



UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
(Incorporated in Singapore with limited liability)

FINANCIAL INFORMATION DISCLOSURE STATEMENTS

**FOR THE PERIOD ENDED
30 JUNE 2024**

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH

TABLE OF CONTENTS

| | Page |
|---|------|
| UNAUDITED INCOME STATEMENT | 1 |
| UNAUDITED BALANCE SHEET | 2 |
| UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION | 3-24 |
| GROUP CONSOLIDATED FINANCIAL INFORMATION | 25 |

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED INCOME STATEMENT

| | Note | Half-year ended 30 June 2024 HK\$'000 | Half-year ended 30 Jun 2023 HK\$'000 |
|---|------|---|--|
| Interest income | | 6,805,674 | 5,702,147 |
| Interest expense | | <u>(5,537,921)</u> | <u>(4,831,168)</u> |
| Net interest income | | 1,267,753 | 870,979 |
| Fee and commission income | | 423,849 | 223,231 |
| Fee and commission expenses | | <u>(11,903)</u> | <u>(12,469)</u> |
| Net fee and commission income | | 411,946 | 210,762 |
| Net trading gain | 1 | 496,648 | 690,659 |
| Other income | | <u>128,587</u> | <u>8,562</u> |
| Total income | | 2,304,934 | 1,780,962 |
| Operating expenses | 2 | <u>(456,340)</u> | <u>(431,479)</u> |
| Net income before impairment losses and provisions for loans and receivables | | 1,848,594 | 1,349,483 |
| Impairment losses and provisions for loans and receivables | | <u>(441,557)</u> | <u>(1,084,153)</u> |
| Operating profit | | 1,407,037 | 265,330 |
| Net gain from disposal of fixed assets | | <u>-</u> | <u>-</u> |
| Profit before taxation | | 1,407,037 | 265,330 |
| Taxation | | <u>(291,034)</u> | <u>(60,601)</u> |
| Profit for the year | | <u>1,116,003</u> | <u>204,729</u> |

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED BALANCE SHEET

| | Note | As at 30 June 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
|--|------|-----------------------------------|---------------------------------------|
| Assets | | | |
| Cash and balances with central banks and banks | 3 | 1,490,025 | 1,582,312 |
| Placements with banks maturing between one and twelve months | | - | - |
| Amount due from overseas offices | | 529,019 | 2,934,714 |
| Trade bills | 4 | 5,800,939 | 5,056,780 |
| Securities held for trading purposes | | - | - |
| Positive fair values for derivative financial instruments | 10 | 9,574,357 | 9,093,645 |
| Amount receivable under reverse repos | | 20,160,890 | 14,680,032 |
| Advances to banks | | - | - |
| Advances to customers | 5 | 152,150,431 | 156,535,133 |
| Financial investments | 6 | 56,213,399 | 52,617,691 |
| Investment in subsidiary | | 20 | 20 |
| Investment property | | 492 | 492 |
| Fixed assets | | 322,516 | 335,118 |
| Other assets | | 3,616,572 | 2,585,645 |
| Total assets | | 249,858,660 | 245,421,582 |
| Liabilities | | | |
| Deposits and balances from central banks, banks and other financial institutions | 7 | 19,144,908 | 15,479,363 |
| Negative fair values for derivative financial instruments | 10 | 9,340,156 | 9,340,076 |
| Amount payable under repos | | 19,861,664 | 13,974,767 |
| Deposits from customers | 8 | 76,802,233 | 79,946,452 |
| Amount due to overseas offices | | 106,149,648 | 109,187,651 |
| Certificates of deposit issued | 9 | 700,000 | 700,000 |
| Issued debt securities | | 3,935,778 | 4,841,833 |
| Other liabilities | | 13,924,273 | 11,951,440 |
| Total liabilities | | 249,858,660 | 245,421,582 |

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION
1. Net trading gain

| | Half-year ended 30 June 2024 HK\$'000 | Half-year ended 30 June 2023 HK\$'000 |
|--------------------------------------|--|---|
| Foreign exchange | 590,224 | 778,953 |
| Interest rate instruments | (95,889) | (86,006) |
| Commodity contracts | - | 820 |
| Credit derivative contracts | 397 | 151 |
| Securities held for trading purposes | (274) | 786 |
| Others | 2,190 | (4,045) |
| | <u>496,648</u> | <u>690,659</u> |

