

ABN AMRO Bank N.V. Hong Kong Branch
2020 Annual Financial Disclosure Statements

The information in the Disclosure Statement is not audited and does not constitute statutory accounts.

The information is available at the registered offices of ABN AMRO Bank N.V. Hong Kong Branch and the Public Registry of HKMA. The statement can also be found on ABN AMRO Bank's website at <https://www.abnamro.com/en/investor-relations/financial-disclosures/index.html>

SECTION A – BRANCH INFORMATION (HONG KONG OFFICE ONLY)

Profit and loss information (HKD'000)	For the twelve months ended	
	31-Dec-20	31-Dec-19
Interest income	456,610	1,189,345
Interest expenses	258,151	918,193
Net interest income	<u>198,459</u>	<u>271,152</u>
Other operating income		
– Gains less losses arising from foreign exchange operations	4,725	46,133
– Gains less losses from other dealing activities	–	–
– Income from investment held for trading purposes	–	–
– Net fees and commission income	72,133	144,379
– <i>fees and commission income</i>	<i>108,115</i>	<i>163,178</i>
– <i>fees and commission expenses</i>	<i>35,982</i>	<i>18,799</i>
– Other	27,748	32,437
	<u>104,606</u>	<u>222,949</u>
Operating income	303,065	494,101
Operating expenses	236,153	295,472
<i>of which</i>		
– <i>staff expenses</i>	<i>108,655</i>	<i>126,436</i>
– <i>rental expenses</i>	<i>7,687</i>	<i>9,627</i>
– <i>other expenses</i>	<i>119,811</i>	<i>159,409</i>
Net charge for loan impairments	1,090,065	263,479
Net charge/(credit) for other provisions	(15,400)	15,496
Gains less losses from disposal of tangible fixed assets	–	–
Loss before taxation	(1,007,753)	(80,346)
Taxation charge/(credit)	94,308	(8,084)
Extraordinary loss (net of tax)	<i>Note 1</i> (175,131)	–
Loss for the period	<u>(1,277,192)</u>	<u>(72,262)</u>

Note 1 – Staff restructuring costs and other expenses arising from the closure of Hong Kong Branch.

Balance sheet (HKD'000)	31-Dec-20	30-Jun-20
Assets		
Cash and balances with banks <i>(except those included in amount due from overseas offices of the institution)</i>	1,248,393	571,454
Due from Exchange Fund	10,229	4,088
Amount due from overseas offices of the Institution	11,765,886	25,900,868
Trade bills	269,683	3,493,633
Available-for-sale securities	2,777,029	3,359,508
Advances and other accounts	2,369,804	4,771,482
– advances to customers	2,505,233	5,846,347
– accrued interest receivable	9,706	28,658
– impairment allowances for impaired loans and other receivable	(145,135)	(1,103,523)
– <i>collective impairment allowances</i>	(72,288)	(21,006)
– <i>individual impairment allowances</i>	(72,847)	(1,082,517)
Other accounts	261,088	216,381
– unrealized gains on derivative instruments	228,448	81,138
– other accounts	32,640	135,243
Tangible fixed assets	18,733	23,280
Total assets	18,720,845	38,340,694
Liabilities		
Deposits and balances of banks and other financial institutions <i>(except those included in amount due to overseas offices of the institution)</i>	–	1,705,916
Deposits from customers	555,308	967,368
– demand deposits and current accounts	500,991	857,584
– savings deposits	39,286	71,261
– time, call and notice deposits	15,031	38,523
Amount due to overseas offices of the Institution	18,731,642	35,455,286
Accrued interest payable	4,945	19,037
Other accounts	(571,050)	193,087
– unrealized losses on derivative instruments	372,134	113,548
– provisions and others	(943,184)	79,539
Total liabilities	18,720,845	38,340,694

Balance Sheet (HKD'000) (continued)
Analysis of impaired loans

As at 31 December 2020, there was no loan and advance to bank customers and therefore no impaired loan to bank customers.

