



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

FINANCIAL INFORMATION DISCLOSURE STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2022**

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH

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UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED INCOME STATEMENT

	Note	Year ended 31 December 2022 HK\$'000	Year ended 31 December 2021 HK\$'000
Interest income		5,832,697	2,936,670
Interest expense		<u>(3,336,599)</u>	<u>(624,078)</u>
Net interest income		2,496,098	2,312,592
Fee and commission income		644,410	765,870
Fee and commission expenses		<u>(28,126)</u>	<u>(22,381)</u>
Net fee and commission income		616,284	743,489
Net trading gain	1	445,640	222,222
Other income		<u>6,191</u>	<u>5,785</u>
Total income		3,564,213	3,284,088
Operating expenses	2	<u>(771,504)</u>	<u>(785,108)</u>
Net income before impaired advances and receivables allowances		2,792,709	2,498,980
Net charge of impaired advances and receivables		<u>(315,321)</u>	<u>(350,416)</u>
Operating profit		2,477,388	2,148,564
Net gain from disposal of fixed assets		<u>-</u>	<u>75</u>
Profit before taxation		2,477,388	2,148,639
Taxation		<u>(418,334)</u>	<u>(336,560)</u>
Profit for the year		<u>2,059,054</u>	<u>1,812,079</u>

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED BALANCE SHEET

	Note	As at 31 December 2022 HK\$'000	As at 30 June 2022 HK\$'000
Assets			
Cash and balances with central banks and banks	3	2,317,525	1,783,070
Placements with banks maturing between one and twelve months		-	-
Amount due from overseas offices		2,568,201	1,412,660
Trade bills	4	5,383,147	8,572,179
Securities held for trading purposes		1,655,029	3,364,436
Positive fair values for derivative financial instruments	10	14,168,155	10,597,973
Amount receivable under reverse repos		8,366,220	7,914,319
Advances to banks		-	-
Advances to customers	5	154,680,029	153,125,401
Financial investments	6	42,782,330	38,497,627
Investment in subsidiary		20	20
Investment property		492	492
Fixed assets		358,086	342,084
Other assets		2,045,770	3,218,300
Total assets		234,325,004	228,828,561
Liabilities			
Deposits and balances from central banks, banks and other financial institutions	7	26,173,254	27,835,286
Negative fair values for derivative financial instruments	10	14,448,732	10,398,965
Amount payable under repos		4,127,255	4,287,024
Deposits from customers	8	59,994,960	61,015,914
Amount due to overseas offices		113,184,772	111,807,281
Certificates of deposit issued	9	500,000	300,000
Issued debt securities		6,196,903	3,649,943
Other liabilities		9,699,128	9,534,148
Total liabilities		234,325,004	228,828,561

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

	Year ended 31 December 2022 HK\$'000	Year ended 31 December 2021 HK\$'000
Foreign exchange	520,805	199,496
Interest rate instruments	(76,015)	(4,995)
Commodity contracts	8,244	28,651
Credit derivative contracts	1,921	1,360
Securities held for trading purposes	(7,673)	(65)
Others	(1,642)	(2,225)
	445,640	222,222

2. Operating expenses

	Year ended 31 December 2022 HK\$'000	Year ended 31 December 2021 HK\$'000
Staff costs	567,904	508,656
Rental expenses	92,178	88,842
Courier expenses	3,635	3,722
Data processing fees	88,323	78,372
Net (reversal)/charge for other provisions	(65,427)	34,443
Others	84,891	71,073
	771,504	785,108

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

	As at 31 December 2022 HK\$'000	As at 30 June 2022 HK\$'000
Cash in hand	17,261	41,124
Balances with central banks	367,993	392,287
Balances with banks	696,696	1,242,900
Placements with banks maturing within one month	1,237,378	107,981
Less:		
Allowances for non-impaired losses	<u>(1,803)</u>	<u>(1,222)</u>
	<u>2,317,525</u>	<u>1,783,070</u>

