

**YUANTA COMMERCIAL BANK CO., LIMITED  
HONG KONG BRANCH**

**Key Financial Information Disclosure Statement  
For the Year Ended 31 December 2021**

# YUANTA COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH

## Key Financial Information Disclosure Statement For the Year Ended 31 December 2021

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## YUANTA COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH

### Section A - Information of the Branch <Hong Kong Branch Only>

#### I. Income Statement

For the Year Ended 31 December 2021

	For the year ended	
	31 December 2021 HK\$'000	31 December 2020 HK\$'000
<b>Interest Income</b>	44,139	75,876
<b>Interest Expense</b>	(5,661)	(30,645)
<b>Net Interest Income</b>	<u>38,478</u>	<u>45,231</u>
<b>Other Operating Income</b>		
Gains less losses arising from trading in foreign currencies	3,081	1,197
Gains less losses from other trading activities	0	0
Net fees and commission income		
Income from fees and commissions	1,177	2,364
Fees and commission expenses	(776)	(466)
Others	3,112	998
	<u>6,594</u>	<u>4,093</u>
<b>Operating Expenses</b>		
Staff expenses	(18,730)	(20,121)
Rental expenses	(5,463)	(10,960)
Other expenses	(10,905)	(10,182)
	<u>(35,098)</u>	<u>(41,263)</u>
<b>Charges for Bad and Doubtful Debts</b>		
Provision for bad and doubtful debts	14,560	(80,172)
Other provisions:		
Provision of accrued interest	18	36
Provision for account receivables	236	(102)
	<u>14,814</u>	<u>(80,238)</u>
<b>Profit Before Taxation</b>	24,788	(72,177)
<b>Tax expense</b>	(1,129)	2,683
<b>Profit After Taxation</b>	<u>23,659</u>	<u>(69,494)</u>

## YUANTA COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH

### Section A - Information of the Branch <Hong Kong Branch Only>

#### II. Balance Sheet

As At 31 December 2021

	31 December 2021 HK\$'000	30 June 2021 HK\$'000
<b>ASSETS</b>		
Cash and balances with banks	612,220	583,809
Amount due from Exchange Fund	10,504	6,765
Amount due from overseas offices	546,042	15,430
Trade bills	0	0
Loans and receivables	574,368	1,002,805
Investment debt securities	2,833,288	1,840,679
Tangible fixed assets	10,929	14,678
<b>Total Assets</b>	<b>4,587,351</b>	<b>3,464,166</b>
<b>LIABILITIES</b>		
Deposits and balances from banks	1,581,222	854,156
Deposits from customers	1,815,830	2,146,709
Demand deposits and current accounts	8,952	16,531
Savings deposits	653,635	713,728
Time, call and notice deposits	1,153,243	1,416,450
Amount due to overseas offices	1,176,059	388,253
Other liabilities and provisions	16,936	56,533
<b>Total Liabilities</b>	<b>4,590,047</b>	<b>3,445,651</b>
Reserves	(26,355)	7,314
Current profit & loss	23,659	11,201
	(2,696)	18,515
<b>Total Equity and Liabilities</b>	<b>4,587,351</b>	<b>3,464,166</b>

**YUANTA COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH**

**Section A - Information of the Branch <Hong Kong Branch Only>**

**III. Additional Balance Sheet Information**

	31 December 2021 HK\$'000	30 June 2021 HK\$'000
<b>A. Trade bills</b>		
Trade bills	0	0
General provisions	0	0
Specific provisions	0	0
Total	<u>0</u>	<u>0</u>
<b>B. Loans and receivables</b>		
Loans and advances to customers	556,620	954,666
Other accounts		
Accrued interest	9,419	5,494
Others	15,686	55,922
Total	<u>581,725</u>	<u>1,016,082</u>
Less: Provisions for bad and doubtful debts on		
Loans and advances to customers		
General provisions	(7,269)	(13,163)
Specific provisions	0	0
Accrued interest		
General provisions	(45)	(13)
Specific provisions	0	0
Other accounts		
General provisions	(43)	(101)
Specific provisions	0	0
Total	<u>(7,357)</u>	<u>(13,277)</u>
<b>Loans and receivables after provisions for bad and doubtful debts</b>	<u>574,368</u>	<u>1,002,805</u>
<b>C. Percentage of total provisions against gross loans and advances to customers</b>		
General provisions	1.31%	1.38%
Specific provisions	0.00%	0.00%
	<u>1.31%</u>	<u>1.38%</u>

**D. Loans and advances to banks**

There were no loans and advances to banks at the respective reporting dates.