2. Operating expenses

| | Half-year ended 30 June 2024 HK\$'000 | Half-year ended 30 June 2023 HK\$'000 |
|--|--|---|
| Staff costs | 304,626 | 253,962 |
| IT-related expenses | 63,923 | 56,486 |
| Rental expenses | 35,287 | 33,516 |
| Public relation expenses | 13,714 | 12,129 |
| Courier expenses | 1,456 | 1,455 |
| Net (reversal)/charge for other provisions | (1,520) | 41,156 |
| Others | 38,854 | 32,775 |
| | <u>456,340</u> | <u>431,479</u> |

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
3. Cash and balances with central banks and banks

| | As at 30 June 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
|---|-----------------------------------|---------------------------------------|
| Cash in hand | - | - |
| Balances with central banks | 296,418 | 266,530 |
| Balances with banks | 1,046,804 | 420,355 |
| Placements with banks maturing within one month | 150,000 | 898,203 |
| Less: | | |
| Allowances for non-impaired losses | (3,197) | (2,776) |
| | <u>1,490,025</u> | <u>1,582,312</u> |

4. Trade bills

| | As at 30 June 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
|------------------------------------|-----------------------------------|---------------------------------------|
| Gross trade bills | 5,974,064 | 5,181,577 |
| Less: | | |
| Allowances for non-impaired losses | (18,234) | (15,027) |
| Allowances for impaired losses | (154,891) | (109,770) |
| | <u>5,800,939</u> | <u>5,056,780</u> |

5. Advances to customers

| | As at 30 June 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
|--------------------------------------|-----------------------------------|---------------------------------------|
| Gross advances to customers | 154,239,290 | 158,259,569 |
| Less: | | |
| Allowances for non-impaired advances | (961,568) | (887,728) |
| Allowances for impaired advances | (1,127,291) | (836,708) |
| | <u>152,150,431</u> | <u>156,535,133</u> |

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
6. Financial investments

| | As at 30 June 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
|----------------------------|--|--|
| Government debt securities | 7,758,570 | 6,533,244 |
| Certificates of deposit | 7,204,687 | 8,907,830 |
| Other debt securities | <u>41,250,142</u> | <u>37,176,617</u> |
| | <u>56,213,399</u> | <u>52,617,691</u> |

7. Deposits and balances from central banks, banks and other financial institutions

| | As at 30 June 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
|--|--|--|
| Deposits and balances from central banks | 4,441,210 | 4,343,670 |
| Deposits and balances from banks and other financial institutions | <u>14,703,698</u> | <u>11,135,693</u> |
| | <u>19,144,908</u> | <u>15,479,363</u> |

8. Deposits from customers

| | As at 30 June 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
|--------------------------------------|--|--|
| Demand deposits and current accounts | 18,682,675 | 18,607,823 |
| Savings deposits | 20,878,858 | 18,633,706 |
| Time, call and notice deposits | <u>37,240,700</u> | <u>42,704,923</u> |
| | <u>76,802,233</u> | <u>79,946,452</u> |

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
9. Certificates of deposit issued

| | As at 30 June 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
|-------------------|--|--|
| At amortised cost | <u>700,000</u> | <u>700,000</u> |

10. Derivative financial instruments

The contractual/ notional amounts of derivative financial instruments are disclosed as follows:

| | As at 30 June 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
|---------------------------------|--|--|
| Exchange rate-related contracts | | |
| - Spot and forwards | 29,107,750 | 36,075,317 |
| - Swaps | 697,083,691 | 580,886,073 |
| - Options | <u>742,133</u> | <u>1,081,748</u> |
| | 726,933,574 | 618,043,138 |
| Interest rate contracts | 614,764,615 | 453,522,875 |
| Commodity contracts | 1,942,267 | 2,899,835 |
| Credit derivative contracts | <u>943,152</u> | <u>1,688,974</u> |
| | <u>1,344,583,608</u> | <u>1,076,154,822</u> |

The amounts are shown on a gross basis and do not take into account the effect of bilateral netting arrangements.