4. Trade bills

	As at 31 December 2022 HK\$'000	As at 30 June 2022 HK\$'000
Gross trade bills	5,555,310	8,777,758
Less:		
Allowances for non-impaired losses	<u>(6,514)</u>	<u>(8,875)</u>
Allowances for impaired losses	<u>(165,649)</u>	<u>(196,704)</u>
	<u>5,383,147</u>	<u>8,572,179</u>

5. Advances to customers

	As at 31 December 2022 HK\$'000	As at 30 June 2022 HK\$'000
Gross advances to customers	155,918,272	154,739,524
Less:		
Allowances for non-impaired advances	<u>(324,733)</u>	<u>(487,587)</u>
Allowances for impaired advances	<u>(913,510)</u>	<u>(1,126,536)</u>
	<u>154,680,029</u>	<u>153,125,401</u>

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

	As at 31 December 2022 HK\$'000	As at 30 June 2022 HK\$'000
Government debt securities	6,442,865	10,557,847
Certificates of deposit	7,672,970	8,982,949
Other debt securities	<u>28,666,495</u>	<u>18,956,831</u>
	<u>42,782,330</u>	<u>38,497,627</u>

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

	As at 31 December 2022 HK\$'000	As at 30 June 2022 HK\$'000
Deposits and balances from central banks	6,300,000	6,738,510
Deposits and balances from banks and other financial institutions	<u>19,873,254</u>	<u>21,096,776</u>
	<u>26,173,254</u>	<u>27,835,286</u>

8. Deposits from customers

	As at 31 December 2022 HK\$'000	As at 30 June 2022 HK\$'000
Demand deposits and current accounts	12,656,742	15,619,488
Savings deposits	10,218,327	11,258,674
Time, call and notice deposits	<u>37,119,891</u>	<u>34,137,752</u>
	<u>59,994,960</u>	<u>61,015,914</u>

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

	As at 31 December 2022 HK\$'000	As at 30 June 2022 HK\$'000
At amortised cost	<u>500,000</u>	<u>300,000</u>

10. Derivative financial instruments

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

	As at 31 December 2022 HK\$'000	As at 30 June 2022 HK\$'000
Exchange rate-related contracts		
- Spot and forwards	51,140,577	53,153,984
- Swaps	459,389,125	461,269,370
- Options	<u>1,692,099</u>	<u>2,892,790</u>
	512,221,801	517,316,144
Interest rate contracts	521,972,695	379,065,410
Commodity contracts	3,345,525	2,977,602
Credit derivative contracts	<u>2,076,566</u>	<u>6,154,514</u>
	<u>1,039,616,587</u>	<u>905,513,670</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 31 December 2022 HK\$'000	As at 30 June 2022 HK\$'000
Positive fair values		
Exchange rate-related contracts		
- Spot and forwards	949,587	1,130,346
- Swaps	4,363,655	3,290,205
- Options	23,062	55,634
	5,336,304	4,476,185
Interest rate contracts	8,595,214	4,779,495
Commodity contracts	234,512	1,302,938
Credit derivative contracts	2,125	39,355
	14,168,155	10,597,973
Negative fair values		
Exchange rate-related contracts		
- Spot and forwards	915,951	1,184,307
- Swaps	4,475,786	2,914,221
- Options	23,065	55,681
	5,414,802	4,154,209
Interest rate contracts	8,797,932	4,912,747
Commodity contracts	234,512	1,302,938
Credit derivative contracts	1,486	29,071
	14,448,732	10,398,965

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 31 December 2022 HK\$'000	As at 30 June 2022 HK\$'000
Direct credit substitutes	2,202,452	2,158,291
Transaction-related contingencies	6,050,867	5,112,131
Trade-related contingencies	3,030,161	4,504,147
Forward forward deposits placed	-	14,364
Other commitments	98,744,076	94,945,230
	<u>110,027,556</u>	<u>106,734,163</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 31 December 2022	Quarter ended 31 December 2021
Average LMR	44.59%	37.23%

(b) Core Funding Ratio (CFR)

	Quarter ended 31 December 2022	Quarter ended 31 December 2021
Average CFR	96.54%	112.63%

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 plans 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)
12. Liquidity (continued)
(d) Liquidity Risk Mismatch

The following table analyses the on and off balance sheet items, with reference to the completion instructions for the Hong Kong Monetary Authority Return of Liquidity Monitoring Tools.