The analysis of impaired loans to non-bank customers are as follows:

The impaired loans* to customers by geographical area are as follows:	31-Dec-20			30-Jun-20		
	Gross impaired loans	Individual impairment allowances	Current market value of collateral	Gross impaired loans	Individual impairment allowances	Current market value of collateral
– United Arab Emirates	72,846	72,846	6,055	22,524	22,524	6,053
– Hong Kong	–	–	–	1,154,112	468,227	–
– China	–	–	–	637,148	545,247	–
	<u>72,846</u>	<u>72,846</u>	<u>6,055</u>	<u>1,813,784</u>	<u>1,035,998</u>	<u>6,053</u>

Percentage of impaired loans to customers to total advances to customers

2.91%

31.02%

* Impaired loans are advances to banks and customers that have been classified as “substandard”, “doubtful” and “loss” in accordance with the HKMA Return of Loans and Advances and Provisions (Form MA(BS)2A) completion instructions.

Analysis of overdue advances to customers
31-Dec-20

The gross value of advances to customers by geographical area that have been overdue for:	31-Dec-20					Total	Individual impairment allowances	Current market value of collateral
	Less than one month	More than one month and up to three months	More than three months and up to six months	More than six months and up to one year	over one year			
– United Arab Emirates	–	52,768	–	–	22,150	74,918	72,846	6,055
– Hong Kong	18,742	–	–	–	–	18,742	–	–
– China	–	–	–	–	–	–	–	–
	<u>18,742</u>	<u>52,768</u>	<u>–</u>	<u>–</u>	<u>22,150</u>	<u>93,660</u>	<u>72,846</u>	<u>6,055</u>

Percentage of overdue loans to customers to total advances to customers

0.75%

2.11%

0.00%

0.00%

0.88%

3.74%

Balance Sheet (HKD'000) (continued)
30-Jun-20

The gross value of advances to customers by geographical area that have been overdue for:	More than one month and up to three months		More than three months and up to six months		More than six months and up to one year		Total	Individual impairment allowances	Current market value of collateral
	Less than one month	More than one month and up to three months	More than three months and up to six months	More than six months and up to one year	over one year	over one year			
- United Arab Emirates	-	-	-	-	-	22,524	22,524	22,524	6,053
- Hong Kong	1,231,196	1,827	118,398	-	-	-	1,351,421	512,986	13,891
- China	2,374	8,552	626,222	-	-	-	637,148	545,247	-
	<u>1,233,570</u>	<u>10,379</u>	<u>744,620</u>	<u>-</u>	<u>-</u>	<u>22,524</u>	<u>2,011,093</u>	<u>1,080,757</u>	<u>19,944</u>
Percentage of overdue loans to customers to total advances to customers	21.10%	0.18%	12.74%	0.00%	0.39%	34.40%			

31-Dec-20
30-Jun-20

Value of collateral held against overdue advances to customers

- Current market value of collateral held against overdue loans and advances	6,055	19,944
- Covered portion of overdue loans and advances	6,055	19,944
- Uncovered portion of overdue loans and advances	87,605	1,991,149

As at 31 December 2020, ABN AMRO Bank N.V. Hong Kong Branch does not have balances in the following:

1. re-scheduled loans	-	-
2. impairment allowances for loans and advances or other exposures which are maintained at overseas head office	-	-
3. trade bills and debt securities which have been overdue for over three months	-	-
4. repossessed assets	-	-

Non-bank mainland exposures (HKD'000)

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

As at 31 December 2020	On-balance sheet exposures	Off-balance sheet exposures	Total
Types of Counterparties			
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	303,707	57,067	360,774
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	–	–	–
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China	–	–	–
Total	303,707	57,067	360,774
Total assets after provision	18,720,845		
On-balance sheet exposures as percentage of total assets	1.62%		

Non-bank mainland exposures (HKD'000) (continued)

As at 30 June 2020	On-balance sheet exposures	Off-balance sheet exposures	Total
Types of Counterparties			
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	31,023	272,877	303,900
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	2,586,712	2,562,041	5,148,753
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	–	–	–
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China	–	–	–
Total	2,617,735	2,834,918	5,452,653
Total assets after provision	38,340,694		
On-balance sheet exposures as percentage of total assets	6.83%		