The contractual amounts of these instruments indicate the volume of transactions outstanding as at the balance sheet dates. The amounts do not represent amounts at risk.

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
10. Derivative financial instruments (continued)

The following table summarises the positive and negative fair values of each class of derivative financial instruments:

| | As at 30 June 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
|---------------------------------|--|--|
| Positive fair values | | |
| Exchange rate-related contracts | | |
| - Spot and forwards | 984,904 | 594,491 |
| - Swaps | 3,944,636 | 4,194,020 |
| - Options | 5,797 | 4,350 |
| | 4,935,337 | 4,792,861 |
| Interest rate contracts | 4,565,121 | 4,212,083 |
| Commodity contracts | 69,805 | 85,207 |
| Credit derivative contracts | 4,094 | 3,494 |
| | 9,574,357 | 9,093,645 |
| Negative fair values | | |
| Exchange rate-related contracts | | |
| - Spot and forwards | 980,183 | 675,159 |
| - Swaps | 3,372,752 | 3,829,464 |
| - Options | 27,557 | 15,764 |
| | 4,380,492 | 4,520,387 |
| Interest rate contracts | 4,885,997 | 4,731,340 |
| Commodity contracts | 69,805 | 85,207 |
| Credit derivative contracts | 3,862 | 3,142 |
| | 9,340,156 | 9,340,076 |

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
11. Contingent liabilities and commitments

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

| | As at 30 June 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
|-----------------------------------|--|--|
| Direct credit substitutes | 1,151,142 | 1,228,685 |
| Transaction-related contingencies | 5,718,331 | 5,913,064 |
| Trade-related contingencies | 3,202,176 | 4,360,832 |
| Forward forward deposits placed | 189,779 | - |
| Other commitments | <u>93,267,739</u> | <u>94,804,362</u> |
| | <u>103,529,167</u> | <u>106,306,943</u> |

The above table shows the contractual amounts of credit related commitments and contingencies of United Overseas Bank Limited, Hong Kong Branch ("the Branch"). It includes letters of credit, guarantees and commitments to extend credit to customers. The above amounts represent a worst case scenario of credit risk exposures arising from these instruments, without taking into account any collateral held or other credit enhancements attached. The amounts do not represent amounts at risk at the balance sheet dates.

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
12. Liquidity
(a) Liquidity Maintenance Ratio (LMR)

| | Quarter ended 30 June 2024 | Quarter ended 30 June 2023 |
|-------------|--------------------------------------|-------------------------------|
| Average LMR | 43.78% | 47.19% |

(b) Core Funding Ratio (CFR)

| | Quarter ended 30 June 2024 | Quarter ended 30 June 2023 |
|-------------|--------------------------------------|-------------------------------|
| Average CFR | 118.54% | 102.33% |

The average LMR & CFR are calculated based on the arithmetic mean of each month's corresponding average ratios for the quarter, which are made in accordance with the requirements specified under Banking (Disclosure) Rules ("BDR").

The liquidity information can be found in the Regulatory Disclosure section of our website www.uobgroup.com/hk.

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

12. Liquidity (continued)

(c) Liquidity Risk Management

Liquidity risk is the risk arising from a bank's potential inability to meet all its financial or payment obligations when they fall due or only being able to meet these obligations at significant costs or losses.

The objective of the Branch's liquidity risk management align with the Group's risk management framework which is to ensure that the Branch maintains sufficient liquidity to fund our day-to-day operations, to meet deposit withdrawals and loan disbursements, to participate in new investments and to repay borrowings. Hence, liquidity is managed in a manner to address known as well as unanticipated cash funding needs.

Liquidity risk is managed in accordance with a framework of policies, controls and limits approved by the Group ALCO. These policies, controls and limits enable the Branch to monitor and to manage liquidity risk to ensure that sufficient sources of funds are available over a range of market conditions. These include minimising excessive funding concentrations by diversifying the sources and terms of funding, and maintaining a portfolio of high quality and marketable debt securities.

The Branch takes a conservative stance on liquidity management by continuing to gather core deposits, ensuring that liquidity limits are strictly adhered to and that there are adequate liquid assets to meet cash shortfall.