As at 31 December 2022 (HK\$'000)	Up to 7 days	Over 7 days to 1 month	Over 1 to 3 months	Over 3 to 12 months	Over 1 to 3 years	Over 3 years	No specific maturity
Cash, balances and placements with central banks	385,255	-	-	-	-	-	-
Placements and balances with banks and other financial institutions	3,686,764	205,902	553,986	59,471	-	-	-
Loans to customers, acceptances and bills of exchange held	6,453,813	30,028,082	14,487,037	34,355,616	63,552,038	10,063,877	3,025,808
Debt securities held #	44,623,139	-	-	-	-	-	-
Amount receivable under reverse repo	271,105	3,929,211	3,679,327	486,578	-	-	-
Gross cash inflow from derivatives financial assets	63,234,774	74,660,593	116,660,905	178,297,125	45,181,656	29,260,836	-
Other assets	167,404	364,233	324,902	21,213	98,243	4,481	640,987
Total on-balance sheet assets	118,822,254	109,188,021	135,706,157	213,220,003	108,831,937	39,329,194	3,666,795
Total off-balance sheet claims	26,616,200	-	-	-	-	-	-
Deposits from customers	25,604,776	9,019,625	18,993,610	6,608,658	-	-	-
Deposits and balances of banks and other financial institutions	10,665,294	9,052,550	27,467,539	90,923,053	1,938,000	10,000	-
Debt securities issued	-	1,400,000	854,000	300,000	4,150,000	-	-
Amount payable under repo	-	1,878,131	2,001,780	247,344	-	-	-
Gross cash outflow from derivatives financial liabilities	63,194,661	74,964,550	116,584,337	178,232,381	45,286,873	29,147,910	-
Other liabilities and capital	579,586	419,090	8,111,484	172,841	99,054	87,652	(792,144)
Total on-balance sheet liabilities	100,044,317	96,733,946	174,012,750	276,484,277	51,473,927	29,245,562	(792,144)
Total off-balance sheet obligations	51,099,091	-	-	-	-	-	-
Contractual Maturity Mismatch	(5,704,954)	12,454,075	(38,306,593)	(63,264,274)	57,358,010	10,083,632	
Cumulative Contractual Maturity Mismatch	(5,704,954)	6,749,121	(31,557,472)	(94,821,746)	(37,463,736)	(27,380,104)	

Debt securities held that are readily monetizable are profiled to next day in accordance with MA(BS)23 completion instruction specified by HKMA.

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED SUPPLEMENTARY FINANCIAL INFORMATION (CONTINUED)
12. Liquidity (continued)
(d) Liquidity Risk Mismatch (continued)

The following table analyses the on and off balance sheet items, with reference to the completion instructions for the Hong Kong Monetary Authority Return of Liquidity Monitoring Tools.

