

TAIWAN SHIN KONG COMMERCIAL BANK CO., LIMITED  
HONG KONG BRANCH

Key Financial Information Disclosure Statements  
For The Year Ended 31 December 2020

CERTIFIED TRUE COPY

For and on behalf of  
TAIWAN SHIN KONG COMMERCIAL BANK CO., LTD.  
Hong Kong Branch

  
Authorized Signature(s)

**TAIWAN SHIN KONG COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH**

**Key Financial Information Disclosure Statements  
For The Year Ended 31 December 2020**

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**TAIWAN SHIN KONG COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH**

**SECTION A - INFORMATION OF THE BRANCH <HONG KONG BRANCH ONLY>**

**I. PROFIT AND LOSS INFORMATION  
FOR THE YEAR ENDED 31 December 2020**

	Year Ended	
	31 December	31 December
	2020	2019
	HK\$'000	HK\$'000
<b>INTEREST INCOME</b>	152,420	219,013
<b>INTEREST EXPENSE</b>	(68,847)	(116,273)
	<u>83,573</u>	<u>102,740</u>
<b>OTHER OPERATING INCOME</b>		
Gains less losses arising from dealing in foreign currencies	6,362	1,544
Gains less losses arising from trading in interest rate derivatives	0	0
Net fees and commission income		
Income from fees and commission	6,331	11,453
Fees and commission expenses	(1,193)	(771)
Others		
Income from non-trading investments	10,616	8,691
Other Income	0	0
	<u>22,116</u>	<u>20,917</u>
<b>OPERATING EXPENSES</b>		
Staff expenses	(25,100)	(19,015)
Rental expenses	(9,266)	(5,832)
Other expenses	(8,909)	(9,185)
	<u>(43,275)</u>	<u>(34,032)</u>
<b>CHARGES FOR BAD AND DOUBTFUL DEBTS</b>		
Provision for bad and doubtful debts	(8,826)	(9,092)
Other provisions	(282)	(1,745)
	<u>(9,108)</u>	<u>(10,837)</u>
<b>PROFIT BEFORE TAXATION</b>	53,306	78,788
<b>TAXATION</b>	(11,046)	(12,419)
<b>PROFIT AFTER TAXATION</b>	<u>42,260</u>	<u>66,369</u>

**TAIWAN SHIN KONG COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH**

**SECTION A - INFORMATION OF THE BRANCH <HONG KONG BRANCH ONLY>**

**II. BALANCE SHEET INFORMATION  
FOR THE YEAR ENDED 31 December 2020**

	<u>31 December</u> <u>2020</u>	<u>30 June 2020</u>
	HK\$'000	HK\$'000
<b>ASSETS</b>		
Cash and balances with banks	459,200	1,159,622
Amount due from Exchange Fund	73,518	80,137
Placement with banks maturing between one and twelve months (except those included in amount due from overseas offices)	0	0
Amount due from overseas offices	75,000	10,000
Trade bills	7,659	4,446
Advances and other accounts	3,790,813	3,212,183
Advances to other banks	155,003	154,930
FVOCI securities	3,740,913	2,937,533
Amortised cost securities	77,272	232,156
Fixed & intangible assets	31,022	25,183
<b>Total assets</b>	<u>8,410,400</u>	<u>7,816,190</u>
<b>LIABILITIES</b>		
Deposits and balances of banks (except those included in amount due to overseas offices)	1,175,802	1,081,954
Deposits from customers		
Demand deposits and current accounts	23,560	24,074
Savings deposits	2,274,412	1,631,921
Time, call and notice deposits	4,015,602	3,538,155
Amount due to overseas offices	111,080	1,192,166
Amount payable under repos	561,472	158,820
Other accounts and provisions		
Other liabilities	65,393	65,838
Provision	51,839	45,126
<b>Total liabilities</b>	<u>8,279,160</u>	<u>7,738,054</u>
Capital and reserves	<u>131,240</u>	<u>78,136</u>
<b>Total equity and liabilities</b>	<u>8,410,400</u>	<u>7,816,190</u>