The distribution of deposits is managed actively to ensure a balance between cost effectiveness, continued accessibility to funds and diversification of funding sources. The Branch establishes concentration limits on collateral pools and sources of funding, such as concentration of bond securities holding and concentration of top 20 depositors. Important factors in ensuring liquidity are competitive pricing, proactive management of the Branch's core deposits and the maintenance of customer confidence.

The Branch's liquidity risk is aligned with the regulatory liquidity risk management framework and is measured and managed on a projected cash flow basis. The Branch is monitored under business-as-usual and stress scenarios. Cash flow mismatch limits are established to limit liquidity exposure. The Branch also employs liquidity early warning indicators and trigger points to signal possible contingency situations.

The Branch has Contingency Funding Plan and Recovery Plan in place to identify potential liquidity crises using a series of warning indicators. Crisis management processes and various strategies including funding and communication have been developed to minimise the impact of any liquidity crunch.

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
**UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION
(CONTINUED)**
13. Currency risk

| | USD | AUD | CNY | EUR | JPY | KRW | Others | Total |
|---------------------------------|--------------|-----------|--------------|-------------|-----------|-------------|-----------|--------------|
| HK\$'million | | | | | | | | |
| As at 30 June 2024 | | | | | | | | |
| Hong Kong dollar equivalents | | | | | | | | |
| Spot assets | 83,188 | 9,840 | 4,473 | 3,147 | 1,433 | - | 3,042 | 105,123 |
| Spot liabilities | (162,179) | (1,748) | (3,068) | (278) | (977) | - | (753) | (169,003) |
| Forward purchases | 402,508 | 1,714 | 133,374 | 14,270 | 6,638 | 1,256 | 6,959 | 566,719 |
| Forward sales | (323,164) | (9,785) | (135,058) | (17,108) | (7,044) | (1,296) | (9,225) | (502,680) |
| Net options position | - | - | - | - | - | - | - | - |
| | <u>353</u> | <u>21</u> | <u>(279)</u> | <u>31</u> | <u>50</u> | <u>(40)</u> | <u>23</u> | <u>159</u> |
| Net long /(short) position | | | | | | | | |
| HK\$'million | | | | | | | | |
| As at 31 December 2023 | | | | | | | | |
| Hong Kong dollar equivalents | | | | | | | | |
| Spot assets | 72,858 | 5,640 | 3,103 | 2,735 | 790 | - | 2,765 | 87,891 |
| Spot liabilities | (158,432) | (997) | (1,783) | (267) | (134) | - | (983) | (162,596) |
| Forward purchases | 350,615 | 1,592 | 119,399 | 4,848 | 6,200 | 1,601 | 4,482 | 488,737 |
| Forward sales | (263,723) | (6,225) | (120,879) | (7,326) | (6,801) | (1,601) | (6,262) | (412,817) |
| Net options position | - | - | - | - | - | - | - | - |
| | <u>1,318</u> | <u>10</u> | <u>(160)</u> | <u>(10)</u> | <u>55</u> | <u>-</u> | <u>2</u> | <u>1,215</u> |
| Net long /(short) position | | | | | | | | |

Net position in a particular foreign currency is disclosed if the net position (regardless of sign) constitutes 10% or more of the total net position in all foreign currencies. The net options position is calculated based on delta-weighted position approach.

There is no structural position in any particular currency as at 30 June 2024 and 31 December 2023.

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
14. Analysis of gross advances to customers by industry sectors and loan usage

