



WOORI GLOBAL MARKETS ASIA LIMITED

Interim Report 30 June 2021

 **WOORI GLOBAL MARKETS ASIA LIMITED**

(A wholly owned subsidiary of Woori Bank)

Interim report for 2021

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Introduction

Woori Global Markets Asia Limited ("the Company") is pleased to announce the unaudited results of the Company for six months ended 30 June 2021 together with comparative figures for corresponding period in previous year.

The Company is a deposit-taking company licensed under the Banking Ordinance of Hong Kong and a registered institution under the Securities and Futures Ordinance. It is a single company incorporated in Hong Kong engaging in business of lending, deposit-taking and dealing in securities.

Basis of Preparation

The financial statements have been prepared on a going concern basis as its immediate holding company has agreed to continually provide financial support to the Company to meet its financial obligations and this is expected to continue in foreseeable future. The financial statements are prepared on solo basis and in accordance with prevailing accounting standards.

Approaches used in calculating the Company's regulatory capital or capital charge are in accordance with the Banking (Capital) Rules. The Company adopts basic approach to calculate credit risk and basic (indicator) approach to calculate operational risk. The Company is exempted from calculating market risk and, as such, is not required to make disclosure in relation to market risk. The Company is not designated as Category 2A institution and, as such, is not required to make disclosure in relation to Core Funding Ratio.

New standards, interpretations and amendments adopted by the Company

Accounting policies adopted in preparation of interim condensed financial statements are consistent with those followed in preparation of the Company's annual financial statements for the year ended 31 December 2020, except for adoption of new standards effective as of 1 January 2021 which do not have an impact on interim condensed financial statements of the Company. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16, Interest rate benchmark reform — phase 2

The amendments provide targeted reliefs from (i) accounting for changes in the basis for determining contractual cash flows of financial assets, financial liabilities and lease liabilities as modifications, and (ii) discontinuing hedge accounting when an interest rate benchmark is replaced by an alternative benchmark rate as a result of the reform of interbank offered rates.

These amendments had no material impact on the interim condensed financial statements of the Company. The Company intends to use practical expedients in future periods if they become applicable.

Explanatory Statement

The Company has maintained sound key financials and healthy assets portfolio in line with prudent credit control. In order to secure sufficient liquidity buffer, the Company has kept sizable amounts of marketable securities. In spite of economic uncertainty, the Company shall make every effort to enhance assets soundness and improve profitability.

Statement of Compliance

In preparing disclosure statements, the Company has fully complied with the Banking (Disclosure) Rules and disclosure standards set out in "Guideline on the Application of the Banking (Disclosure) Rules" issued by Hong Kong Monetary Authority ("HKMA").



Lee Soo Jin
Chief Executive
16 August 2021

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

	Notes	Half-year ended 30 June 2021 US\$	Half-year ended 30 June 2020 US\$
Interest income	1	3,719,051	7,568,338
Interest expense	1	<u>(1,106,405)</u>	<u>(4,088,995)</u>
Net interest income		2,612,646	3,479,343
Fee income	2	2,121,636	1,127,991
Net trading income/(loss)	5	<u>336,896</u>	<u>(41,083)</u>
		<u>5,071,178</u>	<u>4,566,251</u>
Staff costs	3	(826,818)	(980,547)
Other operating expenses	4	(1,072,803)	(1,173,878)
Impairment allowance	6	<u>299,032</u>	<u>(693,125)</u>
Profit before tax		3,470,589	1,718,701
Income tax	7	<u>(628,945)</u>	<u>(312,579)</u>
Profit for the period		<u>2,841,644</u>	<u>1,406,122</u>
OTHER COMPREHENSIVE INCOME			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Debt investments at fair value through other comprehensive income			
Changes in fair value, net of tax		286,850	(2,045,050)
Reclassification adjustments for gains included in profit or loss			
- gain on disposal		(43,400)	-
- impairment losses		<u>18,494</u>	<u>21,485</u>
Other comprehensive income for the period		<u>261,944</u>	<u>(2,023,565)</u>
Total comprehensive income for the period		<u><u>3,103,588</u></u>	<u><u>(617,443)</u></u>