TAIWAN SHIN KONG COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH

SECTION A - INFORMATION OF THE BRANCH <HONG KONG BRANCH ONLY>

III. ADDITIONAL BALANCE SHEET INFORMATION  
FOR THE YEAR ENDED 31 December 2020

ADVANCES AND OTHER ACCOUNTS

	<u>31 December 2020</u>	<u>30 June 2020</u>
	HK\$'000	HK\$'000
A. Trade bills	7,659	4,446
Less: Collective Impairment allowance	(77)	(44)
Trade bills less collective impairment allowance	<u>7,582</u>	<u>4,402</u>
B. Advances to customers	3,751,271	3,166,636
Advances to banks	155,003	154,930
Accrued interest and other accounts		
Accrued interest	15,036	23,160
Other accounts	24,506	22,387
Total	<u>3,945,816</u>	<u>3,367,113</u>
Less: Impairment allowance on Advances to customers		
Collective impairment allowance	(47,030)	(43,532)
Individual impairment allowance	0	0
Advances to banks		
Collective impairment allowance	(1,550)	(1,550)
Individual impairment allowance	0	0
Accrued interest		
Collective impairment allowance	0	0
Individual impairment allowance	0	0
Other accounts		
Collective impairment allowance	0	0
Individual impairment allowance	0	0
Total	<u>(48,580)</u>	<u>(45,082)</u>
Advances and other accounts less impairment allowance	<u>3,897,236</u>	<u>3,322,031</u>
C. Details of the impaired advances to customers		
	<u>31 December 2020</u>	<u>30 June 2020</u>
	HK\$'000	HK\$'000
Impaired loans which are individually determined to be impaired advances to customers	<u>0</u>	<u>0</u>
Individuals assessed allowance made in respect of impaired advances to customers	<u>0</u>	<u>0</u>
As a percentage of total advances to customers	<u>0.00%</u>	<u>0.00%</u>

Note: As at 31 Dec 2020 and 30 Jun 2020, there is no collateral held in respect of impaired advances to customers.

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SECTION A - INFORMATION OF THE BRANCH <HONG KONG BRANCH ONLY>

III. ADDITIONAL BALANCE SHEET INFORMATION  
FOR THE YEAR ENDED 31 December 2020

ADVANCES AND OTHER ACCOUNTS-continued

C. Overdue and rescheduled advances to customers

	31 December 2020		30 June 2020	
	HK\$'000	%	HK\$'000	%
a. Advances to customers overdue for				
more than 1 month and up to 3 months	0	0.00%	0	0.00%
more than 3 months and up to 6 months	0	0.00%	0	0.00%
more than 6 months and up to 1 year	0	0.00%	0	0.00%
more than 1 year	0	0.00%	0	0.05%
	<u>0</u>	<u>0.00%</u>	<u>0</u>	<u>0.05%</u>
b. Individual impairment allowance on advances to customers overdue for				
more than 1 month and up to 3 months	0		0	
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	
	<u>0</u>		<u>0</u>	
c. Value of collateral held against the overdue loans	<u>N/A</u>		<u>N/A</u>	
d. Rescheduled advances to customers	<u>0</u>	<u>0.00%</u>	<u>0</u>	<u>0.00%</u>

D. Natures of other accounts

	31 December 2020	30 June 2020
	HK\$'000	HK\$'000
Other accounts receivable	127	0
Prepaid expenses	2,804	4,635
Prepaid Tax	13,528	11,305
Prepaid guarantee deposits	3,099	3,094
Revaluation-forward fx/swap/option	4,948	3,353
	<u>24,506</u>	<u>22,387</u>

E. Analysis of other assets which have been overdue

	31 December 2020	30 June 2020
	HK\$'000	HK\$'000
Other assets overdue for more than 3 months	<u>0</u>	<u>0</u>
As a percentage of total assets	<u>0.00%</u>	<u>0.00%</u>

F. Repossessed assets

The Hong Kong Branch did not have any repossessed assets at the corresponding year / period end dates.