As at 31 December 2021

(HK\$'000)	Up to 7 days	Over 7 days to 1 month	Over 1 to 3 months	Over 3 to 12 months	Over 1 to 3 years	Over 3 years	No specific maturity
Cash, balances and placements with central banks	217,188	-	-	-	-	-	-
Placements and balances with banks and other financial institutions	1,436,647	143,165	274,447	141,516	-	-	-
Loans to customers, acceptances and bills of exchange held	9,843,337	33,311,738	13,003,830	29,332,054	60,350,949	11,550,583	1,698,274
Debt securities held #	44,073,292	-	-	-	-	-	-
Amount receivable under reverse repo	2,257,943	3,335,034	2,564,446	3,950,645	-	-	-
Gross cash inflow from derivatives financial assets	76,211,201	85,694,376	124,947,230	124,133,356	35,270,443	17,229,378	-
Other assets	290,876	135,647	172,134	470,288	32,090	6,587	617,229
Total on-balance sheet assets	134,330,484	122,619,960	140,962,087	158,027,859	95,653,482	28,786,548	2,315,503
Total off-balance sheet claims	13,999,054	-	-	-	-	-	-
Deposits from customers	45,315,345	6,948,539	16,249,599	7,641,322	-	-	-
Deposits and balances of banks and other financial institutions	10,366,476	12,348,394	28,628,350	74,102,383	1,938,000	10,000	-
Debt securities issued	-	-	720,000	-	2,750,000	-	-
Amount payable under repo	-	-	106,245	239,314	-	-	-
Gross cash outflow from derivatives financial liabilities	76,218,705	85,547,915	124,939,990	123,694,464	35,153,881	17,247,969	-
Other liabilities and capital	4,236,117	189,078	5,716,189	595,291	103,152	93,333	244,947
Total on-balance sheet liabilities	136,136,643	105,033,926	176,360,373	206,272,774	39,945,033	17,351,302	244,947
Total off-balance sheet obligations	48,918,177	2,149,654	-	-	-	-	-
Contractual Maturity Mismatch	(36,725,282)	15,436,380	(35,398,286)	(48,244,915)	55,708,449	11,435,246	
Cumulative Contractual Maturity Mismatch	(36,725,282)	(21,288,902)	(56,687,188)	(104,932,103)	(49,223,654)	(37,788,408)	

Debt securities held that are readily monetizable are profiled to next day in accordance with MA(BS)23 completion instruction specified by HKMA.

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

	USD	CNY	JPY	Others	Total
HK\$'million					
As at 31 December 2022					
Hong Kong dollar equivalents					
Spot assets	64,595	3,151	951	4,967	73,664
Spot liabilities	(138,351)	(1,089)	(351)	(3,043)	(142,834)
Forward purchases	290,980	120,909	5,366	14,696	431,951
Forward sales	(217,029)	(123,475)	(5,895)	(16,648)	(363,047)
Net options position	-	-	-	-	-
Net long /(short) position	<u>195</u>	<u>(504)</u>	<u>71</u>	<u>(28)</u>	<u>(266)</u>
HK\$'million					
As at 30 June 2022					
Hong Kong dollar equivalents					
Spot assets	79,234	3,868	1,447	5,940	90,489
Spot liabilities	(146,311)	(914)	(377)	(4,716)	(152,318)
Forward purchases	290,988	122,672	6,533	10,381	430,574
Forward sales	(222,331)	(125,713)	(7,552)	(11,555)	(367,151)
Net options position	-	-	-	-	-
Net long /(short) position	<u>1,580</u>	<u>(87)</u>	<u>51</u>	<u>50</u>	<u>1,594</u>

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 31 December 2022 and 30 June 2022 .

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 31 December 2022		As at 30 June 2022	
	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	33,400,500	15,480,199	26,640,012	10,932,511
- Property investment	27,855,188	19,000,939	27,823,533	19,078,203
- Financial concerns	6,865,015	806,315	7,086,154	936,289
- Stockbrokers	1,806,324	971,971	1,837,300	858,600
- Wholesale and retail trade	5,005,791	2,432,958	4,745,242	2,603,845
- Manufacturing	5,609,301	2,391,401	6,278,121	2,849,009
- Transport and transport equipment	1,312,547	819,094	1,191,334	598,650
- Recreational activities	162,400	162,400	13,015	13,013
- Information technology	3,426,417	1,672,165	2,562,035	1,548,035
- Others	29,520,177	21,364,846	30,025,691	21,718,057
Subtotal	<u>114,963,660</u>	<u>65,102,288</u>	<u>108,202,437</u>	<u>61,136,212</u>
Individuals				
- Loans for purchase of other residential properties	212,932	206,170	260,256	259,654
- Others	73,801	71,808	83,205	81,172
Subtotal	<u>286,733</u>	<u>277,978</u>	<u>343,461</u>	<u>340,826</u>
Total loans for use in Hong Kong	<u>115,250,393</u>	<u>65,380,266</u>	108,545,898	61,477,038
Trade finance	13,926,911	1,328,541	18,348,492	1,942,329
Loans for use outside Hong Kong	<u>26,740,968</u>	<u>8,455,195</u>	<u>27,845,134</u>	<u>8,089,689</u>
Gross advances to customers	<u>155,918,272</u>	<u>75,164,002</u>	<u>154,739,524</u>	<u>71,509,056</u>