Off-balance sheet exposures (HKD'000)	31-Dec-20	30-Jun-20
(a) Contingent liabilities and commitments		
– Direct credit substitutes	–	–
– Transaction-related contingencies	4,526	8,001
– Trade-related contingencies	66,260	2,842,406
– Forward asset purchases	–	–
– Forward forward deposits taken	9,620	2,422,264
– Forward forward deposits placed	1,403,959	3,567,115
– Other commitments	3,073,080	11,253,720
	<u>4,557,445</u>	<u>20,093,506</u>

Direct credit substitutes are mainly financial guarantees contracts that require the issuer to make specified payments to reimburse the holder for a loss incurred because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Transaction-related contingencies are performance guarantees. Trade-related contingencies are mainly issue of letters of credit and confirmed letters of credit. Other commitments represent the amounts at risk should contracts be fully drawn upon and clients default.

(b) Derivatives (Notional amounts)		
– Exchange rate contracts	36,926,289	27,382,418
	<u>36,926,289</u>	<u>27,382,418</u>

Derivative contracts were mainly entered into on a back-to-back basis to facilitate clients. The transactions carried out for the account of ABN AMRO Bank N.V. Hong Kong Branch are primarily to manage exchange rate risk.

(c) Total fair value of derivatives		
– Exchange rate contracts	(143,686)	(32,410)
	<u>(143,686)</u>	<u>(32,410)</u>
(No bilateral netting arrangements)	<u>(143,686)</u>	<u>(32,410)</u>

As at 31 December 2020, there are no note issuance and revolving underwriting facilities.

Segmental information (HKD'000)	31-Dec-20 Gross loans and advances	31-Dec-20 Current market value of collateral	30-Jun-20 Gross loans and advances	30-Jun-20 Current market value of collateral
(a) Total advances to customers by industry sectors				
Advances for use in Hong Kong Industrial, commercial and financial:				
– Financial concerns	–	–	4	–
– Wholesale and retail trade	386,166	17,482	409,929	36,753
– Manufacturing	7,077	1,033	84,947	79,363
– Transport and transport equipment	–	–	–	–
– Others	–	–	–	–
Trade finance	708,054	122,191	1,516,811	276,251
Advances for use outside Hong Kong	<u>1,403,936</u>	<u>468,980</u>	<u>3,834,656</u>	<u>955,710</u>
Total advances to customers	<u>2,505,233</u>	<u>609,686</u>	<u>5,846,347</u>	<u>1,348,077</u>

Percentage of value of collateral to total advances to customers	24.34%	23.06%
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Total advances to customers by geographical area of which exposures to (HKD'000):	31-Dec-20	30-Jun-20
– Netherland	1,033,671	1,254,851
– Hong Kong	953,949	2,795,324
– China	303,340	1,448,306

Advances to customers by geographical area are reported where it constitutes 10% or more of the total advances to customers and classified according to the location of the counterparties. Impaired loans and advances to customers occurred at the year ended 31 December 2020 were already disclosed under the analysis of impaired loans. There was no loan and advance to bank customers at the year ended 31 December 2020.

Segmental information *(continued)*

(b) International claims (HKD millions)

The following illustrates the major country or geographical segment breakdown of international claims by types of counterparties. 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.

		Non-bank private sector				
		Official	Non-bank	Non-	Others	Total
	Banks	Sector	financial	financial		
			institutions	private		
				sector		
As at 31 December 2020						
1. Developed Countries						
<i>of which Netherlands</i>	13,621	–	–	1,035	–	14,656
2. Offshore centres						
<i>of which Hong Kong SAR</i>	–	–	–	777	–	777
3. Developing Asia and Pacific						
<i>of which China</i>	284	–	–	304	–	588

		Non-bank private sector				
		Official	Non-bank	Non-	Others	Total
	Banks	Sector	financial	financial		
			institutions	private		
				sector		
As at 30 June 2020						
1. Developed Countries						
<i>of which Netherlands</i>	26,921	–	–	943	–	27,864
2. Offshore centres						
<i>of which Hong Kong SAR</i>	–	–	–	956	–	956
3. Developing Asia and Pacific						
<i>of which China</i>	3,494	–	–	2,041	–	5,535

Currency risk (HKD'000)

The following foreign currency exposures are prepared in accordance with the HKMA Return of Foreign Currency Position (Form MA(BS)6) completion instructions. Foreign currency exposures arising from trading and structural positions with net position (in absolute terms) which constitutes 10% or more of the total net position in all foreign currencies are disclosed.