## Section A - Information of the Branch &lt;Hong Kong Branch Only&gt;

## III. Additional Balance Sheet Information

## E. Overdue and rescheduled assets to customers

	<u>31 December 2021</u>		<u>30 June 2021</u>	
	HK\$'000	%	HK\$'000	%
a. Gross amount of loans and advances to customers which have been overdue for				
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	0	0.00%	0	0.00%
	<u>0</u>	<u>0.00%</u>	<u>0</u>	<u>0.00%</u>
b. Specific provision on loans and advances to customers which have been overdue for				
more than 3 months but not more than 6 months	0		0	
more than 6 months but not more than one year	0		0	
more than one year	0		0	
	<u>0</u>		<u>0</u>	
c. Value of collateral held against the overdue loans and advances	<u>0</u>		<u>0</u>	
d. Rescheduled loans and advances to customers	<u>0</u>	0.00%	<u>0</u>	0.00%

## F. Overdue other assets

There were no overdue other assets at the respective reporting dates.

## G. Repossessed assets

There were no repossessed assets at the respective reporting dates.

## YUANTA COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH

### Section A - Information of the Branch <Hong Kong Branch Only>

#### IV. Off-Balance Sheet Exposures

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

	31 December 2021 HK\$'000	30 June 2021 HK\$'000
<b>Contingent liabilities and commitments</b>		
Direct credit substitutes	0	0
Trade-related contingencies	0	0
Other commitments	50,691	77,762
	<u>50,691</u>	<u>77,762</u>
	31 December 2021 HK\$'000	30 June 2021 HK\$'000
<b>Derivatives</b>		
Exchange rate contracts	0	1,020,443
Interest rate contracts	0	0
	<u>0</u>	<u>1,020,443</u>
	31 December 2021 HK\$'000	30 June 2021 HK\$'000
<b>Replacement costs of derivatives (of the above derivatives)</b>		
Exchange rate contracts	0	45
Interest rate contracts	0	0
	<u>0</u>	<u>45</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 replacement costs represent the costs 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.

YUANTA COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH

Section A - Information of the Branch <Hong Kong Branch Only>

V. Sector Information

1. Gross amount of loans and advances to customers by industry sector

	31 December 2021		30 June 2021	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	Gross Amount	Amounts of loans and advances covered by collateral	Gross Amount	Amounts of loans and advances covered by collateral
<b>A. Loans and advances for use in Hong Kong</b>				
a. Industrial, commercial and financial				
Property development	0	0	0	0
Property investment	0	0	0	0
Financial concerns	0	0	0	0
Stockbrokers	0	0	0	0
Wholesale and retail trade	0	0	0	0
Manufacturing	0	0	0	0
Transport and transport equipment	0	0	0	0
Recreational activities	0	0	0	0
Information technology	0	0	0	0
Others				
b. Individuals				
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	0	0	0	0
<b>B. Trade finance</b>	0	0	0	0
<b>C. Loan and advances for use outside Hong Kong</b>	556,620	1,579	954,666	0
<b>Total</b>	<u>556,620</u>	<u>1,579</u>	<u>954,666</u>	<u>0</u>

2. A. Gross amount of loans and advances to customers by major countries

	31 December	30 June
	2021	2021
	HK\$'000	HK\$'000
Hong Kong	233,957	349,427
Cayman Islands	98,784	81,533
Singapore	138,095	153,680
Others	85,784	370,026
<b>Total</b>	<u>556,620</u>	<u>954,666</u>

B. Overdue loans and advances to customers by major countries

	31 December	30 June
	2021	2021
	HK\$'000	HK\$'000
Hong Kong	0	0
Cayman Islands	0	0
Singapore	0	0
Others	0	0
<b>Total</b>	<u>0</u>	<u>0</u>

The above analysis has been classified according to categories and definitions used by the HKMA. Only exposures to a single country exceeding 10% of the aggregate gross amount of loans and advances to customers at the above respective reporting dates are disclosed.