| | As at 30 June 2024 | | As at 31 December 2023 | |
|---|------------------------------------|---|------------------------------------|---|
| | Outstanding balance HK\$'000 | Balance covered by collateral HK\$'000 | Outstanding balance HK\$'000 | Balance covered by collateral HK\$'000 |
| Loans for use in Hong Kong | | | | |
| Industrial, commercial and financial | | | | |
| - Property development | 33,386,094 | 17,564,454 | 31,954,738 | 17,388,820 |
| - Property investment | 30,519,117 | 21,665,901 | 31,655,863 | 22,812,316 |
| - Financial concerns | 6,020,565 | 1,170,150 | 7,022,183 | 1,530,375 |
| - Stockbrokers | 1,969,130 | - | 2,382,760 | - |
| - Wholesale and retail trade | 3,868,892 | 2,300,256 | 4,496,384 | 2,477,531 |
| - Manufacturing | 5,928,955 | 2,805,440 | 6,482,813 | 3,079,100 |
| - Transport and transport equipment | 1,312,120 | 924,879 | 1,330,650 | 942,286 |
| - Recreational activities | 112,501 | 112,500 | 127,500 | 127,500 |
| - Information technology | 3,719,716 | 2,663,844 | 3,652,224 | 2,601,000 |
| - Others | 24,072,005 | 20,389,385 | 24,761,967 | 18,298,911 |
| Subtotal | 110,909,095 | 69,596,809 | 113,867,082 | 69,257,839 |
| Individuals | | | | |
| - Loans for purchase of other residential properties | 247,954 | 244,110 | 243,397 | 234,524 |
| - Others | 58,425 | 58,424 | 64,765 | 62,761 |
| Subtotal | 306,379 | 302,534 | 308,162 | 297,285 |
| Total loans for use in Hong Kong | 111,215,474 | 69,899,343 | 114,175,244 | 69,555,124 |
| Trade finance | 18,754,172 | 1,381,649 | 17,203,305 | 1,595,653 |
| Loans for use outside Hong Kong | 24,269,644 | 8,507,919 | 26,881,020 | 8,692,724 |
| Gross advances to customers | 154,239,290 | 79,788,911 | 158,259,569 | 79,843,501 |

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
15. Analysis of gross advances to customers by geographical areas

| | As at 30 June 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
|-------------|--|--|
| Hong Kong | 135,367,013 | 138,321,972 |
| China | 16,102,861 | 14,613,006 |
| Other areas | <u>2,769,416</u> | <u>5,324,591</u> |
| | <u>154,239,290</u> | <u>158,259,569</u> |

The above analysis of gross advances to customers by geographical areas is based on the location of the counterparties where it constitutes 10% or more of the total gross advances to customers after taking into account the transfer of risk. In general, transfer of risk applies when a claim is guaranteed by a party situated in a country different from the counterparty.

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
16. International claims

| | Banks | Official sectors | Non-bank private sectors | | Total |
|-------------------------------|--------|---------------------|---------------------------------------|-------------------------------------|--------|
| | | | Non-bank financial institutions | Non-financial private sectors | |
| HK\$ million | | | | | |
| As at 30 June 2024 | | | | | |
| Developed countries | 18,674 | - | 4,341 | 513 | 23,528 |
| Offshore centres | 12,677 | 3,146 | 17,205 | 39,026 | 72,054 |
| of which: | | | | | |
| - Hong Kong | 9,863 | 3,146 | 17,041 | 37,325 | 67,375 |
| Developing Asia Pacific | 13,362 | - | 996 | 16,256 | 30,614 |
| of which: | | | | | |
| - Mainland China | 11,825 | - | 996 | 15,857 | 28,678 |
| HK\$ million | | | | | |
| As at 31 December 2023 | | | | | |
| Developed countries | 14,866 | - | 3,967 | 120 | 18,953 |
| Offshore centres | 9,279 | 2,052 | 17,520 | 34,571 | 63,422 |
| of which: | | | | | |
| - Hong Kong | 4,906 | 2,052 | 17,520 | 29,945 | 54,423 |
| Developing Asia Pacific | 14,221 | - | 776 | 14,883 | 29,880 |
| of which: | | | | | |
| - Mainland China | 12,423 | - | 776 | 14,245 | 27,444 |

The above analysis is prepared with reference to the completion instructions for the Hong Kong Monetary Authority 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, and represent the sum of cross-border claims in all currencies and local claims in foreign currencies. Claims on individual countries or areas after risk transfer, amounting to 10% or more of the aggregate international claims of the Branch, are shown.

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
17. Impaired advances to customers and trade bills

Impaired advances to customers and trade bills are those assets where objective evidence exists that full repayment of principal or interest is considered unlikely.