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

	As at 31 December 2022 HK\$'000	As at 30 June 2022 HK\$'000
Hong Kong	132,176,058	132,316,355
China	16,590,204	15,685,290
Other areas	7,152,010	6,737,879
	<u>155,918,272</u>	<u>154,739,524</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 31 December 2022					
Developed countries	11,140	2	8,187	773	20,102
of which:					
- United Kingdom	2,529	-	8,187	108	10,824
Offshore centres	7,324	-	13,011	31,370	51,705
of which:					
- Hong Kong	2,653	-	12,527	26,470	41,650
Developing Asia Pacific	10,493	-	879	17,554	28,926
of which:					
- Mainland China	9,063	-	774	16,440	26,277
HK\$' million					
As at 30 June 2022					
Developed countries	5,808	3	4,496	672	10,979
of which:					
- United Kingdom	457	-	4,496	49	5,002
Offshore centres	13,744	-	11,552	40,254	65,550
of which:					
- Hong Kong	7,669	-	11,305	36,250	55,224
Developing Asia Pacific	12,131	355	3,374	18,088	33,948
of which:					
- Mainland China	10,398	355	1,632	16,687	29,072

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 31 December 2022 HK\$'000	As at 30 June 2022 HK\$'000
Gross impaired advances to customers	2,085,927	3,826,685
Allowances for impaired advances	<u>(913,510)</u>	<u>(1,126,536)</u>
	<u>1,172,417</u>	<u>2,700,149</u>
Value of collateral taken into account in respect of such advances to customers to which the allowances for the impaired advances relate	614,018	598,923
Percentage of such advances to customers to total gross advances to customers	1.34%	2.47%

Analysis of gross impaired advances to customers by geographical areas:

	As at 31 December 2022 HK\$'000	As at 30 June 2022 HK\$'000
Hong Kong	1,156,395	1,323,665
China	769,678	2,503,020
Other areas	<u>159,854</u>	<u>-</u>
	<u>2,085,927</u>	<u>3,826,685</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 31 December 2022 HK\$'000	As at 30 June 2022 HK\$'000
Gross impaired trade bills	312,306	388,943
Allowances for impaired losses	<u>(165,649)</u>	<u>(196,704)</u>
	<u>146,657</u>	<u>192,239</u>
Value of collateral taken into account in respect of such trade bills to which the allowances for impaired losses relate	98,816	172,571
Percentage of such trade bills to total trade bills	5.62%	4.43%
Analysis of gross impaired trade bills by geographical areas:		
	As at 31 December 2022 HK\$'000	As at 30 June 2022 HK\$'000
Hong Kong	312,306	383,540
China	<u>-</u>	<u>5,403</u>
	<u>312,306</u>	<u>388,943</u>

(c) There are no allowances for impaired losses on advance to banks and debt securities as at 31 December 2022 and 30 June 2022 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 31 December 2022		As at 30 June 2022	
	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	374,785	0.24%	157,845	0.10%
- one year or less but over six months	174,741	0.11%	5	0.00%
- over one year	778,258	0.50%	844,342	0.55%
Total	1,327,784	0.85%	1,002,192	0.65%

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

	As at 31 December 2022 HK\$'000	As at 30 June 2022 HK\$'000
Hong Kong	1,145,610	1,002,192
Other areas	182,174	-
	1,327,784	1,002,192

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 31 December 2022		As at 30 June 2022	
	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	6,060	0.11%	134,315	1.53%
- one year or less but over six months	89,435	1.61%	-	0.00%
- over one year	194,443	3.50%	210,248	2.40%
Total	289,938	5.22%	344,563	3.93%

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

	As at 31 December 2022 HK\$'000	As at 30 June 2022 HK\$'000
Hong Kong	289,938	344,563

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 31 December 2022		As at 30 June 2022	
	HK\$'000	% of total gross advances to customers	HK\$'000	% of total gross advances to customers
Rescheduled advances to customers	142,825	0.09%	-	0%
Total	<u>142,825</u>	<u>0.09%</u>	<u>-</u>	<u>0%</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 31 December 2022 and 30 June 2022.

