



CTBC Bank Co., Ltd.

Hong Kong Branch

Key Financial Information Disclosure Statements

For the Year Ended 31 December 2024



TABLE OF CONTENTS

Page

A. HONG KONG BRANCH INFORMATION

1. Income statement information	1
2. Balance sheet information	2
3. Additional Balance sheet information	
(i) <i>Advances and other accounts</i>	3
(ii) <i>Details of the impaired assets</i>	3
(iii) <i>Overdue and rescheduled loans</i>	3
(iv) <i>Repossessed assets held</i>	3
4. Off-balance sheet exposures	
(i) <i>The contract or notional amounts of off-balance sheet exposures outstanding</i>	4
(ii) <i>The replacement costs of derivatives outstanding</i>	4
5. Segmental information	
(i) <i>Advances to customers and value of collateral secured by industry classification</i>	5
(ii) <i>Advances by countries or geographical areas</i>	5
(iii) <i>Non-bank Mainland exposures</i>	6
(iv) <i>International claims</i>	7
6. Currency risk	7
7. Liquidity	8
8. Remuneration disclosure	10

B. BANK INFORMATION (CONSOLIDATED BASIS)

1. Capital and capital adequacy	10
2. Other financial information	10



A. HONG KONG BRANCH INFORMATION

1. Income statement information

	year ended 31 December 2024	HK\$'000 year ended 31 December 2023
Interest income	4,957,749	4,340,978
Interest expense	3,280,149	2,590,905
Net interest income	1,677,600	1,750,073
Gains less (losses) arising from dealing in foreign currencies	373,745	410,882
Gains less (losses) on securities held for trading purposes	13,273	4,529
Gains less (losses) from other dealing activities	(26,768)	(7,088)
Net fees and commission income	143,894	97,845
- gross fees and commission income	184,245	133,689
- less: fee and commission expenses	(40,351)	(35,844)
Other operating income	192,407	150,003
Net operating income	696,551	656,171
Operating expenses	616,584	583,870
- Staff expenses	458,563	436,673
- Rental expenses	68,362	64,730
- Other expenses	89,659	82,467
Operating profit before impairment	1,757,567	1,822,374
(Charge for) / Write back of impairment allowances on advances to customers	(16,808)	18,969
(Charge for) / Write back of impairment allowances on other impaired assets	(3,957)	214
Gains less (losses) from disposal of tangible fixed assets	0	0
Profit before taxation	1,736,802	1,841,557
Taxation charges	233,639	311,312
Profit after taxation	1,503,163	1,530,245



2. Balance sheet information

	31 December 2024	30 June 2024
(i) Assets		
Cash and balances with banks	2,421,734	3,071,816
Placements with banks and other financial institutions maturing between 1 and 12 months	4,616,660	9,104,594
Amount due from overseas offices	20,975,504	20,393,550
Trade bills	460,587	523,404
Certificates of deposit held	2,514,488	3,212,147
Securities held for trading purposes	1,544	1,223,968
Advances and other accounts (Additional Balance Sheet Information)	30,746,058	30,622,632
Investment securities	45,655,582	37,421,260
Fixed assets	131,872	167,692
Total assets	107,524,029	105,741,063
(ii) Liabilities		
Deposits and balances of banks and other financial institutions	3,150,832	1,309,474
Deposits from customers	88,066,642	88,573,079
- Demand deposits and current accounts	860,907	891,638
- Savings deposits	23,988,970	25,978,619
- Time, call and notice deposits	63,216,765	61,702,822
Amount due to overseas offices	99,683	239,459
Debt instruments issued	4,669	0
Other liabilities	4,821,863	5,015,791
Reserves and current profit	11,380,340	10,603,260
Total liabilities	107,524,029	105,741,063

**3. Additional Balance sheet information**

HK\$'000

(i) Advances and other accounts

	31 December 2024	30 June 2024
Advances to customers	26,454,371	27,105,376
Advances to banks and other financial institutions	0	0
Accrued interest and other accounts	4,479,617	3,698,527
Less: Impairment allowance for impaired assets (Note)	187,930	181,271
Advances to customers	184,455	177,829
Trade bills	425	764
Securities and others	3,050	2,678
Advances and other accounts after impairment allowance for impaired assets	30,746,058	30,622,632

Note:

	31 December 2024		30 June 2024	
	Collective	Individual	Collective	Individual
Impairment allowance for impaired assets				
- Advances to customers	91,411	93,044	84,746	93,083
- Trade bills	425	0	764	0
- Securities and others	3,050	0	2,678	0
Total	94,886	93,044	88,188	93,083

(ii) Details of the impaired assets

	31 December 2024		30 June 2024	
	Banks and other FI's	Customers	Banks and other FI's	Customers
Impaired loans amount*	0	264,611	0	150,973
Individual impairment allowances	0	93,044	0	93,083
- Percentage to total advances to Banks & other FI's /Customers	0.00%	1.00%	0.00%	0.56%
Value of Collateral for impaired loans	0	158,753	0	39,424

* Impaired loans are loans on which interest is being placed in suspense or on which interest accrual has ceased.