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IV. OFF-BALANCE SHEET EXPOSURES  
FOR THE YEAR ENDED 31 December 2020

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

	<u>31 December</u> 2020 HK\$'000	<u>30 June 2020</u> HK\$'000
Contingent liabilities and commitments		
Direct credit contingencies	11,628	11,626
Trade-related contingencies	36,856	34,982
Forward forward deposit placed	0	55,000
Other commitments	2,137,809	2,767,514
	<u>2,186,293</u>	<u>2,869,122</u>
	<u>31 December</u> 2020 HK\$'000	<u>30 June 2020</u> HK\$'000
Derivatives		
Exchange rate contracts	2,068,489	1,255,198
Interest rate contracts	0	0
	<u>2,068,489</u>	<u>1,255,198</u>
	<u>31 December</u> 2020 HK\$'000	<u>30 June 2020</u> HK\$'000
Fair value of derivatives (of the above derivatives)		
Exchange rate contracts:		
-Positive replacement cost	4,935	3,353
Interest rate contracts:		
-Positive replacement cost	0	0
	<u>4,935</u>	<u>3,353</u>

For contingent liabilities, commitments and derivatives, they refer to the contractual amounts at risks should the contracts be fully drawn upon and the clients do not repay accordingly. The fair value represents the costs of replacing all contracts which have a positive value in the market. They do not take into account the effects of bilateral netting arrangements.

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V. SEGMENTAL INFORMATION  
FOR THE YEAR ENDED 31 December 2020

1. GROSS ADVANCES TO CUSTOMERS BY INDUSTRY SECTORS

	<u>31 December 2020</u>		<u>30 June 2020</u>	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		Amounts of Loan and advances covered by collateral		Amounts of Loan and advances covered by collateral
<b>A. Loans for use in Hong Kong</b>				
<b>a. Industrial, commercial and financial</b>				
Property development	0	0	0	0
Property investment	0	0	0	0
Financial concerns	165,310	0	243,719	0
Stockbrokers	1,471,945	0	594,924	0
Wholesale and retail trade	13,150	13,150	94,917	11,600
Manufacturing	38,352	18,900	71,952	18,900
Transport and transport equipment	7,752	0	97,655	0
Recreational activities	0	0	0	0
Information technology	39,662	0	39,592	0
Others	83,533	0	83,473	0
<b>b. Individuals</b>				
Loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme or their respective successor schemes	0	0	0	0
loans for the purchase of other residential properties	0	0	0	0
Credit card advances	0	0	0	0
Others	10,996	10,996	11,125	11,125
<b>c. All others</b>	0	0	0	0
<b>B. Trade finance</b>	57,444	33,045	110,634	36,057
<b>C. Loan for use outside Hong Kong</b>	1,863,127	350,708	1,818,645	270,177
<b>Total</b>	<u>3,751,271</u>	<u>426,799</u>	<u>3,166,636</u>	<u>347,859</u>

2A. GROSS ADVANCES TO CUSTOMERS BY COUNTRIES OR GEOGRAPHICAL AREAS

	<u>31 December</u>	<u>30 June 2020</u>
	<u>2020</u>	
	HK\$'000	HK\$'000
Hong Kong	2,570,263	2,004,185
Others	717,030	766,361
China	463,978	396,090
<b>Total</b>	<u>3,751,271</u>	<u>3,166,636</u>

2B. OVERDUE AND IMPAIRED LOANS BY COUNTRIES OR GEOGRAPHICAL AREAS

	<u>31 December</u>	<u>30 June 2020</u>
	<u>2020</u>	
	HK\$'000	HK\$'000
<b>Overdue loans and advances to customers</b>		
Taiwan	0	0
Hong Kong	0	0
China	0	0
	<u>0</u>	<u>0</u>
<b>Impaired loan and advances to customer</b>		
Taiwan	0	0
Hong Kong	0	0
China	0	0
	<u>0</u>	<u>0</u>

The above analysis has been classified according to categories and definitions used by the Hong Kong Monetary Authority. Only exposures to a single country outside Hong Kong exceeding 10% of the aggregate gross amount of advances to customer as at the above respective reporting dates are disclosed.