	USD	
	31-Dec-20	30-Jun-20
Spot assets	10,489,273	30,975,519
Spot liabilities	18,514,962	33,929,309
Forward purchases	22,384,804	14,207,863
Forward sales	<u>14,313,635</u>	<u>11,066,697</u>
Net long position	<u>45,480</u>	<u>187,376</u>
	EUR	
	31-Dec-20	30-Jun-20
Spot assets	129,803	2,510,902
Spot liabilities	128,034	3,245,578
Forward purchases	–	1,464,180
Forward sales	<u>9,535</u>	<u>744,699</u>
Net short position	<u>(7,766)</u>	<u>(15,195)</u>

As at 31 December 2020, there was no foreign currency exposures arising from structural positions.

Liquidity

Principles of Liquidity Risk Management

ABN AMRO Bank N.V. Hong Kong Branch (ABN AMRO HK) acts as a branch and funding centre for Asia Pacific and is within the core perimeter of the ABN AMRO Group N.V. (ABN AMRO Group) Liquidity Risk Management structure. ABN AMRO HK's liquidity management is subject to the governance and principles outlined in the ABN AMRO Group Liquidity Policy. These are based on and in accordance with the principles set by De Nederlandsche Bank (DNB, the Dutch Central Bank) defining the Internal Liquidity Adequacy Assessment Process (ILAAP). ABN AMRO Group sets its liquidity management in compliance with the standards of the BASEL Committee, including but not limited to full compliance with the Liquidity Coverage Ratio, the Net Stable Funds Ratio and the Leverage Ratio.

Certain elements in the ABN AMRO Group Liquidity Policy are primarily executed centrally, and apply to the local situation only indirectly, or in a global governance context. To align the local Asset and Liability Management and Treasury (ALM/T) operating model with respect to liquidity management, international governance principles have been created in line with ABN AMRO Group liquidity principles.

Liquidity *(continued)*

Assets and Liabilities Committee (ALCO)

The Hong Kong Asset and Liability Committee (ALCO) defines ABN AMRO HK's Risk Appetite that aligns with the overall moderate risk profile of ABN AMRO Group. Limits and checkpoints are set relative to ABN AMRO HK's regulatory and internal ratios, intercompany funding limits and counter balancing capacity, and are used to measure, monitor and manage ABN AMRO HK's liquidity risk. ALCO holds a meeting on a monthly basis (and on an ad-hoc basis, when required), to discuss and monitor funding and liquidity topics.

Assets and Liabilities Management and Treasury (ALM/T)

ABN AMRO HK Asset and Liability Management and Treasury (ALM/T) responsibilities centre on identifying, monitoring and managing balance sheet risks within internal and external requirements. ALM/T is responsible for setting up the local liquidity risk framework and the local liquidity management strategy. The framework and strategy have to be aligned with the annual Local Risk Appetite Statement process and updated accordingly by HK ALM/T. Any adjustment to the framework have to be approved by HK ALCO and relevant global business risk committees.

Liquidity Risk Monitoring and Reporting

Reporting to HK ALCO and Group ALM on liquidity indicators is performed according to the requirements formulated by Hong Kong ALCO and Group ALM. Liquidity indicators, reports and dashboards are used to monitor the liquidity position. Internal reporting is performed on the liquidity risk appetite indicators, early warning indicators, liquidity buffer and overall liquidity profile of ABN AMRO HK. The liquidity reports aim to provide adequate insight in the overall funding position. The checkpoints and early warning indicators act as a trigger, to ensure mitigation actions are taken before they exceed the defined limit or appetite.

Diversification in funding sources and tenors of funding

ABN AMRO HK maintains a diversified funding profile and sustains its proven market access. ABN AMRO HK relies on ABN AMRO Group's central funding strategy and market access to adhere to the regulatory liquidity management principle of effective diversification in sources and tenor of funding, and also maintain an ongoing presence in its chosen funding markets, to retain strong relationships with liquidity providers in order to promote effective diversification of funding sources.