YUANTA COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH

Section A - Information of the Branch <Hong Kong Branch Only>

V. Sector Information

3. International Claims

The following tables analyse the international claims by 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 completion instruction of [Return of International Banking Statistics MA(BS)21A] issued by HKMA. Countries or geographical areas constituting 10% or more of the total international claims are disclosed.

As at 31 December 2021	Non-bank Private Sector					Total HK\$ Million
	Banks HK\$ Million	Official Sector HK\$ Million	Non-bank		Others HK\$ Million	
			Financial Institutions HK\$ Million	Non-financial Private Sector HK\$ Million		
1. Developed countries	1,498	0	0	698	0	2,196
of which:						
Australia	642	0	0	0	0	642
Japan	182	0	0	275	0	457
United Kingdom	480	0	0	0	0	480
United States	124	0	0	423	0	547
2. Offshore centres	0	23	0	718	0	741
of which:						
Cayman Islands	0	0	0	99	0	99
Bermuda	0	0	0	216	0	216
Hong Kong	0	23	0	234	0	257
Singapore	0	0	0	161	0	161
3. Developing Europe	0	0	0	0	0	0
4. Developing Latin America and Caribbean	0	0	0	0	0	0
5. Developing Africa and Middle East	55	0	0	0	0	55
of which:						
United Arab Emirates	55	0	0	0	0	55
6. Developing Asia and Pacific	1,089	0	0	167	0	1,256
of which:						
Taiwan	549	0	0	0	0	549
South Korea	540	0	0	164	0	704
7. International organisations	0	324	0	0	0	324
8. Unallocated by country	0	0	0	0	0	0
<b>Total</b>	<b>2,642</b>	<b>347</b>	<b>0</b>	<b>1,583</b>	<b>0</b>	<b>4,572</b>

As at 30 June 2021	Non-bank Private Sector					Total HK\$ Million
	Banks HK\$ Million	Official Sector HK\$ Million	Non-bank		Others HK\$ Million	
			Financial Institutions HK\$ Million	Non-financial Private Sector HK\$ Million		
1. Developed countries	1,085	0	0	577	0	1,662
of which:						
Australia	388	0	0	0	0	388
United States	576	0	0	460	0	1,036
2. Offshore centres	0	15	0	955	0	970
of which:						
Cayman Islands	0	0	0	196	0	196
Bermuda	0	0	0	231	0	231
West Indies UK	0	0	0	221	0	221
Hong Kong	0	15	0	307	0	322
3. Developing Europe	0	0	0	0	0	0
4. Developing Latin America and Caribbean	0	0	0	0	0	0
5. Developing Africa and Middle East	55	0	0	0	0	55
of which:						
United Arab Emirates	55	0	0	0	0	55
6. Developing Asia and Pacific	0	0	0	438	0	438
of which:						
South Korea	312	0	0	110	0	422
Taiwan	0	0	0	0	0	0
7. International organisations	0	318	0	0	0	318
8. Unallocated by country	0	0	0	0	0	0
<b>Total</b>	<b>1,140</b>	<b>333</b>	<b>0</b>	<b>1,970</b>	<b>0</b>	<b>3,443</b>

YUANTA COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH

Section A - Information of the Branch <Hong Kong Branch Only>

V. Sector Information

4. Non-bank Mainland Exposures

The following is the Branch's Mainland exposures to non-bank counterparties. For the categories of non-bank counterparties and the type of direct exposures to be disclosed were made with reference to the completion instruction for Part 3 of the [Return of Mainland Activities - (MA(BS)20)] issued by HKMA.