(a) Impaired advances to customers

| | As at 30 June 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
|--|--|--|
| Gross impaired advances to customers | 5,417,115 | 2,819,364 |
| Allowances for impaired advances | <u>(1,127,291)</u> | <u>(836,708)</u> |
| | <u>4,289,824</u> | <u>1,982,656</u> |
| Value of collateral taken into account in respect of such advances to customers to which the allowances for the impaired advances relate | 3,576,296 | 1,244,667 |
| Percentage of such advances to customers to total gross advances to customers | 3.51% | 1.78% |

Analysis of gross impaired advances to customers by geographical areas:

| | As at 30 June 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
|-------------|--|--|
| Hong Kong | 2,834,212 | 1,722,040 |
| China | 2,239,764 | 840,869 |
| Other areas | <u>343,139</u> | <u>256,455</u> |
| | <u>5,417,115</u> | <u>2,819,364</u> |

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
17. Impaired advances to customers and trade bills (continued)
(b) Impaired trade bills

| | As at 30 June 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
|--|--|--|
| Gross impaired trade bills | 403,064 | 230,572 |
| Allowances for impaired losses | <u>(154,891)</u> | <u>(109,770)</u> |
| | <u>248,173</u> | <u>120,802</u> |
| Value of collateral taken into account in respect of such trade bills to which the allowances for impaired losses relate | 51,811 | 75,285 |
| Percentage of such trade bills to total trade bills | 6.75% | 4.45% |
| Analysis of gross impaired trade bills by geographical areas: | | |
| | As at 30 June 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
| Hong Kong | 403,064 | 230,572 |
| | <u>403,064</u> | <u>230,572</u> |

(c) There are no allowances for impaired losses on advance to banks and debt securities as at 30 June 2024 and 31 December 2023 respectively.

The above analyses of gross impaired advances to customers and gross impaired trade bills by geographical areas are based on the location of the counterparties where it constitutes 10% or more of the total after taking into account the transfer of risk. In general, transfer of risk applies when a claim is guaranteed by a party situated in a country different from the counterparty.

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
18. Overdue advances, rescheduled advances and repossessed assets
(a) Gross overdue advances to customers

| | As at 30 June 2024 | | As at 31 December 2023 | |
|--|--------------------|--|------------------------|--|
| | HK\$'000 | % of total gross advances to customers | HK\$'000 | % of total gross advances to customers |
| Gross advances to customers which have been overdue for: | | | | |
| - six months or less but over three months | 856,908 | 0.56% | 369,845 | 0.24% |
| - one year or less but over six months | 909,383 | 0.59% | 821,418 | 0.52% |
| - over one year | <u>2,256,095</u> | <u>1.46%</u> | <u>1,413,906</u> | <u>0.89%</u> |
| Total | <u>4,022,386</u> | <u>2.61%</u> | <u>2,605,169</u> | <u>1.65%</u> |

Analysis of gross overdue advances to customers which are overdue for more than three months by geographical areas:

| | As at 30 June 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
|-------------|-----------------------------------|---------------------------------------|
| Hong Kong | 2,778,884 | 1,708,987 |
| China | 985,769 | 814,013 |
| Other areas | <u>257,733</u> | <u>82,169</u> |
| | <u>4,022,386</u> | <u>2,605,169</u> |

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
18. Overdue advances, rescheduled advances and repossessed assets (continued)
(b) Gross overdue trade bills

| | As at 30 June 2024 | | As at 31 December 2023 | |
|--|-----------------------|------------------------------|------------------------|------------------------------|
| | HK\$'000 | % of total gross trade bills | HK\$'000 | % of total gross trade bills |
| Gross trade bills which have been overdue for: | | | | |
| - six months or less but over three months | - | 0.00% | - | 0.00% |
| - one year or less but over six months | - | 0.00% | - | 0.00% |
| - over one year | <u>203,310</u> | <u>3.40%</u> | <u>211,723</u> | <u>4.09%</u> |
| Total | <u>203,310</u> | <u>3.40%</u> | <u>211,723</u> | <u>4.09%</u> |