CONDENSED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

	Notes	At 30 June 2021 US\$	At 31 December 2020 US\$
ASSETS			
Cash		386	387
Balances with banks		4,797,434	3,006,371
Placements with banks	9	2,739,665	2,742,333
Loans and advances to customers	10	263,909,412	208,166,457
Debt investments at fair value through other comprehensive income	11	226,013,186	213,673,926
Financial assets at fair value through profit or loss	11	6,590,302	4,296,885
Property and equipment	8	78,273	86,044
Right-of-use assets	8	2,244,744	2,568,722
Deferred tax assets		159,815	159,815
Other assets		348,741	405,505
Tax recoverable		-	278,613
TOTAL ASSETS		506,881,958	435,385,058
LIABILITIES			
Loan due to banks		381,689,792	313,449,130
Other payables and accruals		662,125	538,275
Lease liabilities		2,213,486	2,525,737
Tax payable	7	341,051	-
TOTAL LIABILITIES		384,906,454	316,513,142
EQUITY			
Share capital	13	100,000,000	100,000,000
Reserves		21,975,504	18,871,916
TOTAL EQUITY		121,975,504	118,871,916
TOTAL LIABILITIES AND EQUITY		506,881,958	435,385,058

CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Share capital	Fair value reserve	Retained profits	Regulatory reserve (Note 14)	Total
	US\$	US\$	US\$	US\$	US\$
At 1 January 2020	100,000,000	309,681	13,724,786	1,489,214	115,523,681
Profit for the period	-	-	1,406,122	-	1,406,122
Other comprehensive income for the period:					
Changes in fair value of debt investment at fair value through other comprehensive income, net of tax	-	(2,045,050)	-	-	(2,045,050)
Impairment losses	-	21,485	-	-	21,485
Transfer from retained profits to regulatory reserve	-	-	882,933	(882,933)	-
At 30 June 2020 and 1 July 2020	100,000,000	(1,713,884)	16,013,841	606,281	114,906,238
Profit for the period	-	-	2,318,222	-	2,318,222
Other comprehensive income for the period:					
Changes in fair value of debt investment at fair value through other comprehensive income, net of tax	-	1,700,893	-	-	1,700,893
Impairment losses	-	(53,437)	-	-	(53,437)
Transfer from retained profits to regulatory reserve	-	-	75,666	(75,666)	-
At 31 December 2020 and 1 January 2021	100,000,000	(66,428)	18,407,729	530,615	118,871,916
Profit for the period	-	-	2,841,644	-	2,841,644
Other comprehensive income for the period:					
Changes in fair value of debt investment at fair value through other comprehensive income, net of tax	-	243,450	-	-	243,450
Impairment losses	-	18,494	-	-	18,494
Transfer from retained profits to regulatory reserve	-	-	(472,526)	472,526	-
At 30 June 2021	<u>100,000,000</u>	<u>195,516</u>	<u>20,776,847</u>	<u>1,003,141</u>	<u>121,975,504</u>

CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)

	Half-year ended 30 June 2021 US\$	Half-year ended 30 June 2020 US\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	3,470,589	1,718,701
Adjustments for :		
Impairment allowance, net:		
- Placements with banks	(1,712)	23,655
- Loans and advances to customers	(272,839)	691,728
- Debt investments at fair value through other comprehensive income	(18,494)	(21,485)
- Loan commitments	(5,987)	(773)
Depreciation of property & equipment	20,713	11,291
Depreciation of right-of-use assets	521,316	563,868
Interest on lease liabilities	22,010	17,302
Release of provision for reinstatement	(139)	448
Fair value changes of equity investments at fair value through profit or loss	(303,715)	41,083
	<u>3,431,742</u>	<u>3,045,818</u>
Changes in operating assets :		
Decrease /(increase) in placement with banks	4,380	(9,919,341)
(Increase)/decrease in gross loans & advances to customers	(55,470,116)	19,516,371
(Increase)/decrease in debt investments at fair value through other comprehensive income	(12,058,823)	50,842,746
Increase in equity investments at fair value through profit or loss	(1,989,702)	(461,176)
Decrease in other assets	56,764	12,762
Increase/(decrease) loans due to banks	68,240,662	(59,427,725)
Increase in other payables and accruals	129,977	27,562
	<u>(1,086,858)</u>	<u>591,199</u>
Cash (used in)/generated from operations	(1,086,858)	591,199
Tax paid	(9,282)	(1,661,485)
	<u>(1,096,140)</u>	<u>(1,070,286)</u>
Net cash flows generated from operating activities	<u>2,335,602</u>	<u>1,975,532</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(13,023)	(14,385)
Net cash flows used in investing activities	<u>(13,023)</u>	<u>(14,385)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of lease liabilities	(531,641)	(587,619)
Net cash flows used in financing activities	<u>(531,641)</u>	<u>(587,619)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,790,938	1,373,528
Effect of foreign exchange rate changes, net	124	(91)
Cash and cash equivalents at beginning of the period	3,006,758	3,781,197
CASH AND CASH EQUIVALENTS AT END of THE PERIOD	<u>4,797,820</u>	<u>5,154,634</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash	386	387
Balances with banks	4,797,434	5,154,247
	<u>4,797,820</u>	<u>5,154,634</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
1 INTEREST INCOME AND INTEREST EXPENSE