Types of counterparties

As at 31 December 2021

	On-balance sheet exposures HK\$ Million	Off-balance sheet exposures HK\$ Million	Total HK\$ Million
1. Central government, central government-owned entities and their subsidiaries and joint ventures(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	242	12	254
7. Other counterparties where the exposures are considered to be non-bank Mainland China exposures	237	0	237
Total	<u>479</u>	<u>12</u>	<u>491</u>
Total assets after provisions	<u>4,587</u>		
On-balance sheet exposures as percentage of total assets	<u>10.44%</u>		

As at 30 June 2021

	On-balance sheet exposures HK\$ Million	Off-balance sheet exposures HK\$ Million	Total HK\$ Million
1. Central government, central government-owned entities and their subsidiaries and joint ventures(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	82	0	82
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	528	39	567
7. Other counterparties where the exposures are considered to be non-bank Mainland China exposures	268	0	268
Total	<u>878</u>	<u>39</u>	<u>917</u>
Total assets after provisions	<u>3,464</u>		
On-balance sheet exposures as percentage of total assets	<u>25.35%</u>		

## YUANTA COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH

### Section A - Information of the Branch <Hong Kong Branch Only>

#### VI. Currency Risk

##### 5. Foreign Currency Exposures

The foreign currency exposures are prepared in accordance with the the completion instruction [Return of Foreign Currency Position - (MA(BS)6)] issued by HKMA. The net position (in absolute terms) for each foreign currency which constitutes 10% or more of the total net position in all foreign currencies are disclosed.

As at 31 December 2021	USD	AUD	Others	Total
	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
Spot assets	3,145	321	918	4,384
Spot liabilities	(3,125)	(321)	(914)	(4,360)
Forward purchases	0	0	0	0
Forward sales	0	0	0	0
Net options position	0	0	0	0
Net long / (short) position	<u>20</u>	<u>0</u>	<u>4</u>	<u>24</u>

As at 30 June 2021	USD	AUD	Others	Total
	HK\$ Million	HK\$ Million	HK\$ Million	HK\$ Million
Spot assets	2,690	120	568	3,378
Spot liabilities	(2,775)	(53)	(81)	(2,909)
Forward purchases	613	0	19	632
Forward sales	(444)	(68)	(543)	(1,055)
Net options position	0	0	0	0
Net long / (short) position	<u>84</u>	<u>(1)</u>	<u>(37)</u>	<u>46</u>

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

**YUANTA COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH**

**Section A - Information of the Branch <Hong Kong Branch Only>**

**VII. Liquidity Information**

**A. Average liquidity maintenance ratio**

	31 December 2021	31 December 2020
	%	%
Average liquidity maintenance ratio (LMR) for the period	108.95%	88.91%
Calculation period	<Oct-Dec 2021>	<Oct-Dec 2020>

Liquidity Maintenance Ratio (LMR) is complied in accordance with the Banking (Liquidity) Rules issued by the HKMA. The average ratio is calculated based on the arithmetic mean of the average value of its liquidity position return for each calendar month during the reporting period. Quarterly average liquidity maintenance ratio should be disclosed.

**B. Liquidity Risk Management**

Pursuant to the disclosure requirement Part IID: Liquidity "Table LIQA: Liquidity Risk Management", the elements of the branch are as follows:

**1. Liquidity Risk Management Strategy**

The Branch follows the "Regulatory Framework for Supervision of Liquidity Risk" and "Sound Systems and Controls For Liquidity Risk Management" in the Supervisory Policy Manual issued by the Hong Kong Monetary Authority and the Liquidity Risk Management Procedures of the Branch to effectively manage liquidity risks. Besides, the Branch follows the Risk Appetite Statement to ensure the liquidity risk indicators falls within the acceptable range approved by the Board.

**2. Responsible Party for Liquidity Risk Management**

The Board is ultimately responsible for the management of liquidity risk. The branch manager acts as the chairman of the Assets and Liabilities Management Committee of the Branch ("ALCO"), which is mainly responsible for supervising the liquidity risk management. The risk management unit of the Branch is the independent party to monitor liquidity risk where the treasury, operations, deposit and loan business units are the execution party for liquidity risk management.