Analysis of gross overdue trade bills which are overdue for more than three months by geographical areas:

| | As at 30 June 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
|-----------|-----------------------------------|---------------------------------------|
| Hong Kong | <u>203,310</u> | <u>211,723</u> |

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
18. Overdue advances, rescheduled advances and repossessed assets (continued)
(c) Rescheduled advances to customers

| | As at 30 June 2024 | | As at 31 December 2023 | |
|-----------------------------------|--------------------|--|------------------------|--|
| | HK\$'000 | % of total gross advances to customers | HK\$'000 | % of total gross advances to customers |
| Rescheduled advances to customers | 105,773 | 0.07% | 104,568 | 0.07% |
| Total | <u>105,773</u> | <u>0.07%</u> | <u>104,568</u> | <u>0.07%</u> |

(d) There are no advances to banks and debt securities which are overdue for more than three months or have been rescheduled as at 30 June 2024 and 31 December 2023.

(e) There are no repossessed assets as at 30 June 2024 and 31 December 2023.

The above analysis of gross overdue advances to customers and gross overdue trade bills by geographical areas are based on the location of the counterparties where it constitutes 10% or more of the total after taking into account the transfer of risk. In general, transfer of risk applies when a claim is guaranteed by a party situated in a country different from the counterparty.

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
18. Overdue advances, rescheduled advances and repossessed assets (continued)
(f) Current market value of collateral held against advances to customers overdue for more than three months

| | Outstanding amount of advances HK\$'000 | Current market value of collateral HK\$'000 | Covered portion HK\$'000 | Uncovered portion HK\$'000 | Individual impairment allowances HK\$'000 |
|-------------------------------|--|--|-----------------------------|----------------------------------|--|
| As at 30 June 2024 | | | | | |
| Overdue advances | | | | | |
| - Fully covered advances | 1,145,537 | 1,145,537 | 1,145,537 | - | 3,744 |
| - Partially covered advances | 1,517,545 | 1,088,471 | 1,088,471 | 429,074 | 432,065 |
| - Uncovered advances | <u>1,359,304</u> | <u>-</u> | <u>-</u> | <u>1,359,304</u> | <u>680,889</u> |
| Total | <u>4,022,386</u> | <u>2,234,008</u> | <u>2,234,008</u> | <u>1,788,378</u> | <u>1,116,698</u> |
| As at 31 December 2023 | | | | | |
| Overdue advances | | | | | |
| - Fully covered advances | 52,546 | 52,546 | 52,546 | - | 2,641 |
| - Partially covered advances | 1,385,664 | 1,030,396 | 1,030,396 | 355,268 | 349,495 |
| - Uncovered advances | <u>1,166,959</u> | <u>-</u> | <u>-</u> | <u>1,166,959</u> | <u>465,322</u> |
| Total | <u>2,605,169</u> | <u>1,082,942</u> | <u>1,082,942</u> | <u>1,522,227</u> | <u>817,458</u> |

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
18. Overdue advances, rescheduled advances and repossessed assets (continued)
(g) Current market value of collateral held against trade bills overdue for more than three months

| | Outstanding amount of trade bills HK\$'000 | Current market value of collateral HK\$'000 | Covered portion HK\$'000 | Uncovered portion HK\$'000 | Individual impairment allowances HK\$'000 |
|---------------------------------|---|--|--------------------------------|----------------------------------|--|
| As at 30 June 2024 | | | | | |
| Overdue trade bills | | | | | |
| - Fully covered trade bills | - | - | - | - | - |
| - Partially covered trade bills | 166,039 | 51,811 | 51,811 | 114,228 | 97,159 |
| - Uncovered trade bills | <u>37,271</u> | <u>-</u> | <u>-</u> | <u>37,271</u> | <u>17,591</u> |
| Total | <u>203,310</u> | <u>51,811</u> | <u>51,811</u> | <u>151,499</u> | <u>114,750</u> |
| As at 31 December 2023 | | | | | |
| Overdue trade bills | | | | | |
| - Fully covered trade bills | - | - | - | - | - |
| - Partially covered trade bills | 160,973 | 75,285 | 75,285 | 85,688 | 77,420 |
| - Uncovered trade bills | <u>50,750</u> | <u>-</u> | <u>-</u> | <u>50,750</u> | <u>30,366</u> |
| Total | <u>211,723</u> | <u>75,285</u> | <u>75,285</u> | <u>136,438</u> | <u>107,786</u> |

The Branch follows the Group's guidelines and standards on acceptability of specific collateral for credit risk mitigation. Collateral is taken whenever possible to mitigate the credit risk assumed and the value of the collateral is monitored periodically. The main types of collateral are cash, marketable securities, real estate, equipment, inventory and receivables.