(iii) Overdue and rescheduled loans

	31 December 2024		30 June 2024	
	Banks and other FI's	Customers	Banks and other FI's	Customers
(a) Overdue loans				
Three months or less but over one month	0	72,943	0	0
- Percentage to total advances to Banks & other FI's /Customers	0.00%	0.27%	0.00%	0.00%
Six months or less but over three months	0	73,837	0	0
- Percentage to total advances to Banks & other FI's /Customers	0.00%	0.28%	0.00%	0.00%
One year or less but over six months	0	0	0	17,719
- Percentage to total advances to Banks & other FI's /Customers	0.00%	0.00%	0.00%	0.07%
Over one year	0	17,566	0	28,566
- Percentage to total advances to Banks & other FI's /Customers	0.00%	0.07%	0.00%	0.10%
Total Overdue loans	0	164,346	0	46,285
- Total Percentage to total advances to Banks & other FI's /Customers	0.00%	0.62%	0.00%	0.17%
(b) Rescheduled loans				
Rescheduled loans, net of those reported in (a)	0	75,393	0	76,026
- Percentage to total advances to Banks & other FI's /Customers	0.00%	0.28%	0.00%	0.28%
(c) Value of collateral held against overdue loans and advances of those reported in (a)				
- Current market value of collateral held against the covered portion of overdue loans and advances	0	252,119	0	24,000
- Covered portion of overdue loans and advances	0	140,525	0	24,000
- Uncovered portion of overdue loans and advances	0	23,821	0	22,285
(d) Individual impairment allowance made on overdue loans	0	32,937	0	30,062
(iv) Repossessed assets held	0	0	0	0

**4. Off-balance sheet exposures**

HK\$'000

	<u>31 December 2024</u>	<u>30 June 2024</u>
(i) The contract or notional amounts of off-balance sheet exposures outstanding		
Contingent liabilities and commitments		
Direct credit substitutes	1,009,480	751,991
Transaction-related contingencies	457,306	465,333
Trade-related contingencies	1,158,485	1,180,776
Forward forward deposits placed	2,018,666	1,374,278
Other commitments	23,444,891	24,192,422
Others	0	0
Total of above	<u>28,088,828</u>	<u>27,964,800</u>
Derivatives		
Exchange rate contracts	480,351,997	548,994,849
Interest rate contracts	83,188,253	99,777,091
Others	9,317	117,050
Total of above	<u>563,549,567</u>	<u>648,888,990</u>
(ii) The replacement costs of derivatives outstanding		
Exchange rate contracts	2,640,575	2,039,250
Interest rate contracts	874,489	938,911
Others	0	66
Total of above	<u>3,515,064</u>	<u>2,978,227</u>

For contingent liabilities and commitments, the contract amount represents the amount at risk should the contract be drawn upon and the client defaults. The total of the contract amount is not representative of future liquidity requirements.

For derivatives, the notional amounts indicate the nominal value of transactions outstanding at the balance sheet date; they do not represent amounts at risk.

In deriving the derivatives' replacement costs, no effect of bilateral netting arrangements has been taken into account.

**5. Segmental information**

HK\$'000

(i) Advances to customers by industry classification

	<u>31 December 2024</u>		<u>30 June 2024</u>	
	Advances to customers	Value of collateral secured	Advances to customers	Value of collateral secured
a) Loans for use in Hong Kong				
Industrial, commercial and financial:				
- Property development	510,000	500,000	12,439	2,439
- Property investment	3,745,042	3,389,211	4,296,113	3,977,630
- Financial concerns	1,035,138	590,795	655,231	331,701
- Stockbrokers	154,008	0	249,128	0
- Wholesale and retail trade	1,760,191	858,866	1,147,314	640,526
- Manufacturing	1,262,820	477,365	1,161,725	324,444
- Transport and transport equipment	1,033,070	220,589	413,140	263,182
- Recreational activities	0	0	0	0
- Information technology	507,702	34,786	507,284	36,750
- Others	2,900,184	999,781	3,029,032	1,276,720
Individual:				
- Loans for the purchase of other residential properties	0	0	0	0
- Others	296,119	0	281,551	0
b) Trade finance	2,366,150	696,421	2,450,559	709,030
c) Loans for use outside Hong Kong	10,883,947	2,598,417	12,901,860	3,222,007
Total of above	<u>26,454,371</u>	<u>10,366,231</u>	<u>27,105,376</u>	<u>10,784,429</u>

