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**Citicorp International Limited**

**Financial Information Disclosure Statement**

**2021 Interim**

**CITICORP INTERNATIONAL LIMITED**

We enclose herewith the Financial Information Disclosure Statement for the half-year ended June 30, 2021, which are prepared under the Banking (Disclosure) Rules made pursuant to Section 60A of the Banking Ordinance.

By Order of the Board

Rudolf Hitsch  
Director and Alternate Chief Executive

September 30, 2021

**CITICORP INTERNATIONAL LIMITED**

The directors are pleased to announce the unaudited interim results of Citicorp International Limited ("the Company") for the half-year ended June 30, 2021.

**2021 First Half Results**

- Operating income down 4% to HK\$ 2,362 million (HK\$ 2,472 million for the first half of 2020)
- Profit before taxation down 17% to HK\$ 1,205 million (HK\$ 1,450 million for the first half of 2020)
- Profit after taxation down 16% to HK\$ 1,008 million (HK\$ 1,202 million for the first half of 2020)

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(Expressed in thousands of Hong Kong dollar unless otherwise indicated)

	<i>Note</i>	<i>Half-year ended Jun 30, 2021</i>	<i>Half-year ended Jun 30, 2020</i>
Interest income	1	2,817	45,665
Interest expense	2	-	(9)
<b>Net interest income</b>		<b>2,817</b>	<b>45,656</b>
Net fee and commission income	3	2,359,418	2,425,913
Net trading income	4	(666)	457
<b>Operating income</b>		<b>2,361,569</b>	<b>2,472,026</b>
- Staff costs		(747,269)	(697,507)
- Premises & equipment expenses		(73,243)	(69,415)
- Depreciation expenses		(48)	(9)
- Other operating expenses		(335,877)	(255,156)
<b>Operating expenses</b>		<b>(1,156,437)</b>	<b>(1,022,087)</b>
<b>Profit before taxation</b>		<b>1,205,132</b>	<b>1,449,939</b>
Taxation	5	(196,978)	(247,616)
<b>Profit after taxation</b>		<b>1,008,154</b>	<b>1,202,323</b>
<b>Other comprehensive income</b>			
Remeasurement of net defined benefit liabilities		(3,405)	78
<b>Total comprehensive income</b>		<b>1,004,749</b>	<b>1,202,401</b>

## STATEMENT OF FINANCIAL POSITION

(Expressed in thousands of Hong Kong dollar unless otherwise indicated)

	<i>Note</i>	<i>At Jun 30, 2021</i>	<i>At Dec 31, 2020</i>
<b>Assets</b>			
Balances with banks	6	9,141,786	8,049,727
Plant and equipment	7	276	324
Deferred tax assets		16,693	22,345
Other assets		24,551	16,147
		9,183,306	8,088,543
<b>Liabilities</b>			
Deposits and balances of banks		397,346	177,655
Defined benefit liabilities		13,994	9,524
Current taxation		238,554	140,930
Other liabilities		428,344	699,201
		1,078,238	1,027,310
<b>Equity</b>			
Share capital		187,556	187,556
Reserves	8	7,917,512	6,873,677
		8,105,068	7,061,233
		9,183,306	8,088,543

## Additional Information

(Expressed in thousands of Hong Kong dollar unless otherwise indicated)

### 1 Interest income

	<i>Half-year ended Jun 30, 2021</i>	<i>Half-year ended Jun 30, 2020</i>
Interest income on placements with banks	<u>2,817</u>	<u>45,665</u>

### 2 Interest expense

	<i>Half-year ended Jun 30, 2021</i>	<i>Half-year ended Jun 30, 2020</i>
Interest expense on deposits and balances of banks	<u>-</u>	<u>9</u>

### 3 Net fee and commission income

	<i>Half-year ended Jun 30, 2021</i>	<i>Half-year ended Jun 30, 2020</i>
Agency and servicing fees	63,973	56,780
Banking support services fees	<u>2,295,445</u>	<u>2,369,133</u>
	<u>2,359,418</u>	<u>2,425,913</u>

### 4 Net trading income

	<i>Half-year ended Jun 30, 2021</i>	<i>Half-year ended Jun 30, 2020</i>
Net (loss)/gain from dealing in foreign exchange	<u>(666)</u>	<u>457</u>

## Additional Information

(Expressed in thousands of Hong Kong dollar unless otherwise indicated)

### 5 Taxation

	<i>Half-year ended Jun 30, 2021</i>	<i>Half-year ended Jun 30, 2020</i>
Current Tax - Hong Kong Profits Tax	198,135	249,454
Current Tax - Overseas	423	1,209
Deferred tax	<u>(1,580)</u>	<u>(3,047)</u>
	<u>196,978</u>	<u>247,616</u>

### 6 Balances with banks

	<i>At Jun 30, 2021</i>	<i>At Dec 31, 2020</i>
Balances with banks	3,642,900	2,550,841
Placement with bank maturing within one month	5,500,000	5,500,000
Less: Impairment allowance	<u>(1,114)</u>	<u>(1,114)</u>
Maturing within one month	<u>9,141,786</u>	<u>8,049,727</u>