TAIWAN SHIN KONG COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH

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V. SEGMENTAL INFORMATION  
FOR THE YEAR ENDED 31 December 2020

3. INTERNATIONAL CLAIMS

The following tables analyze the international claims by countries or geographical areas and types of counterparties. Countries or geographical areas are based upon the location of counterparties after taking into account the transfer of country risk. They are prepared in accordance with the HKMA return of "International Banking Statistics" completion instructions. Countries or geographical areas constituting 10% or more of the total cross-border claims are disclosed.

As at 31 December 2020	Banks	Official Sectors	Non-bank Financial Institutions	Non-financial Private Sectors	Total
	HK\$ Mil	HK\$ Mil	HK\$ Mil	HK\$ Mil	HK\$ Mil
1. Developed countries	810	229	0	91	1,130
of which United States	289	229	0	0	518
France	381	0	0	0	381
Australia	40	0	0	91	131
2. Offshore Centres	127	74	385	448	1,034
of which Hong Kong	127	74	385	390	976
3. Developing Europe	0	0	0	0	0
4. Developing Latin America and Caribbean	156	0	0	77	233
of which Chile	156	0	0	0	156
Virgin Island	0	0	0	77	77
5. Developing Africa and Middle East	482	256	477	248	1,463
of which United Arab Emirates	482	0	169	0	651
Saudi Arabia	0	256	0	248	504
Qatar	0	0	308	0	308
6. Developing Asia-Pacific	1,437	93	1,981	849	4,360
of which China	649	0	1,256	295	2,200
Taiwan	75	0	613	419	1,107
7. International Organisations	0	0	134	0	134
8. Unallocated by country	0	0	0	0	0
	<u>3,012</u>	<u>652</u>	<u>2,977</u>	<u>1,713</u>	<u>8,354</u>

As at 30 June 2020	Banks	Official Sectors	Non-bank Financial Institutions	Non-financial Private Sectors	Total
	HK\$ Mil	HK\$ Mil	HK\$ Mil	HK\$ Mil	HK\$ Mil
1. Developed countries	943	156	39	81	1,219
of which France	453	0	0	0	453
United States	236	156	0	0	392
Australia	173	0	0	81	254
2. Offshore Centres	319	80	289	361	1,049
of which Hong Kong	319	80	289	296	984
3. Developing Europe	0	0	0	0	0
4. Developing Latin America and Caribbean	149	0	0	0	149
of which Chile	149	0	0	0	149
5. Developing Africa and Middle East	389	0	300	0	689
of which United Arab Emirates	389	0	149	0	538
Qatar	0	0	151	0	151
6. Developing Asia-Pacific	2,048	92	1,386	1,062	4,588
of which China	650	0	930	592	2,172
Taiwan	689	0	224	354	1,267
7. International Organisations	0	0	78	0	78
8. Unallocated by country	0	0	0	0	0
	<u>3,848</u>	<u>328</u>	<u>2,092</u>	<u>1,504</u>	<u>7,772</u>

TAIWAN SHIN KONG COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH

SECTION A - INFORMATION OF THE BRANCH <HONG KONG BRANCH ONLY>

V. SEGMENTAL INFORMATION

FOR THE YEAR ENDED 31 December 2020

4. NON-BANK MAINLAND CHINA EXPOSURE

The categories of non-bank Mainland China exposure has been reclassified according to the new prudential reporting requirement. The categories of non-bank counterparties and the type of direct exposures refer to the Completion Instructions for the Return of Mainland Activities.