	Half-year ended 30 June 2021 US\$	Half-year ended 30 June 2020 US\$
Interest income was derived from:		
Placements and bank balances with parent bank	20,242	65,775
Placements and bank balances with other financial institutions	-	4,509
Loans and advances to customers	2,379,794	4,508,727
Financial investments measured at FVOCI	1,319,015	2,989,327
	<u>3,719,051</u>	<u>7,568,338</u>
Interest expense was incurred on:		
Loans due to banks and other financial institutions wholly repayable within five years	1,084,395	3,938,031
Loans due to banks and other financial institutions wholly repayable after five years	-	133,662
Lease liabilities	22,010	17,302
	<u>1,106,405</u>	<u>4,088,995</u>

2 FEE INCOME

	Half-year ended 30 June 2021 US\$	Half-year ended 30 June 2020 US\$
Fee income		
Management, commitment, arrangement and participation fees	2,121,636	1,727,991

3 STAFF COSTS

	Half-year ended 30 June 2021 US\$	Half-year ended 30 June 2020 US\$
Employees' remuneration		
- benefits and compensation	522,011	612,014
- contributions to retirement benefits scheme	196,906	245,916
Directors' remuneration		
- emoluments and bonus	107,901	122,617
	<u>826,818</u>	<u>980,547</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
4 OTHER OPERATION EXPENSES

	Half-year ended 30 June 2021 US\$	Half-year ended 30 June 2020 US\$
Premises and equipment expenses		
- depreciation of property and equipment	20,713	11,291
- depreciation of right-of-use assets	521,316	563,868
Auditor's remuneration	30,279	29,439
Foreign exchange differences, net	8,968	17,260
Other operating expenses	491,527	552,020
	<u>1,072,803</u>	<u>1,173,878</u>

5 NET TRADING INCOME

	Half-year ended 30 June 2021 US\$	Half-year ended 30 June 2020 US\$
Net fair value changes on financial assets at fair value through profit or loss	303,715	(41,083)
Dividend Income	33,181	-
	<u>336,896</u>	<u>(41,083)</u>

6 IMPAIRMENT LOSSES

	Half-year ended 30 June 2021 US\$	Half-year ended 30 June 2020 US\$
Allowance released, net of new allowance	<u>(299,032)</u>	<u>693,125</u>
Attributable to:		
<u>Financial assets</u>		
Placements with banks	(1,712)	23,655
Loans and advances to customers	(272,839)	691,728
Debt investments at fair value through other comprehensive income	(18,494)	(21,485)
<u>Financial liabilities</u>		
Loan commitments	(5,987)	(773)
	<u>(299,032)</u>	<u>693,125</u>

7 INCOME TAX

	Half-year ended 30 June 2021 US\$	Half-year ended 30 June 2020 US\$
Current tax - provision for Hong Kong profit tax	628,945	283,586
Current tax - taxation outside Hong Kong	-	28,993
	<u>628,945</u>	<u>312,579</u>

Hong Kong profits tax has been provided at the rate of 16.5% on estimated assessable profits arising in Hong Kong during this reporting period.