(ii) Advances by countries or geographical areas**a) Advances to customers by countries or geographical areas**

	<u>31 December 2024</u>	<u>30 June 2024</u>
Hong Kong	19,115,049	19,707,833
China	3,392,961	3,592,156
Taiwan	2,158,707	2,340,800
Others	1,787,654	1,464,587
Total of above	<u>26,454,371</u>	<u>27,105,376</u>

b) Overdue loans by countries or geographical areas

	<u>31 December 2024</u>	<u>30 June 2024</u>
Hong Kong	28,005	28,566
China	136,341	17,719
Taiwan	0	0
Others	0	0
Total of above	<u>164,346</u>	<u>46,285</u>

c) Impaired loans by countries or geographical areas

	<u>31 December 2024</u>	<u>30 June 2024</u>
Hong Kong	119,904	124,841
China	136,341	17,719
Taiwan	8,366	8,413
Others	0	0
Total of above	<u>264,611</u>	<u>150,973</u>

Exposures to an individual country or geographical area is reported if it constitutes 10% or more of the total advances to customers.



5. Segmental information (cont'd)

HK\$'000

(iii) Non-bank Mainland exposures

31 December 2024

Types of counterparties

	On-balance sheet exposures	Off-balance sheet exposures	Total
1. Central government, central government-owned entities and their subsidiaries and JVs	814,790	0	814,790
2. Local governments, local government-owned entities and their subsidiaries and JVs	140,468	35,858	176,326
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	4,497,171	1,018,547	5,515,718
4. Other entities of central government not reported in item 1 above	1,910,375	432,171	2,342,546
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	3,344,896	712,606	4,057,502
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	0	97,440	97,440
Total	10,707,700	2,296,622	13,004,322
Total assets after provision	107,524,029		
On-balance sheet exposures as percentage of total assets	9.96%		

30 June 2024

Types of counterparties

1. Central government, central government-owned entities and their subsidiaries and JVs	918,541	0	918,541
2. Local governments, local government-owned entities and their subsidiaries and JVs	81,543	52,298	133,841
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	3,707,039	874,761	4,581,800
4. Other entities of central government not reported in item 1 above	1,995,339	308,761	2,304,100
5. Other entities of local governments not reported in item 2 above	245,021	0	245,021
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	4,245,243	636,300	4,881,543
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	0	97,996	97,996
Total	11,192,726	1,970,116	13,162,842
Total assets after provision	105,741,063		
On-balance sheet exposures as percentage of total assets	10.59%		


5. Segmental information (cont'd)

HK\$ million

(iv) International claims

	Banks	Official sector	Non-bank private sector		Others	Total
			Non-bank financial institutions	Non-financial private sector		
<u>31 December 2024</u>						
Developed countries	9,401	19,784	0	945	0	30,130
- of which United States	158	18,142	0	140	0	18,440
Offshore centres	1,959	526	581	7,436	0	10,502
Developing Asia-Pacific	31,469	634	0	7,940	0	40,043
- of which China	4,436	505	0	5,920	0	10,861
- of which Taiwan	24,199	0	0	527	0	24,726
International Organisations	0	10,341	0	0	0	10,341
<u>30 June 2024</u>						
Developed countries	7,798	16,667	0	411	0	24,876
- of which United States	719	15,840	0	161	0	16,720
Offshore centres	1,907	163	365	6,720	0	9,155
Developing Asia-Pacific	37,972	741	0	9,059	0	47,772
- of which China	7,717	606	0	6,910	0	15,233
- of which Taiwan	25,777	0	0	415	0	26,192
International Organisations	0	7,028	0	0	0	7,028

Claim on an individual country or geographical area is reported if it constitutes 10% or more of the total international claims.

The above classification has been taken into account of transfer of risk.

