

# **BANK OF TAIWAN, HONG KONG BRANCH**

Key Financial Information Disclosure Statement  
For the year ended 31 Dec 2024

**BANK OF TAIWAN – HONG KONG BRANCH**  
**Key Financial Information Disclosure Statement**  
**For the year ended 31 Dec 2024**

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SECTION A – INFORMATION OF THE BRANCH (HONG KONG BRANCH ONLY)

I. PROFIT AND LOSS INFORMATION

HK\$'000

	<b>For the year end</b>	
	<b><u>31 Dec 24</u></b>	<b><u>31 Dec 23</u></b>
Interest income	710,432	708,375
Interest expense	(462,154)	(444,555)
Net interest income	248,278	263,820
Fee and commission income	5,024	5,989
Fee and commission expense	(1,756)	(1,474)
Net fee and commission income	3,268	4,515
Other operating income		
Gains less losses arising from non-trading activities in foreign currencies	1,343	2,109
Gains less losses arising from trading activities in foreign currencies	546	785
Gains less losses on disposal of securities	17	139
Others	-	8
	1,906	3,041
<b>Total income</b>	<b>253,452</b>	<b>271,376</b>
Operating expenses		
Staff expense	(21,563)	(21,398)
Rental expense	(1,650)	(1,334)
Other expense	(16,136)	(13,755)
	(39,349)	(36,487)
Write-back/(charges) of Impairment provisions for loans	(4,404)	13,966
Write-back/(charges) of Impairment provisions for other assets	(257)	(257)
Revaluation gains for negotiable debt instruments	(568)	(3,263)
Gains less losses from the disposal of property, plant and equipment	-	-
<b>Profit before taxation</b>	<b>208,874</b>	<b>245,335</b>
Tax expense	(3)	(6)
<b>Profit after taxation</b>	<b>208,877</b>	<b>245,341</b>

## II. BALANCE SHEET INFORMATION

HK\$ '000

	<b>As at</b>	
	<b><u>31 Dec 24</u></b>	<b><u>30 Jun 24</u></b>
<b><u>Assets</u></b>		
Cash and balances with banks (except those included in amount due from overseas offices)	2,395,289	2,035,994
Placements with banks and other financial institutions with maturity of more than one month but less than twelve months (except those included in amount due from overseas offices)	4,754,049	3,819,118
Amount due from overseas offices	156,507	588,356
Trade bills	-	-
Certificates of deposit held	2,128,158	2,184,902
Negotiable debt instruments	2,543,572	2,798,830
Loans and impairment losses		
Loans and advances to customers	1,177,263	958,194
Loans and advances to banks	644,518	381,241
Impairment losses (collective and specific)	(11,850)	(10,246)
Property, plant and equipment	33,702	5,155
Other accounts	164,493	120,281
<b>Total assets</b>	<b>13,985,701</b>	<b>12,881,825</b>
<b><u>Liabilities</u></b>		
Deposits and balances of banks and other financial institutions (except those included in amount due to overseas offices)	1,786,014	1,067,320
Deposits from customers		
Demand deposits and current accounts	36,145	37,160
Savings deposits	1,674,184	1,498,426
Time, call and notice deposits	5,659,572	5,428,716
Amount due to overseas offices	2,244,319	2,235,396
Other accounts	144,385	272,505
<b>Total liabilities</b>	<b>11,544,619</b>	<b>10,539,523</b>
<b><u>Equities</u></b>		
Reserves	2,231,039	2,231,039
Current profit / (loss)	209,943	111,263
<b>Total equities</b>	<b>2,440,982</b>	<b>2,342,302</b>
<b>Total Equities and Liabilities</b>	<b>13,985,601</b>	<b>12,881,825</b>

**A. ADVANCES AND IMPAIRMENT LOSSES****i. Advance to customers and impairment losses on advances**

	<b>As at</b>	
	<b><u>31 Dec 24</u></b>	<b><u>30 Jun 24</u></b>
Advances to customers	1,177,263	958,194
Advances to banks and other financial institutions	644,518	381,241
Total	1,821,781	1,339,435
Collective impairment provisions	(18,295)	(14,779)
Specific impairment provisions	-	-
Total	(18,295)	(14,779)
Gross advances less impairment provisions	1,803,486	1,324,656
Provisions as a percentage of gross advances		
- Collective impairment provisions	1.00%	1.10%
- Specific impairment provisions	0.00%	0.00%
Total provisions	1.00%	1.10%

**ii. Impairment provisions**

	<b>Specific impairment provisions</b>	<b>Collective impairment provisions</b>	<b>Total</b>
<b><u>31 Dec 24</u></b>			
Advances to customers	-	11,850	11,850
Advances to banks and other financial institutions	-	6,445	6,445
Total	-	18,295	18,295
<b><u>30 Jun 24</u></b>			
Advances to customers	-	10,246	10,246
Advances to banks and other financial institutions	-	4,533	4,533
Total	-	14,779	14,779

**iii. Impaired advances to customers**

	<b><u>31 Dec 24</u></b>	<b><u>30 Jun 24</u></b>
amount of impaired loans and advances	-	-
amount of specific provisions made	-	-
value of collateral	-	-
% of advances to customers	0.00%	0.00%

There were no loans and advances to banks and other financial institutions which are determined impaired as at 30 June 2024 and 31 December 2024.