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NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

8 PROPERTY AND EQUIPMENT AND LEASES

	Right-of-use assets					Owned assets					
	Furniture and		Office	Motor	Total	Furniture and		Office	Computer	Total	
	Buildings	Equipment				Fixtures	Equipment				Equipment
US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	
COST											
At 1 January 2020	2,097,761	17,606	60,392	2,175,759	356,563	32,517	1,414	509,787	900,281	3,076,040	
Additions	622,430	-	63,288	685,718	-	1,432	-	68,505	69,937	755,655	
Remeasurement	1,901,516	-	-	1,901,516	-	(223)	-	(5,707)	(5,930)	1,901,516	
Disposals	-	-	-	-	-	-	-	-	-	(5,930)	
Exchange difference	10,427	82	285	10,794	-	-	-	-	-	10,794	
At 31 December 2020	4,632,134	17,688	123,965	4,773,787	356,563	33,726	1,414	572,585	964,288	5,738,075	
Additions	311,669	-	-	311,669	-	-	-	13,023	13,023	324,692	
Disposals	(110,671)	-	-	(110,671)	-	-	-	-	-	(110,671)	
Exchange difference	(6,890)	(10)	(85)	(6,985)	-	-	-	(190)	(190)	(7,175)	
At 30 June 2021	4,826,242	17,678	123,880	4,967,800	356,563	33,726	1,414	585,418	977,121	5,944,921	
DEPRECIATION											
At 1 January 2020	1,072,397	6,241	32,039	1,110,677	343,517	32,346	1,414	481,030	858,307	1,968,984	
Charge for the year	1,049,397	4,417	34,619	1,088,433	5,046	197	-	19,255	24,498	1,112,931	
Disposal	-	-	-	-	-	(82)	-	(4,479)	(4,561)	(4,561)	
Exchange difference	5,751	31	173	5,955	-	-	-	-	-	5,955	
At 31 December 2020	2,127,545	10,689	66,831	2,205,065	348,563	32,461	1,414	495,806	878,244	3,083,309	
Charge for the period	503,674	1,840	15,803	521,317	2,502	142	-	18,069	20,713	542,030	
Exchange difference	(3,322)	(1)	(3)	(3,326)	-	-	-	(109)	(109)	(3,435)	
At 30 June 2021	2,627,897	12,528	82,631	2,723,056	351,065	32,603	1,414	513,766	898,848	3,621,904	
NET BOOK VALUE											
At 30 June 2021	2,198,345	5,150	41,249	2,244,744	5,498	1,123	-	71,652	78,273	2,323,017	
At 31 December 2020	2,504,589	6,999	57,134	2,568,722	8,000	1,265	-	76,779	86,044	2,654,766	

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
9 PLACEMENTS WITH BANKS

	At 30 June 2021	At 31 December 2020
	US\$	US\$
Placements with banks	2,744,545	2,748,925
Less: Impairment losses	<u>(4,880)</u>	<u>(6,592)</u>
	<u>2,739,665</u>	<u>2,742,333</u>

10 LOANS AND ADVANCES TO CUSTOMERS

	At 30 June 2021	At 31 December 2020
	US\$	US\$
Gross loans and advances to customers	266,783,334	211,313,218
Less: Impairment losses	<u>(2,873,922)</u>	<u>(3,146,761)</u>
	<u>263,909,412</u>	<u>208,166,457</u>

Except for advances to customers of US\$ 8,558,265 which was impaired as at 30 June 2021, the Company has no impaired loans and advances to customers as at 30 June 2021 and 31 December 2020. The Company assesses credibility of its customers and sets proper credit limits before granting loans to customers.

11 FINANCIAL INVESTMENTS

	At 30 June 2021	At 31 December 2020
	US\$	US\$
Debt investments at fair value through other comprehensive income		
- Debt securities, listed	72,105,768	43,913,120
- Debt securities, unlisted	<u>153,907,418</u>	<u>169,760,806</u>
	<u>226,013,186</u>	<u>213,673,926</u>
Equity investments at fair value through profit or loss		
- Equity investments, unlisted	<u>6,590,302</u>	<u>4,296,885</u>
	<u>6,590,302</u>	<u>4,296,885</u>

12 OVERDUE AND RESCHEDULED ASSETS

Except for advances to customers of US\$ 8,558,265 which was overdue more than one year and rescheduled as at 30 June 2021, the Company has no other past due and rescheduled loans and advances to customers as at 30 June 2021 and 31 December 2020.