<u>Types of counterparties</u>	<u>On-balance sheet exposure</u>	<u>Off-balance sheet exposure</u>	<u>Total</u>
	HK\$ Mil	HK\$ Mil	HK\$ Mil
<u>As at 31 December 2020</u>			
1 Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	1,143	12	1,155
2 Local government, local government-owned entities and their subsidiaries and joint ventures (JVs)	294	0	294
3 PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	121	0	121
4 Other entities of central government not reported in item 1 above	196	0	196
5 Other entities of local government not reported in item 2 above	0	0	0
6 PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where credit is granted for used in Mainland China	248	25	273
7 Other counterparties where the exposures are considered to be non-bank Mainland China exposures	0	0	0
Total	<u>2,002</u>	<u>37</u>	<u>2,039</u>
Total assets after provision	<u>8,359</u>		
On-balance exposures as percentage of total assets	<u>23.96%</u>		
<u>As at 30 June 2020</u>			
1 Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	1,036	3	1,039
2 Local government, local government-owned entities and their subsidiaries and joint ventures (JVs)	195	0	195
3 PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	101	77	178
4 Other entities of central government not reported in item 1 above	178	0	178
5 Other entities of local government not reported in item 2 above	0	0	0
6 PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where credit is granted for used in Mainland China	303	6	309
7 Other counterparties where the exposures are considered to be non-bank Mainland China exposures	0	0	0
Total	<u>1,813</u>	<u>86</u>	<u>1,899</u>
Total assets after provision	<u>7,771</u>		
On-balance exposures as percentage of total assets	<u>23.33%</u>		

**TAIWAN SHIN KONG COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH**

**SECTION A - INFORMATION OF THE BRANCH <HONG KONG BRANCH ONLY>**

**VI. CURRENCY RISK**

**FOR THE YEAR ENDED 31 December 2020**

**5. FOREIGN CURRENCY EXPOSURES**

The foreign currency exposures are prepared in accordance with the H.K.M.A. return of completion "Foreign Currency Position" completion instructions. The net position (regardless of sign) for each foreign currency which constitutes 10% or more of the total net position in all foreign currencies are disclosed.

<u>As at 31 December 2020</u>	<u>USD</u>	<u>CNY</u>	<u>AUD</u>	<u>Others</u>	<u>Total</u>
	HK\$ Mil	HK\$ Mil	HK\$ Mil	HK\$ Mil	HK\$ Mil
Spot assets	5,860	209	92	35	6,196
Spot Liabilities	(4,908)	(835)	(91)	(52)	(5,886)
Forward purchases	519	1,029	0	17	1,565
Forward sales	(1,543)	(404)	0	0	(1,947)
Net option position	0	0	0	0	0
Net long / (short) position	<u>(72)</u>	<u>(1)</u>	<u>1</u>	<u>0</u>	<u>(72)</u>

<u>As at 30 June 2020</u>	<u>USD</u>	<u>CNY</u>	<u>GBP</u>	<u>Others</u>	<u>Total</u>
	HK\$ Mil	HK\$ Mil	HK\$ Mil	HK\$ Mil	HK\$ Mil
Spot assets	5,658	703	4	127	6,492
Spot Liabilities	(5,691)	(726)	(4)	(124)	(6,545)
Forward purchases	557	596	48	55	1,256
Forward sales	(626)	(572)	0	(57)	(1,255)
Net option position	0	0	0	0	0
Net long / (short) position	<u>(102)</u>	<u>1</u>	<u>48</u>	<u>1</u>	<u>(52)</u>

The net options positions were calculated by using the "model user" method as at the above respective reporting dates.

There were no foreign currency structural positions as at the above respective reporting dates.