### III. ADDITIONAL BALANCE SHEET INFORMATION - CONTINUED

HK\$'000

#### B. OVERDUE AND RESCHEDULED ASSETS

	<u>31 Dec 24</u>	As at <u>30 Jun 24</u>
<b>i. Advances to customers overdue for</b>		
more than 3 months and up to 6 months	-	-
more than 6 months and up to 1 year	-	-
more than 1 year	-	-
	<u>-</u>	<u>-</u>
Specific impairment provisions made in respect of the above overdue advances	-	-
Market value of collateral held against the covered portion of all overdue advances	-	-
Covered portion of all overdue advances	-	-
Uncovered portion of all overdue advances	-	-
<b>ii. Rescheduled advances to customers</b> (Net of those overdue advances which have been disclosed above)	-	-

	<u>31 Dec 24</u>	<u>30 Jun 24</u>
	%	%
<b>a. Advances to customers overdue for</b>		
more than 3 months and up to 6 months	0.00	0.00
more than 6 months and up to 1 year	0.00	0.00
more than 1 year	0.00	0.00
	<u>0.00</u>	<u>0.00</u>
<b>b. Rescheduled advances to customers</b>	<u>0.00</u>	<u>0.00</u>

#### iii. Loans and advances to banks and other financial institutions

There were no loans and advances to banks and other financial institutions which were overdue as at 30 June 2024 and 31 December 2024.

#### iv. Other assets (trade bills and debt securities)

There were no other assets (including trade bills and debt securities) which were overdue as at 30 June 2024 and 31 December 2024.

#### v. Amount of repossessed assets

There were no repossessed assets held by the branch as at 30 June 2024 and 31 December 2024.

**C. OFF-BALANCE SHEET INFORMATION****i. CONTINGENT LIABILITIES AND COMMITMENTS**

	As at	
	<u>31 Dec 24</u>	<u>30 Jun 24</u>
<b>Off-balance sheet exposures (in contractual amounts)</b>		
Direct credit substitutes	-	-
Transaction-related contingencies	-	-
Trade-related contingencies	17,087	23,341
Forward forward deposits placed	-	-
Other commitments	595,363	802,261

**ii. DERIVATIVES**

	<u>31 Dec 24</u>	<u>30 Jun 24</u>
<b>Interest rate contracts</b>		
Contractual amount	0	0
Replacement cost	-	-
Positive fair value	-	-
Negative fair value	-	-
<b>Exchange rate and gold contracts</b>		
Contractual amount	585,616	1,168,439
Replacement cost	-	-
Positive fair value	9,763	23,649
Negative fair value	(9,191)	(22,735)

For contingent liabilities and commitments, the contract amounts represent the amounts at risk should the contract be fully drawn upon and the client default. The total of the contract amount is not representative of future liquidity requirements. The replacement costs represent the cost of replacing all contracts which have a positive value when marked to market. They do not take into account the effects of valid bilateral netting agreements.

### III. ADDITIONAL BALANCE SHEET INFORMATION - CONTINUED

HK\$'000

#### D. GROSS ADVANCES TO CUSTOMERS SEGMENTAL ANALYSIS

The following information concerning advances to customers by industry sectors has been classified in accordance with industry categories contained in the banking returns of Quarterly Analysis of Loans and Advances and the Provisions

##### i. BY INDUSTRY SECTOR

	As at			
	31 Dec 24		30 Jun 24	
	<u>Gross</u> <u>Amount</u>	<u>Balance</u> <u>Covered By</u> <u>Collateral</u>	<u>Gross</u> <u>Amount</u>	<u>Balance</u> <u>Covered By</u> <u>Collateral</u>
Loans and advances for use in				
Hong Kong				
Industrial, Commercial and Financial				
Property development	-	-	-	-
Property investment	-	-	-	-
Financial concerns	-	-	-	-
Stockbrokers	-	-	-	-
Manufacturing	215,002	-	216,174	-
Wholesale and retail trade	3,883	3,883	-	-
Transport and transport equipment	-	-	-	-
Electricity and gas	-	-	-	-
Information technology	-	-	-	-
Recreational activities	-	-	-	-
All others	-	-	-	-
Individuals				
Loans for the purchase of other residential properties	12,187	12,187	12,544	12,544
Subtotal	231,072	16,070	228,718	12,544
Trade finance	53,533	8,899	51,371	9,577
Loans and advances for use outside Hong Kong	892,658	77,653	678,105	117,130
Total loans and advances	1,177,263	102,622	958,194	139,251



### III. ADDITIONAL BALANCE SHEET INFORMATION - CONTINUED

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#### ii. BY MAJOR COUNTRIES OR GEOGRAPHICAL SEGMENTS

After taking into account recognized risk transfer, exposures to a single country exceeding 10% of the aggregate gross loans and advances to customers by geographical segment disclosed.