6. Currency risk

HK\$ million

	USD	CNY	EUR	JPY	NTD	Total
<u>31 December 2024</u>						
Spot assets	71,831	6,981	1,236	877	3	93,207
Spot liabilities	(81,773)	(5,169)	(1,110)	(1,026)	(3)	(90,034)
Forward purchases	224,278	91,463	1,343	3,196	9,501	350,296
Forward sales	(213,329)	(91,278)	(1,470)	(3,047)	(9,022)	(349,995)
Net option position	0	0	0	0	0	0
Net long (short) position	1,007	1,997	(1)	0	479	3,474
Net structural position	0	0	0	0	0	0
<u>30 June 2024</u>						
Spot assets	70,470	8,053	1,438	666	6	89,800
Spot liabilities	(82,633)	(5,116)	(1,155)	(817)	(6)	(90,644)
Forward purchases	270,761	131,114	837	19,204	9,381	443,133
Forward sales	(258,356)	(135,071)	(1,119)	(19,052)	(9,303)	(442,967)
Net option position	0	0	0	0	0	0
Net long (short) position	242	(1,020)	1	1	78	(678)
Net structural position	0	0	0	0	0	0

The "Total" column represents the aggregate positions of all currencies.

The net option position is calculated using the delta equivalent value of the option contracts.



7. Liquidity

Starting from June 2018, an authorized institution that is a category 2 institution must disclose the average Liquidity Maintenance Ratio quarterly under the Banking (Disclosure) Rules Cap 155M Section 103B. The average liquidity maintenance ratio is being calculated based on the arithmetic mean of the average value of liquidity maintenance ratio for each month during the reporting period. The liquidity maintenance ratio is calculated in accordance with the guidelines of the HKMA and the Banking (Liquidity) Rules.

	For the quarter ended 31 December 2024	For the quarter ended 31 December 2023
Average liquidity maintenance ratio for the period	102.20%	103.60%

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 Capital Market Department for monitoring purpose. Capital Market Department is performed the liquidity maintenance ratio projection on a daily basis and liquidity risk monitoring unit is performed the liquidity stress test at least quarterly.

Funding and Liquidity Cushion

Capital Market Department 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 which consists of Hong Kong Exchange Fund Bills, other sovereign bonds or bills, NCDs and other bonds issued by authorized institution in Hong Kong or other financial institutions outside Hong Kong. The investment portfolio combines of 31% fair value through other comprehensive income securities and 69% of amortised cost securities.

Governance

Liquidity risk management of CTBC, 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 senior management from capital market, accounting, market and liquidity risk managers and business lines representatives.

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.

7. Liquidity (cont'd)
Analysis of On/Off Balance Sheet by remaining maturity

HK\$'000	31 December 2024						
	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
Assets							
Cash and balances with banks	2,421,734	2,421,734	0	0	0	0	0
Placements with banks and other financial institutions maturing between 1 and 12 months	4,616,660	0	4,267,275	349,385	0	0	0
Amount due from overseas offices	20,975,504	20,211,947	763,557	0	0	0	0
Trade bills	460,587	230,975	198,321	31,291	0	0	0
Certificates of deposit held	2,514,488	0	0	2,514,488	0	0	0
Securities held for trading purposes	1,544	0	0	1,544	0	0	0
Advances and other accounts (Additional Balance Sheet Information)	30,746,058	5,769,017	5,378,027	7,689,949	11,085,473	489,689	333,903
Investment securities	45,655,582	667,770	401,775	5,253,554	31,963,953	7,368,530	0
Fixed assets	131,872	0	0	0	0	0	131,872
Total assets	107,524,029	29,301,443	11,008,955	15,840,211	43,049,426	7,858,219	465,775
Liabilities							
Deposits and balances of banks and other financial institutions	3,150,832	3,150,832	0	0	0	0	0
Deposits from customers	88,066,642	49,297,784	29,987,811	8,757,755	23,292	0	0
Amount due to overseas offices	99,683	92,123	0	0	0	0	7,560
Debt instruments issued	4,669	0	0	2,329	2,340	0	0
Other liabilities	4,821,863	949,055	1,013,488	1,360,592	611,845	117,010	769,873
Reserves and current profit	11,380,340	0	0	0	0	0	11,380,340
Total liabilities	107,524,029	53,489,794	31,001,299	10,120,676	637,477	117,010	12,157,773
Net Gap	0	(24,188,351)	(19,992,344)	5,719,535	42,411,949	7,741,209	(11,691,998)
Off Balance Sheet Exposures							
Contingent liabilities	2,625,271	485,631	814,673	1,037,188	287,779	0	0
Irrevocable commitments	2,807,999	2,807,999	0	0	0	0	0
Forward forward deposits placed	2,018,666	2,018,666	0	0	0	0	0
Total	7,451,936	5,312,296	814,673	1,037,188	287,779	0	0