As at 30 June 2021 and 31 December 2020, the Company has no repossessed assets held in respect of loans and advances to customers, and other assets, such as financial investments.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
13 SHARE CAPITAL

	At 30 June 2021 US\$	At 31 December 2020 US\$
Issued and fully paid: 78,000,000 (31 December 2020: 78,000,000) ordinary shares	<u>100,000,000</u>	<u>100,000,000</u>

14 REGULATORY RESERVE

The regulatory reserve is maintained to satisfy provisions of the Hong Kong Banking Ordinance for prudential supervision purposes. Movements in the reserve are made directly through reserves and in consultation with the Hong Kong Monetary Authority.

15 OFF-BALANCE SHEET EXPOSURE

	At 30 June 2021 US\$	At 31 December 2020 US\$
Loan commitments		
- Within one year	-	15,000,000
- Two to five years	<u>3,662,779</u>	<u>2,205,963</u>
Other commitments		
- More than five years	<u>7,832,062</u>	<u>9,856,953</u>
Credit risk weighted amount	<u>5,747,420</u>	<u>9,031,458</u>

Contingent liabilities and commitments are credit-related instruments which include commitments to extend credit. Risk involved is essentially same as credit risk involved in extending loan facilities to customers. Contractual amounts of commitments represent amounts at risk should the contract be fully drawn upon and the customer default. As facilities may expire without being drawn upon, the contractual amounts do not necessarily represent expected future cash flows.

16 DERIVATIVES FINANCIAL INSTRUMENTS

As at 30 June 2021 and 31 December 2020, there was no derivatives financial instruments held by the Company.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
17 INTERNATIONAL CLAIMS

	At 30 June 2021					
	Non-bank private sector					Total claims US\$
	Banks US\$	Official Sector US\$	Non-bank financial institutions US\$	Non-financial private sector US\$	Others US\$	
<u>Counterparty country / jurisdiction</u>						
Developed countries	12,129	-	5,365,302	62,944,284	-	68,321,715
Offshore centres	-	-	16,167,226	94,712,895	-	110,880,121
- of which: Hong Kong	-	-	14,942,226	20,098,950	-	35,041,176
Developing Africa and Middle East	14,053,346	-	-	2,681,638	-	16,734,984
Developing Asia and Pacific	17,549,239	-	2,006,991	276,347,403	-	295,903,634
- of which: South Korea	7,529,779	-	2,006,991	248,825,790	-	258,362,560
- of which: China	72	-	-	18,947,276	-	18,947,347
Total	31,614,714	-	23,539,519	436,686,220	-	491,840,453

	At 31 December 2020					
	Non-bank private sector					Total claims US\$
	Banks US\$	Official Sector US\$	Non-bank financial institutions US\$	Non-financial private sector US\$	Others US\$	
<u>Counterparty country / jurisdiction</u>						
Developed countries	12,378	-	3,996,885	19,560,518	-	23,571,969
Offshore centres	-	-	22,618,187	87,110,010	-	109,728,197
- of which: Hong Kong	-	-	19,884,152	38,330,256	-	58,214,408
Developing Africa and Middle East	12,042,611	-	300,000	2,818,652	-	15,161,263
Developing Asia and Pacific	15,721,468	-	2,006,529	269,230,392	-	286,958,389
- of which: South Korea	5,740,660	-	2,006,529	233,848,969	-	241,596,158
- of which: China	72	-	-	26,681,222	-	26,681,294
Total	27,776,457	-	28,921,601	378,719,572	-	435,419,818

Information on international claims discloses exposure to foreign counterparties on which ultimate risk lies, and is derived according to location of counterparties after taking into account of any recognised risk transfer. In general, such transfer of risk takes place if claims are guaranteed by a party in a geographical area which is different from this counterparty or if claims are on overseas branch of a bank whose head office is located in another geographical area.

