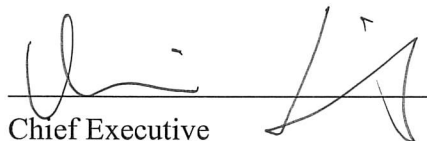
SECTION C - REMUNERATION DISCLOSURE

In respect to the disclosure requirement under the HKMA's Supervisory Policy Manual (CG-5) Guideline on Sound Remuneration System, please refer to the Annual Report 2024(Chinese Version Only) Taiwan Cooperative Bank, in the part of Report of Corporate Governance.

Note: A copy of the Disclosure Statement is available on the website below for public inspection.
<http://www.tcb-bank.com.tw/about-tcb/info/locations/oversea/hk/disclosure>

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 Financial Information Disclosure Statements of Taiwan Cooperative Bank, Hong Kong Branch for the half year ended 30 June 2025. We confirmed 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 my knowledge and belief, it is not false or misleading.



Chief Executive

Taiwan Cooperative Bank

Hong Kong Branch

18 Sep, 2025