All positions over 12 months are matched funded with Head Office. ABN AMRO HK manages short term liquidity up to 12 months. The maximum liquidity mismatch (contractual gap) is monitored and reported to the Group ALCO and HK ALCO via the HK ALCO Dashboard. ABN AMRO HK also manages its intraday liquidity positions and risks, meeting payment and settlement obligation when under both normal and stressed conditions. As part of its own liquidity management strategy, ABN AMRO HK holds a liquidity buffer to withstand a period of limited funding access. A contingency funding plan is in place to guide on governance in a liquidity stress situation.

Liquidity *(continued)*

Liquidity Buffer

In accordance with the central funding and liquidity model of ABN AMRO Group, ABN AMRO HK maintains a regulatory portfolio/liquidity buffer. ABN AMRO HK's mandated regulatory liquid assets comprise of Hong Kong Monetary Authority's Exchange Fund Bills and debt securities issued by a sovereign or central bank with an assigned credit rating of at least AA-S&P, Fitch or Aa3 Moody's.

Fund Transfer Pricing

ABN AMRO HK recognizes and applies the cost of funding based on the principle of matched opportunity rate. Interest rate risk and liquidity risk is transferred out of the business segments to the Asset and Liability Management (ALM) segment by applying the Global Funds Transfer Pricing (FTP) principles.

Liquidity Stress Testing

Liquidity stress testing plays an important part in obtaining a comprehensive view of ABN AMRO HK's liquidity risk profile. Stress tests for ABN AMRO HK are well designed and implemented, stress outcomes provide valuable information on ABN AMRO HK's liquidity profile that cannot be generated from a limited set of standardized liquidity metrics alone. Stress Testing is used to predict and illustrate the current and prospective (potential) liquidity risk impact of ABN AMRO HK of local and/or global events and development. Stress tests and scenario analyses are run regularly to understand the impact of liquidity stress on cash flows. The results are used to assess and determine ABN AMRO HK's:

- Risk Appetite
- Contingency Funding Plan
- Liquidity Management Policy
- Required size of counter balancing capacity (comprising of Head Office funding and the liquidity buffer)

Liquidity *(continued)*
Contingency Funding Plan (CFP)

ABN AMRO HK defines a CFP to respond efficiently and effectively to severe disruption to ABN AMRO HK's ability to fund its activities. The CFP ensures quick identification of a (potential) liquidity crisis and necessary action taking. The CFP clearly sets out the strategies for addressing possible liquidity shortfalls in emergency situations, to ensure quick identification and action taking. The CFP outlines policies to manage a range of stress events, establish clear lines of responsibility and communication, stipulates clear stages of CFP invocation and escalation procedures, proposes mitigation actions, and is regularly tested and updated to ensure that it is operationally fit for purpose.

	2020	2019
	Oct – Dec	Oct – Dec
Average liquidity maintenance ratio (LMR)	55.59%	57.90%

The LMR is calculated in accordance with the Banking (Liquidity) Rules. The average for the quarter is calculated on the simple average LMR for each calendar month in the quarter.

Liquidity Buffer (HKD'000)	31-Dec-20	30-Jun-20
US Treasury Bills	775,189	776,667
The HKMA Exchange Fund Bills	2,001,840	2,582,841
	<u>2,777,029</u>	<u>3,359,508</u>