HK\$'000	31 December 2023						
	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
Assets							
Cash and balances with banks	2,207,844	2,207,844	0	0	0	0	0
Placements with banks and other financial institutions maturing between 1 and 12 months	10,220,509	0	9,751,729	468,780	0	0	0
Amount due from overseas offices	21,107,061	19,840,808	0	1,266,253	0	0	0
Trade bills	196,978	137,391	58,786	801	0	0	0
Certificates of deposit held	2,411,668	0	0	2,411,668	0	0	0
Securities held for trading purposes	1,444,162	0	0	1,444,162	0	0	0
Advances and other accounts (Additional Balance Sheet Information)	27,775,973	5,379,769	4,621,073	7,172,852	9,738,834	534,041	329,404
Investment securities	37,909,736	1,792,153	425,308	3,723,047	25,292,593	6,676,635	0
Fixed assets	162,832	0	0	0	0	0	162,832
Total assets	103,436,763	29,357,965	14,856,896	16,487,563	35,031,427	7,210,676	492,236
Liabilities							
Deposits and balances of banks and other financial institutions	193,228	193,228	0	0	0	0	0
Deposits from customers	87,667,342	48,843,863	19,893,871	18,924,649	4,959	0	0
Amount due to overseas offices	213,930	206,370	0	0	0	0	7,560
Debt instruments issued	0	0	0	0	0	0	0
Other liabilities	5,439,173	1,524,153	1,284,419	1,212,250	664,924	93,506	659,921
Reserves and current profit	9,923,090	0	0	0	0	0	9,923,090
Total liabilities	103,436,763	50,767,614	21,178,290	20,136,899	669,883	93,506	10,590,571
Net Gap	0	(21,409,649)	(6,321,394)	(3,649,336)	34,361,544	7,117,170	(10,098,335)
Off Balance Sheet Exposures							
Contingent liabilities	2,453,439	546,157	617,104	1,086,142	204,036	0	0
Irrevocable commitments	2,621,209	2,621,209	0	0	0	0	0
Forward forward deposits placed	0	0	0	0	0	0	0
Total	5,074,648	3,167,366	617,104	1,086,142	204,036	0	0

**8. Remuneration disclosure**

In accordance with paragraph 3.1.2 of the HKMA's Supervisory Policy Manual Guideline on a Sound Remuneration System - CG5, CTBC Bank has disclosed the relevant information under Part III Corporate Governance of the Chinese version of CTBC Bank Annual Report.

B. BANK INFORMATION (CONSOLIDATED BASIS)**1. Capital and capital adequacy**

NTD million

	<u>31 December 2024</u>	<u>30 June 2024</u>
Consolidated capital adequacy ratio	13.89%	13.53%
Aggregate amount of shareholders' fund	420,208	387,192

The capital adequacy ratio is computed in accordance with the Basel Capital Accord under Taiwan MOF regulation. It is calculated as the percentage of net eligible capital divided by risk-weighted assets.

Net eligible capital is the sum of Tier I capital and qualified Tier II and Tier III capital (Total eligible capital) less required capital deductions.

Risk-weighted assets is the sum of credit risk-weighted assets plus the capital requirement for market risk and operational risk multiplied by 12.5.

2. Other financial information

NTD million

	<u>31 December 2024</u>	<u>30 June 2024</u>
Total assets	6,473,093	6,124,575
Total liabilities	6,052,884	5,737,384
Total advances	3,768,167	3,519,279
Total customer deposits	5,329,736	5,111,245
	<i>year ended</i>	<i>year ended</i>
Pre-tax profit / (loss)	<u>31 December 2024</u> 62,827	<u>31 December 2023</u> 53,025

* Notes for NTD/HKD conversion rates : 4.22 (31-Dec-2024); 4.16 (30-Jun-2024) and 3.93 (31-Dec-2023).

Chief Executive's declaration of compliance

We enclose herewith the Key Financial Information Disclosure Statement for the year ended 31 December 2024. We confirm that the information contained therein complies fully with the relevant requirements for financial disclosure by overseas incorporated authorized institutions as set out in CA-D-1<Guideline on the Application of the Banking (Disclosure) Rules> of Supervisory Policy Manual issued by Hong Kong Monetary Authority and is not false or misleading in any material aspect.

HSU CHIA YUN
Chief Executive
CTBC Bank Co., Ltd.
Hong Kong Branch
(incorporated in Taiwan with limited liability)

25 April 2025