## TAIWAN SHIN KONG COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH

### SECTION A - INFORMATION OF THE BRANCH <HONG KONG BRANCH ONLY>

#### VII. LIQUIDITY

##### FOR THE YEAR ENDED 31 December 2020

##### Average liquidity maintenance ratio

	<u>For the 4th</u> <u>Quarter ended</u> <u>2020</u> %	<u>For the 4th</u> <u>Quarter ended</u> <u>2019</u> %
Average liquidity maintenance ratio for the quarter ended	<u>80.07%</u> Oct-Dec 2020	<u>73.43%</u> Oct-Dec 2019

The branch's average liquidity maintenance ratio for the quarter ended is calculated in accordance with the Banking (liquidity) Rules effective from 1 January 2015. The average LMR is the arithmetic mean of each calendar month's average LMR. The 2020 4th quarter & 2019 4th quarter ratio is based on three months average.

##### Liquidity Risk Management

The liquidity maintenance ratio ("LMR") is prepared by Accounting Department on a daily basis and a daily report is submitted to branch management and Treasury Department for monitoring purpose. Treasury Department is performed the liquidity maintenance ratio projection on a daily basis and Risk Management Department is performed the liquidity stress test quarterly.

##### Funding and Liquidity Cushion

Treasury is responsible for managing the funding of the branch which include interbank market funding and placement, customer deposits, etc. and Head Office support when necessary. The branch is maintained the liquidity cushion by holding high quality marketable securities issued or guaranteed by sovereigns and banks. Composition consists of U.S. Treasury Bond and NDIs issued by International Banks.

##### Liquidity risk mitigation techniques

The Branch has set up early warning indicators and tolerance limits for identifying, monitoring and mitigating liquidity risk. The Branch can obtain funding from the market by means of money market funding or selling bonds to raise cash quickly to meet short-term liquidity needs. If necessary, the Branch would activate the Contingency Funding plan to recover from liquidity shortage. Mitigation options in the Contingency Funding Plan and the liquidity risk management framework are facilitated to ease the Branch from stress and recover to the usual business position.

##### Concentration limits on source of funding

The funding position of the Branch as at 31 December 2020 is as follows:

Significant funding instruments	Total amount in HK\$'000	As % of total liabilities
Deposit from retail customers	1,673,547	20.02%
Deposit from other non-bank customers	4,648,806	55.62%
Funding raised from banks	1,737,924	20.79%
Funding raised from the Head Office	111,080	1.33%

##### Governance

Liquidity risk management of Taiwan Shin Kong Commercial Bank, Hong Kong Branch ("The Branch") is governed by policies as established by the Board of Directors of the Head Office. The Branch has established an Asset and Liability Committee ("ALCO"), which is responsible for the management of liquidity and funding risk of the Branch, ensuring that it is managed within the approved policies and procedures, risk tolerance and limits, and complies with regulatory requirements. ALCO members comprise Branch senior management, head of compliance, risk management, treasury, business and support functions

The Branch's qualitative liquidity risk tolerance is to maintain a balanced asset and liability structure to ensure that it is capable of sustaining business growth while meeting various obligations under normal and certain stressed scenarios. Internal liquidity reporting is compiled and monitored on a regular basis for various level of the governance.

The Branch maintains diverse funding sources, including customer deposits, interbank money market, repo facilities and funding support from the Head Office. Controls and measures are in place to avoid over-reliance on interbank funding and intra-group funding.

Liquidity stress testing covers general market, institution-specific and combined stress scenarios and the results are reviewed on a quarterly basis at ALCO meeting to identify the Branch's potential vulnerabilities and its capacity to withstand stressed circumstances.

The Branch's contingency funding plan makes use of both qualitative and quantitative early warning indicators on different internal and external factors. Any early signs of significant impact on the Branch's liquidity position will be discussed in ALCO. Testing on the plan is conducted on an annual basis and the plan is also subject to regular review by ALCO.