Contractual maturity of assets and liabilities (HKD'000)
As at 31 December 2020

	On demand	Up to one month	Between one and three months	Between three and six months	Between six and twelve months	Between one and two years	Between two and three years	Between three and five years	Maturity not applicable	Total
Assets:										
Cash and balances with banks (except those included in amount due from overseas offices of the institution)	771,800	476,593	-	-	-	-	-	-	-	1,248,393
Due from Exchange Fund	10,229	-	-	-	-	-	-	-	-	10,229
Amount due from overseas offices of the institution	59,254	9,570,267	1,760,265	376,100	-	-	-	-	-	11,765,886
Trade Bills	-	128,262	141,421	-	-	-	-	-	-	269,683
Available-for-sale-securities	2,777,029	-	-	-	-	-	-	-	-	2,777,029
Advances to customers	-	578,542	497,689	442,093	221,498	442,996	147,678	-	174,737	2,505,233
Accrued interest receivable	-	7,097	2,271	338	-	-	-	-	-	9,706
Unrealized gains on derivative instruments	-	70,624	6,278	73,329	78,217	-	-	-	-	228,448
Others	-	5,261	-	-	-	-	-	-	27,379	32,640
Impairment allowances	-	-	-	-	-	-	-	-	(145,135)	(145,135)
Fixed assets	-	-	-	-	-	-	-	-	18,733	18,733
Total assets	3,618,312	10,836,646	2,407,924	891,860	299,715	442,996	147,678	-	75,714	18,720,845
Liabilities:										
Deposits and balances of bank and other financial institutions (except those included in amount due to overseas offices of the institution)	-	-	-	-	-	-	-	-	-	-
Deposit from customers	540,277	9,613	5,418	-	-	-	-	-	-	555,308
Amount due to overseas office of the institution	-	12,862,665	4,163,773	335,820	415,311	806,395	147,678	-	-	18,731,642
Accrued interest payable	-	3,815	1,130	-	-	-	-	-	-	4,945
Unrealized losses on derivative instruments	-	150,410	125,315	34,279	62,130	-	-	-	-	372,134
Provisions and other	-	106,033	10,308	2,433	72,975	-	-	-	(1,134,933)	(943,184)
Total Liabilities	540,277	13,132,536	4,305,944	372,532	550,416	806,395	147,678	-	(1,134,933)	18,720,845
Off-balance sheet exposures - claims										
Forward forward deposits taken	-	9,620	-	-	-	-	-	-	-	9,620
Other claims	-	230,450	1,175,070	-	-	-	-	-	-	1,405,520
Total off-balance sheet exposures - claims	-	240,070	1,175,070	-	-	-	-	-	-	1,415,140
Off-balance sheet exposures - obligations										
Direct credit substitutes	-	-	-	-	-	-	-	-	-	-
Transaction-related contingencies	-	-	-	-	-	-	-	-	4,526	4,526
Trade-related contingencies	-	20,591	18,387	27,282	-	-	-	-	-	66,260
Forward asset purchases	-	-	-	-	-	-	-	-	-	-
Forward forward deposits placed	-	1,403,959	-	-	-	-	-	-	-	1,403,959
Other commitments	3,073,080	-	-	-	-	-	-	-	-	3,073,080
Other obligations	-	-	-	9,626	-	-	-	-	-	9,626
Total off-balance sheet exposures - obligations	3,073,080	1,424,550	18,387	36,908	-	-	-	-	4,526	4,557,451
Net Liquidity Gap	4,955	(3,480,370)	(741,337)	482,420	(250,701)	(363,399)	-	-	1,206,121	(3,142,311)

Contractual maturity of assets and liabilities (HKD'000) (continued)
As at 30 June 2020