Figures disclosed above is according to return of international banking statistics the Company submitted to HKMA pursuant to section 63 of the Banking Ordinance in respect of this interim reporting period.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
18 ADVANCES TO CUSTOMERS - BY INDUSTRY SECTORS

	As at 30 June 2021					
	30 June 30 2021 US\$	Loans covered by collateral or other securities US\$	Overdue and impaired loans to customers US\$	Specific provision US\$	General provision US\$	Provision charged to profit and loss US\$
Loans for use in Hong Kong						
- Loans to customers						
- finance companies and others	27,834,762	-	-	-	109,487	(53,366)
Loans for use outside Hong Kong						
- Loans to customers	238,948,572	90,107,906	8,558,447	2,402,938	361,497	(219,473)
Gross loans to customers	266,783,334	90,107,906	8,558,447	2,402,938	470,984	(272,839)

	As at 31 December 2020					
	31 December 2020 US\$	Loans covered by collateral or other securities US\$	Overdue and impaired loans to customers US\$	Specific provision US\$	General provision US\$	Provision charged to profit and loss US\$
Loans for use in Hong Kong						
- Loans to customers						
- finance companies and others	30,569,758	-	-	-	162,854	29,294
Loans for use outside Hong Kong						
- Loans to customers	180,743,460	41,930,420	8,678,430	2,520,313	463,594	379,209
Gross loans to customers	211,313,218	41,930,420	8,678,430	2,520,313	626,448	408,503

Analysis of advances to customers by industry sectors according to usage of loans and/or business activities of borrowers is stated on gross basis.

19 ADVANCES TO CUSTOMERS - BY GEOGRAPHICAL AREAS

	As at 30 June 2021			
	Total loans to customers US\$	Impaired loans to customers US\$	Specific provision US\$	Collective provision US\$
Korea	63,746,909	-	-	62,733
Hong Kong	35,576,987	-	-	96,581
Asia Pacific	68,701,345	8,558,447	2,402,938	100,978
Middle East	2,681,638	-	-	2,159
Caribbean	48,365,416	-	-	147,311
United States	19,531,775	-	-	15,748
Latin America	4,813,424	-	-	3,897
Europe	23,365,840	-	-	41,577
	266,783,334	8,558,447	2,402,938	470,984
% of total loans to customers		3.21%		
Market value of security held against impaired loans to customers		5,791,739		

	As at 31 December 2020			
	Total loans to customers US\$	Impaired loans to customers US\$	Specific provision US\$	Collective provision US\$
Korea	63,990,450	-	-	84,190
Hong Kong	38,302,124	-	-	145,099
Asia Pacific	35,324,276	8,678,430	2,520,313	165,300
Middle East	2,818,652	-	-	3,048
Caribbean	51,380,660	-	-	207,663
United States	19,527,056	-	-	21,148
	211,343,218	8,678,430	2,520,313	626,448
% of total loans to customers		4.11%		
Market value of security held against impaired loans to customers		5,969,045		

Analysis of advances to customers by geographical areas after taking into account any risk transfers is stated on a gross basis. Risk transfers have been made if claims are guaranteed by a party in a geographical area which is different from that counterparty or if claims are on an overseas branch of a bank whose head office is located in another geographical area.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
20 NON-BANK MAINLAND ACTIVITIES

Type of counterparties	At 30 June 2021		Total exposure US\$
	On-balance sheet exposure US\$	Off-balance sheet exposure US\$	
1. Central government, central government-owned entities and their subsidiaries and 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	8,923,524	-	8,923,524
4. Other entities of central government not reported in item 1 above	12,623,638	-	12,623,638
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	19,684,778	-	19,684,778
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	41,231,940	-	41,231,940
Total assets after provision	506,881,958		
On-balance sheet exposures as percentage of total assets	8.13%		

Type of counterparties	At 31 December 2020		Total exposure US\$
	On-balance sheet exposure US\$	Off-balance sheet exposure US\$	
1. Central government, central government-owned entities and their subsidiaries and 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	19,640,845	-	19,640,845
4. Other entities of central government not reported in item 1 above	15,341,267	-	15,341,267
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	16,664,439	10,000,000	26,664,439
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	51,646,551	10,000,000	61,646,551
Total assets after provision	435,385,058		
On-balance sheet exposures as percentage of total assets	11.86%		

21 FOREIGN CURRENCY EXPOSURES

	At 30 June 2021 US\$million	At 31 December 2020 US\$million
Spot assets	475	402
Spot liabilities	(374)	(301)
Net structural position	101	101