VII Liquidity (cont'd)

Analysis of On/Off Balance Sheet by remaining maturity

31 December 2020

HK\$'000	Total	1 month or less	Over 1 month to 3 months	Over 3 months to 1 year	Over 1 year to 5 year	Over 5 year	Undated or overdue
<b>ASSETS</b>							
Cash and balances with banks	459,200	459,200	0	0	0	0	0
Amount due from Exchange Fund	73,518	73,518	0	0	0	0	0
Placement with banks maturing between one and twelve months (except those included in amount due from overseas offices)	0	0	0	0	0	0	0
Amount due from overseas offices	75,000	0	75,000	0	0	0	0
Trade bills	7,659	1,295	6,364	0	0	0	0
Advances and other accounts	3,790,813	1,551,742	587,092	899,954	651,945	91,997	8,083
Advances to other banks	155,003	0	0	155,003	0	0	0
FVOCI securities	3,740,913	0	0	186,745	2,874,090	680,078	0
Amortised cost securities	77,272	0	0	0	77,272	0	0
Fixed & intangible assets	31,022	0	0	0	0	0	31,022
<b>Total assets</b>	<b>8,410,400</b>	<b>2,085,755</b>	<b>668,456</b>	<b>1,241,702</b>	<b>3,603,307</b>	<b>772,075</b>	<b>39,105</b>
<b>LIABILITIES</b>							
Deposits and balances of banks (except those included in amount due to overseas offices)	1,175,802	1,051,768	124,034	0	0	0	0
Deposits from customers	6,313,574	2,830,924	1,916,710	1,565,940	0	0	0
Amount due to overseas offices	111,080	33,080	0	0	0	0	78,000
Amount payable under repos	561,472	0	561,472	0	0	0	0
Other liabilities	117,232	26,143	5,779	31,802	0	0	53,508
Capital and reserves	131,240	0	0	0	0	0	131,240
<b>Total equity and liabilities</b>	<b>8,410,400</b>	<b>3,941,915</b>	<b>2,607,995</b>	<b>1,597,742</b>	<b>0</b>	<b>0</b>	<b>262,748</b>
<b>Net Gap</b>	<b>0</b>	<b>(1,856,160)</b>	<b>(1,939,539)</b>	<b>(356,040)</b>	<b>3,603,307</b>	<b>772,075</b>	<b>(223,643)</b>
<b>Off Balance Sheet Exposures</b>							
Contingent liabilities	48,484	4,138	32,718	11,628	0	0	0
Irrevocable commitments	203,510	203,510	0	0	0	0	0
Forward forward deposits placed	0	0	0	0	0	0	0
<b>Total</b>	<b>251,994</b>	<b>207,648</b>	<b>32,718</b>	<b>11,628</b>	<b>0</b>	<b>0</b>	<b>0</b>

30 June 2020

HK\$'000	Total	1 month or less	Over 1 month to 3 months	Over 3 months to 1 year	Over 1 year to 5 year	Over 5 year	Undated or overdue
<b>ASSETS</b>							
Cash and balances with banks	1,159,622	1,159,622	0	0	0	0	0
Amount due from Exchange Fund	80,137	80,137	0	0	0	0	0
Placement with banks maturing between one and twelve months (except those included in amount due from overseas offices)	0	0	0	0	0	0	0
Amount due from overseas offices	10,000	10,000	0	0	0	0	0
Trade bills	4,446	4,446	0	0	0	0	0
Advances and other accounts	3,212,183	1,236,239	205,193	604,657	1,060,917	97,379	7,798
Advances to other banks	154,930	0	0	77,504	77,426	0	0
FVOCI securities	2,937,533	54,309	0	39,033	2,444,536	399,655	0
Amortised cost securities	232,156	0	0	77,475	77,199	77,482	0
Fixed & intangible assets	25,183	0	0	0	0	0	25,183
<b>Total assets</b>	<b>7,816,190</b>	<b>2,544,753</b>	<b>205,193</b>	<b>798,669</b>	<b>3,660,078</b>	<b>574,516</b>	<b>32,981</b>
<b>LIABILITIES</b>							
Deposits and balances of banks (except those included in amount due to overseas offices)	1,081,954	384,418	697,536	0	0	0	0
Deposits from customers	5,194,150	2,459,879	1,481,136	1,253,135	0	0	0
Amount due to overseas offices	1,192,166	494,134	620,032	0	0	0	78,000
Amount payable under repos	158,820	0	158,820	0	0	0	0
Other liabilities	110,964	7,774	8,121	22,215	24,191	0	48,663
Capital and reserves	78,136	0	0	0	0	0	78,136
<b>Total equity and liabilities</b>	<b>7,816,190</b>	<b>3,346,205</b>	<b>2,965,645</b>	<b>1,275,350</b>	<b>24,191</b>	<b>0</b>	<b>204,799</b>
<b>Net Gap</b>	<b>0</b>	<b>(801,452)</b>	<b>(2,760,452)</b>	<b>(476,681)</b>	<b>3,635,887</b>	<b>574,516</b>	<b>(171,818)</b>
<b>Off Balance Sheet Exposures</b>							
Contingent liabilities	46,608	16,718	29,890	0	0	0	0
Irrevocable commitments	323,899	323,899	0	0	0	0	0
Forward forward deposits placed	55,000	55,000	0	0	0	0	0
<b>Total</b>	<b>425,507</b>	<b>395,617</b>	<b>29,890</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