	On demand	Up to one month	Between one and three months	Between three and six months	Between six and twelve months	Between one and two years	Between two and three years	Between three and five years	Maturity not applicable	Total
Assets:										
Cash and balances with banks (except those included in amount due from overseas offices of the institution)	571,454	-	-	-	-	-	-	-	-	571,454
Due from Exchange Fund	4,088	-	-	-	-	-	-	-	-	4,088
Amount due from overseas offices of the institution	378,918	19,428,347	5,704,368	389,235	-	-	-	-	-	25,900,868
Trade Bills	-	924,331	1,826,664	587,582	155,056	-	-	-	-	3,493,633
Available-for-sale-securities	-	749,997	2,609,511	-	-	-	-	-	-	3,359,508
Advances to customers	-	1,233,556	781,608	444,914	781,321	878,848	490,183	-	1,235,917	5,846,347
Accrued interest receivable	-	11,958	14,076	1,106	-	-	-	-	1,518	28,658
Unrealized gains on derivative instruments	-	50,758	9,683	4,389	16,308	-	-	-	-	81,138
Others	1,902	39,449	-	-	230	-	-	-	93,662	135,243
Impairment allowances	-	-	-	-	-	-	-	-	(1,103,523)	(1,103,523)
Fixed assets	-	-	-	-	-	-	-	-	23,280	23,280
Total assets	956,362	22,438,396	10,945,910	1,427,226	952,915	878,848	490,183	-	250,854	38,340,694
Liabilities:										
Deposits and balances of bank and other financial institutions (except those included in amount due to overseas offices of the institution)	-	1,705,916	-	-	-	-	-	-	-	1,705,916
Deposit from customers	928,845	-	18,496	5,414	14,613	-	-	-	-	967,368
Amount due to overseas office of the institution	676	24,670,962	8,311,692	321,605	781,320	878,848	490,183	-	-	35,455,286
Accrued interest payable	-	4,900	14,017	-	30	-	-	-	-	19,037
Unrealized losses on derivative instruments	-	69,191	15,787	2,945	25,625	-	-	-	-	113,548
Provisions and other	411,255	396,253	1,238	-	43,582	-	-	-	(772,789)	79,539
Total Liabilities	1,340,776	26,847,312	8,361,230	329,964	865,170	878,848	490,183	-	(772,789)	38,340,694
Off-balance sheet exposures – claims										
Forward forward deposits taken	-	2,422,264	-	-	-	-	-	-	-	2,422,264
Other claims	-	2,454,965	1,112,811	-	-	-	-	-	-	3,567,776
Total off-balance sheet exposures – claims	-	4,877,229	1,112,811	-	-	-	-	-	-	5,990,040
Off-balance sheet exposures – obligations										
Direct credit substitutes	-	-	-	-	-	-	-	-	-	-
Transaction-related contingencies	-	-	-	-	-	-	-	-	8,001	8,001
Trade-related contingencies	-	33,304	89,257	2,719,845	-	-	-	-	-	2,842,406
Forward asset purchases	-	-	-	-	-	-	-	-	-	-
Forward forward deposits placed	-	3,567,115	-	-	-	-	-	-	-	3,567,115
Other commitments	11,253,720	-	-	-	-	-	-	-	-	11,253,720
Other obligations	-	1,550,104	871,488	-	-	-	-	-	-	2,421,592
Total off-balance sheet exposures – obligations	11,253,720	5,150,523	960,745	2,719,845	-	-	-	-	8,001	20,092,834
Net Liquidity Gap	(11,638,134)	(4,682,210)	2,736,746	(1,622,583)	87,745	-	-	-	1,015,642	(14,102,794)

Disclosure on Remuneration

Pursuant to section 3 of Supervisory Policy Manual (CG-5) Guideline on a Sound Remuneration System issued by the HKMA, ABN AMRO Bank N.V. HK complies with the requirements and has adopted the remuneration systems of ABN AMRO Group.

ABN AMRO Group N.V.

Section B – Consolidated bank information (Euro million)

	31-Dec-20	30-Jun-20
Capital and capital adequacy		
Total Common Equity Tier 1 (CET1) capital	19,548	19,355
Total Tier 1 capital	21,530	22,330
Total regulatory capital	26,195	27,493
CET1 ratio	17.70%	17.30%
CET1 (Basel IV) ratio	15.00%	14.00%
Tier 1 ratio	19.50%	19.90%
Total capital ratio	23.70%	24.50%
Shareholders' fund	31-Dec-20	30-Jun-20
Total Shareholders' fund	20,989	21,602
Other financial information	31-Dec-20	30-Jun-20
Total assets	395,623	424,733
of which total advance to customers	252,159	266,694
Total liabilities	374,634	403,131
of which total customers deposits	238,570	245,691
Total risk-weighted assets (risk exposure amount)	110,481	112,057
	For the twelve months ended	
	31-Dec-20	31-Dec-19
Profit before taxation	356	2,680

This is to confirm that the information in these disclosure statements for the year ended 31 December 2020 complies with the Banking (Disclosure) Rules and the additional guidance that aims to assist Authorised Institutions with their preparation of the financial disclosures in accordance with the requirements of the Rules and is not false or misleading in any material respect.

Hong Kong, 28 April 2021

Eugene Ganchev

Chief Executive,
ABN AMRO Bank N.V. Hong Kong Branch

Cheryl Ho

Head of Finance,
ABN AMRO Bank N.V. Hong Kong Branch