(e) There are no repossessed assets as at 31 December 2022 and 30 June 2022.

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 31 December 2022					
Overdue advances					
- Fully covered advances	77,245	77,245	77,245	-	1,409
- Partially covered advances	871,758	534,000	534,000	337,758	316,012
- Uncovered advances	<u>378,781</u>	<u>-</u>	<u>-</u>	<u>378,781</u>	<u>378,781</u>
Total	<u>1,327,784</u>	<u>611,245</u>	<u>611,245</u>	<u>716,539</u>	<u>696,202</u>
As at 30 June 2022					
Overdue advances					
- Fully covered advances	138,046	221,586	138,046	-	-
- Partially covered advances	491,872	332,703	332,703	159,169	158,943
- Uncovered advances	<u>372,274</u>	<u>-</u>	<u>-</u>	<u>372,274</u>	<u>299,432</u>
Total	<u>1,002,192</u>	<u>554,289</u>	<u>470,749</u>	<u>531,443</u>	<u>458,375</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 31 December 2022					
Overdue trade bills					
- Fully covered trade bills	-	-	-	-	-
- Partially covered trade bills	241,556	98,816	98,816	142,740	132,777
- Uncovered trade bills	48,382	-	-	48,382	26,884
Total	<u>289,938</u>	<u>98,816</u>	<u>98,816</u>	<u>191,122</u>	<u>159,661</u>
As at 30 June 2022					
Overdue trade bills					
- Fully covered trade bills	-	-	-	-	-
- Partially covered trade bills	309,590	172,571	172,571	137,019	140,924
- Uncovered trade bills	34,973	-	-	34,973	34,973
Total	<u>344,563</u>	<u>172,571</u>	<u>172,571</u>	<u>171,992</u>	<u>175,897</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 31 December 2022			
(1) Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs")	11,651	5,199	16,850
(2) Local governments, local government-owned entities and their subsidiaries and JVs	2,076	520	2,596
(3) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	31,367	8,040	39,407
(4) Other entities of central government not reported in item 1 above	1,668	7	1,675
(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	9,120	451	9,571
(7) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	8,116	1,358	9,474
Total	<u>63,998</u>	<u>15,575</u>	<u>79,573</u>
Total assets after provisions	<u>234,366</u>		
On-balance sheet exposures as percentage of total assets	<u>27.31%</u>		

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 30 June 2022			
(1) Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs")	18,388	5,475	23,863
(2) Local governments, local government-owned entities and their subsidiaries and JVs	2,476	805	3,281
(3) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	29,777	3,354	33,131
(4) Other entities of central government not reported in item 1 above	301	-	301
(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	6,539	684	7,223
(7) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	8,066	1,547	9,613
Total	65,547	11,865	77,412
Total assets after provisions	228,840		
On-balance sheet exposures as percentage of total assets	28.64%		

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, 28 April 2023

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 31 December 2022 S\$'million	As at 30 June 2022 S\$'million
Group shareholders' equity	43,366	42,257
Group's capital adequacy ratios		
Common Equity Tier 1	13.3%	13.1%
Tier 1	14.4%	14.0%
Total	16.7%	16.4%

2. Other financial information

	Year ended 31 December 2022 S\$'million	Year ended 31 December 2021 S\$'million
Pre-tax profit	5,785	4,937

	As at 31 December 2022 S\$'million	As at 30 June 2022 S\$'million
Total assets	504,260	493,288
Total liabilities	460,654	450,803
Total gross customer loans	319,663	321,677
Total customer deposits	368,553	358,051