VIII. REMUNERATION SYSTEM

FOR THE YEAR ENDED 31 December 2020

The relevant remuneration information about Taiwan Shin Kong Commercial Bank is disclosed under the "Annual Report, Chinese edition, Chapter III - Corporate governance", released by the head office

**TAIWAN SHIN KONG COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH**

**SECTION B. - INFORMATION OF THE BANK <CONSOLIDATED BASIS>**

**I. CAPITAL AND CAPITAL ADEQUACY  
FOR THE YEAR ENDED 31 December 2020**

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	<u>31 December 2020</u> %	<u>30 June 2020</u> %
A. Capital adequacy ratio	<u>16.87%</u>	<u>14.18%</u>

The capital adequacy ratio is equal to the ratio of a bank's the regulatory capital to its total risk-weighted assets. The computation of capital adequacy ratio is based on the "Basel Capital Accord" in line with the risk-weighted approach proposed by the Bank for International Settlements and the ratio has included all market risk factors.

	<u>31 December 2020</u> NT\$'000	<u>30 June 2020</u> NT\$'000
B. Aggregate amount of shareholders' funds	<u>69,695,859</u>	<u>67,333,526</u>

TAIWAN SHIN KONG COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH

SECTION B. - INFORMATION OF THE BANK <CONSOLIDATED BASIS>

II. OTHER FINANCIAL INFORMATION  
FOR THE YEAR ENDED 31 December 2020

	<u>31 December 2020</u> NT\$'000	<u>30 June 2020</u> NT\$'000
Total Assets	<u>1,040,246,727</u>	<u>996,889,015</u>
Total Liabilities	<u>970,550,868</u>	<u>929,555,489</u>
Total advances	<u>652,822,625</u>	<u>623,143,351</u>
Total customers deposit	<u>910,086,469</u>	<u>861,331,429</u>
	<u>1 January 2020</u> to <u>31 December 2020</u> NT\$'000	<u>1 January 2019</u> to <u>31 December 2019</u> NT\$'000
Profit before taxation	<u>6,668,497</u>	<u>6,688,213</u>

## Declaration

According to the requirement of the Hong Kong Monetary Authority on Key Financial Information Disclosure Statements of Authorized Institutions incorporated outside Hong Kong, we have pleasure in presenting the Key Financial Information Disclosure Statements of Taiwan Shin Kong Commercial Bank Co., Limited - Hong Kong Branch for the year ended 31 December 2020. We confirm that the information contained therein complies, in all material respects, with the Banking (Disclosure) Rules and 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.



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Chief Executive

Taiwan Shin Kong Commercial Bank Co., Limited  
Hong Kong Branch

29 April 2021

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Date