**3. Liquidity Risk Management Framework**

On a monthly basis, the ALCO reviews the reporting on establishment of identification, measurement, monitoring and management of liquidity risk, implemented the risk management principle, the monitoring result of risk indicators as well as the stress-testing of liquidity of funding and LMR in order to meet the regulatory requirements. To strengthen the ability to cope with sudden liquidity crisis, the Branch persistently enhances the internal controls procedures and to revise the contingency funding plan and recovery plan.

**4. Funding Gap Analysis For On And Off Balance Sheet Items**

31/12/2021	Total	Up to 1 month	1 month up to 3 months	3 months up to 6 months	6 months up to 1 year	over 1 year
On-balance sheet assets	4,576,097	4,018,658	78,599	6,427	-	472,413
Off-balance sheet assets	-	-	-	-	-	-
On-balance sheet liabilities	4,190,907	3,453,191	402,524	242,252	92,940	-
Off-balance sheet liabilities	50,691	-	-	38,993	11,698	-
Mismatch Gap		565,467	(323,925)	(274,818)	(104,638)	472,413
Cumulative Gap		565,467	241,542	(33,276)	(137,914)	334,499
						HK\$'000
30/6/2021	Total	Up to 1 month	1 month up to 3 months	3 months up to 6 months	6 months up to 1 year	over 1 year
On-balance sheet assets	3,415,214	2,451,494	152,102	266,772	42,708	502,138
Off-balance sheet assets	1,020,443	1,020,443	-	-	-	-
On-balance sheet liabilities	3,045,094	2,004,111	695,872	297,810	47,301	-
Off-balance sheet liabilities	1,096,181	1,018,419	19,413	19,524	38,825	-
Mismatch Gap		449,407	(563,183)	(50,562)	(43,418)	502,138
Cumulative Gap		449,407	(113,776)	(164,338)	(207,756)	294,382

**VIII. Remuneration System**

Pursuant to the disclosure requirement, the relevant remuneration information was disclosed under the "Annual Report, Chapter II - Bank Profile and Corporate Governance", released by the Head Office.

## YUANTA COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH

### Section B. - Information of the Bank <Consolidated Basis>

#### I. Capital and Capital Adequacy Ratio

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	31 December 2021 %	30 June 2021 %
A. Capital adequacy ratio	<u>15.68%</u>	<u>15.90%</u>

The capital adequacy ratio (Equity Capital Ratio) is equal to the ratio of the regulatory capital to the total risk-weighted assets. The computation of capital adequacy ratio is in accordance with the "Regulations Governing the Capital Adequacy and Capital Category of Banks" which is in line with the risk-weighted approach proposed by the Bank for International Settlements.

	31 December 2021 NT\$'000	30 June 2021 NT\$'000
B. Total amount of shareholders' funds	<u>123,024,178</u>	<u>121,762,583</u>

## YUANTA COMMERCIAL BANK CO., LIMITED - HONG KONG BRANCH

### Section B. - Information of the Bank <Consolidated Basis>

#### II. Other Financial Information

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	31 December 2021 NT\$'000	30 June 2021 NT\$'000
Total assets	<u>1,664,360,806</u>	<u>1,577,564,066</u>
Total liabilities	<u>1,541,336,628</u>	<u>1,455,801,483</u>
Total loans and advances	<u>875,419,765</u>	<u>819,896,184</u>
Total deposits	<u>1,474,781,540</u>	<u>1,380,557,937</u>
	<u>For the year ended</u>	
	<u>31 December 2021</u> NT\$'000	<u>31 December 2020</u> NT\$'000
Pre-tax Profit	<u>9,196,807</u>	<u>8,031,827</u>

## 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 Key Financial Information Disclosure Statements of Yuanta Commercial Bank Co., Limited - Hong Kong Branch for the year ended 31 December 2021 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.



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Lin Chien Hung, Chief Executive  
Yuanta Commercial Bank Co., Limited  
Hong Kong Branch

- 1 MAR 2022

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Date

## **Prescribed Summary**

This is to inform the general public that the complete disclosures can be found at website:

[https://www.yuantabank.com.hk/en/financial\\_statements.html](https://www.yuantabank.com.hk/en/financial_statements.html)

Yuanta Commercial Bank Co., Limited  
Hong Kong Branch