### 7 Plant and equipment

	<i>Furniture and equipment</i>
<i>Cost:</i>	
At January 1, 2021	2,734
Additions	<u>-</u>
At June 30, 2021	<u>2,734</u>
<i>Accumulated depreciation:</i>	
At January 1, 2021	2,410
Charge for the period	<u>48</u>
At June 30, 2021	<u>2,458</u>
<i>Net book value:</i>	
At June 30, 2021	<u>276</u>
At December 31, 2020	<u>324</u>

## Additional Information

(Expressed in thousands of Hong Kong dollar unless otherwise indicated)

### 8 Reserves

	<i>At Jun 30, 2021</i>	<i>At Dec 31, 2020</i>
Retained profits	7,860,349	6,855,859
Capital reserves	57,163	17,818
	7,917,512	6,873,677

(a) *Capital reserves*

The capital reserves comprise the subsequent change in fair value of the share awards granted to employees of the Company recognized in accordance with the accounting policy for share-based payments.

(b) The Directors have declared an interim dividend of \$2,160,625 thousand (2020 interim dividend: \$1,945,878 thousand) in respect of the six months ended June 30, 2021.

### 9 International claims

The country risk exposures in the tables below are prepared in according to the location and types of the counterparties as defined by the Hong Kong Monetary Authority (“HKMA”) under the Banking (Disclosure) Rules with reference to the HKMA’s Return of International Banking Statistics. International claims are on-balance sheet exposures to counterparties based on the location of the counterparties after taking into account the transfer of risk.

International claims attributable to individual countries or areas not less than 10% of the bank’s total international claims, after recognised risk transfer, are shown as follows:

<i>At Jun 30, 2021</i>					
<i>Non-bank private sector</i>					
	<i>Banks</i>	<i>Official Sector</i>	<i>Non-bank financial institutions</i>	<i>Non-financial private sector</i>	<i>Total</i>
Developed countries	91,140	-	230	630	92,000
of which United States	91,050	-	30	120	91,200
<i>At Dec 31, 2020</i>					
<i>Non-bank private sector</i>					
	<i>Banks</i>	<i>Official Sector</i>	<i>Non-bank financial institutions</i>	<i>Non-financial private sector</i>	<i>Total</i>
Developed countries	54,860	-	700	1,590	57,150
of which United States	54,770	-	30	-	54,800



## Additional Information

(Expressed in thousands of Hong Kong dollar unless otherwise indicated)

### 10 Mainland activities

The following analysis of non-bank Mainland exposures is based on the categories of non-bank counterparties and the type of direct exposures defined by the HKMA under the Banking (Disclosure) Rules with reference to the HKMA Return of Mainland activities.

	<i>At Jun 30, 2021</i>		
	<i>On-balance sheet exposures</i>	<i>Off-balance sheet exposures</i>	<i>Total exposures</i>
1 Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	1,017	-	1,017
2 Local governments, local government-owned entities and their subsidiaries and JVs	412	-	412
3 PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	2,324	-	2,324
4 Other entities of central governments 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 exposures	2,874	-	2,874
<b>Total</b>	<b>6,627</b>	<b>-</b>	<b>6,627</b>
Total assets after provision	9,183,306		
On-balance sheet exposures as percentage of total assets	0.07%		

	<i>At Dec 31, 2020</i>		
	<i>On-balance sheet exposures</i>	<i>Off-balance sheet exposures</i>	<i>Total exposures</i>
1 Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	512	-	512
2 Local governments, local government-owned entities and their subsidiaries and JVs	632	-	632
3 PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	1,685	-	1,685
4 Other entities of central governments not reported in item 1 above	12	-	12
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 exposures	1,513	-	1,513
<b>Total</b>	<b>4,354</b>	<b>-</b>	<b>4,354</b>
Total assets after provision	8,088,543		
On-balance sheet exposures as percentage of total assets	0.05%		

## Additional Information

(Expressed in thousands of Hong Kong dollar unless otherwise indicated)

### 11 Currency risk

The Company's foreign currency positions arise from foreign exchange dealing. All foreign currency positions are managed by the Treasury Department within limits approved by the Market Risk Management.

The Company seeks to manage closely its foreign currency denominated assets with corresponding liabilities in the same currencies.

The net positions in foreign currencies are disclosed when each currency constitutes 10% or more of the respective total net position in all foreign currencies.

<i>USD</i>	<i>At Jun 30, 2021</i>	<i>At Dec 31, 2020</i>
Spot assets	20,631	47,133
Spot liabilities	<u>(617,628)</u>	<u>(457,275)</u>
Net short position	<u><u>(596,997)</u></u>	<u><u>(410,142)</u></u>

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

### 12 Regulatory disclosures

The regulatory disclosures which are prepared in accordance with the Banking (Disclosure) Rules and disclosure templates issued by the HKMA can be found in our website [www.citibank.com.hk/cil](http://www.citibank.com.hk/cil).