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
19. Non-bank Mainland China exposures

| Type of counterparties | On-balance sheet exposures HK\$'million | Off-balance sheet exposures HK\$'million | Total HK\$'million |
|---|--|---|-----------------------|
| As at 30 June 2024 | | | |
| (1) Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs") | 16,490 | 2,641 | 19,131 |
| (2) Local governments, local government-owned entities and their subsidiaries and JVs | 1,003 | 87 | 1,090 |
| (3) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs | 37,675 | 4,705 | 42,380 |
| (4) Other entities of central government not reported in item 1 above | 1,357 | - | 1,357 |
| (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 | 9,901 | 1,067 | 10,968 |
| (7) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures | 8,497 | 752 | 9,249 |
| Total | 74,923 | 9,252 | 84,175 |
| Total assets after provisions | 249,813 | | |
| On-balance sheet exposures as percentage of total assets | 29.99% | | |

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
19. Non-bank Mainland China exposures (continued)

| Type of counterparties | On-balance sheet exposures HK\$'million | Off-balance sheet exposures HK\$'million | Total HK\$'million |
|---|--|---|-----------------------|
| As at 31 December 2023 | | | |
| (1) Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs") | 13,781 | 3,335 | 17,116 |
| (2) Local governments, local government-owned entities and their subsidiaries and JVs | 1,175 | 305 | 1,480 |
| (3) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs | 36,635 | 6,698 | 43,333 |
| (4) Other entities of central government not reported in item 1 above | 1,978 | 4 | 1,982 |
| (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 | 11,450 | 1,041 | 12,491 |
| (7) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures | 9,685 | 767 | 10,452 |
| Total | 74,704 | 12,150 | 86,854 |
| Total assets after provisions | 245,344 | | |
| On-balance sheet exposures as percentage of total assets | 30.45% | | |

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH

UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)

20. Remuneration policy

The remuneration policy and systems of the Branch are established according to the framework of the Group remuneration guidelines for its employees engaged in the business and operations in Hong Kong.

The information related to the Group remuneration system are disclosed in the annual report of United Overseas Bank Limited.

21. Comparative figures

Certain comparative figures have been reclassified to conform with the financial statements presentation adopted in the current period.

Should there be any discrepancy between the English and Chinese versions, the English version shall prevail.

Hong Kong, 30 September 2024

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH

GROUP CONSOLIDATED FINANCIAL INFORMATION

The information set out below is based on the consolidated accounts of United Overseas Bank Limited (the "Group").

1. Capital and capital adequacy ratios

The Group computes its capital adequacy ratios in accordance with the Basel III capital adequacy requirements set out in the Monetary Authority of Singapore ("MAS") No. 637 "Notice on Risk Based Capital Adequacy Requirements for Banks incorporated in Singapore".

| | As at 30 June 2024 S\$'million | As at 31 December 2023 S\$'million |
|---------------------------------|---|---|
| Group shareholders' equity | 47,343 | 46,226 |
| Group's capital adequacy ratios | | |
| Common Equity Tier 1 | 13.4% | 13.4% |
| Tier 1 | 14.4% | 14.4% |
| Total | 15.9% | 16.6% |

2. Other financial information

| | Period ended 30 June 2024 S\$'million | Period ended 30 June 2023 S\$'million |
|----------------|--|--|
| Pre-tax profit | 3,542 | 3,485 |

| | As at 30 June 2024 S\$'million | As at 31 December 2023 S\$'million |
|----------------------------|---|---|
| Total assets | 516,743 | 523,520 |
| Total liabilities | 469,185 | 477,052 |
| Total gross customer loans | 327,600 | 321,150 |
| Total customer deposits | 389,157 | 385,469 |