<u>As at 31 Dec 24</u>	<u>Gross Amount</u>	<u>Overdue &amp; Impaired</u>	<u>Specific impairment provisions</u>
1.Korea	295,081	-	-
2.British Virgin Islands	203,450		
3.Vietnam	201,897		
4.Bermuda	190,249		
5.Cayman Islands	158,838		
6.Hong Kong	61,706		
7.China	-		
8.Others	66,041	-	-
	<u>1,177,262</u>	-	-

<u>As at 30 Jun 24</u>	<u>Gross Amount</u>	<u>Overdue &amp; Impaired</u>	<u>Specific impairment provisions</u>
1.Korea	-	-	-
2.British Virgin Islands	195,217		
3.Vietnam	213,410		
4.Bermuda	191,313		
5.Cayman Islands	109,400		
6.Hong Kong	60,489		
7.China	117,130		
8.Others	71,236	-	-
	<u>958,195</u>	-	-

**E. INTERNATIONAL CLAIMS**

The information on international claims discloses exposures to foreign counterparties on which the ultimate risk lies, and is derived according to the location of the counterparties after taking into account any recognised risk transfer. In general, such transfer of risk takes place if the claims are guaranteed by a party in a country which is different from that of the counterparty or if the claims are on an overseas branch of a bank whose head office is located in another country. Only regions constituting 10% or more of the aggregate international claims after taking into account any recognised risk transfer are disclosed.

	<u>Banks</u>	<u>Official Sector</u>	<u>Non-bank private sector</u>		<u>Others</u>	<u>Total</u>
			<u>Non-bank financial institutions</u>	<u>Non- financial private sector</u>		
<b>As at 31 Dec 24</b>						
1. Developed countries	3,008	-	200	-	-	<b>3,208</b>
2. Offshore centres	506	-	39	161	-	<b>706</b>
of which:						
Hong Kong SAR	253	-	-	161	-	<b>414</b>
3. Developing Europe	-	-	-	-	-	-
4. Developing Latin America and Caribbean	-	-	-	-	-	-
5. Developing Africa and Middle East	961	-	47	-	-	<b>1,008</b>
6. Developing Asia-Pacific	6,033	-	268	670	-	<b>6,971</b>
of which:						
China	-	-	-	16	-	<b>16</b>
Chinese Taipei	3,097	-	10	5	-	<b>3,112</b>
7. International organisations	-	-	163	-	-	<b>163</b>
8. Unallocated by country	-	-	-	-	-	-

	<u>Banks</u>	<u>Official Sector</u>	<u>Non-bank private sector</u>		<u>Others</u>	<u>Total</u>
			<u>Non-bank financial institutions</u>	<u>Non- financial private sector</u>		
<b>As at 30 Jun 24</b>						
1. Developed countries	2,684	-	202	-	-	<b>2,886</b>
2. Offshore centres	200	-	39	145	-	<b>384</b>
of which:						
Hong Kong SAR	181	-	-	145	-	<b>326</b>
3. Developing Europe	-	-	-	-	-	-
4. Developing Latin America and Caribbean	-	-	-	-	-	-
5. Developing Africa and Middle East	896	-	47	-	-	<b>943</b>
6. Developing Asia-Pacific	5,640	-	39	756	-	<b>6,435</b>
of which:						
China	-	-	-	134	-	<b>134</b>
Chinese Taipei	2,897	-	-	6	-	<b>2,903</b>
7. International organisations	-	-	393	-	-	<b>393</b>
8. Unallocated by country	-	-	-	-	-	-

The above figures are disclosed according to the HKMA return of international banking statistics and pursuant to Section 63 of the Banking Ordinance.

### III. ADDITIONAL BALANCE SHEET INFORMATION - CONTINUED

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#### F. MAINLAND ACTIVITIES

The categories of non-bank counterparties and the type of direct exposures refers to the Completion Instructions for the Return of Mainland Activities-MA(BS)20.

##### As at 31 Dec 24

	On-balance sheet exposures	Off-balance sheet exposures	Total exposures
1. Central government, central government-owned entities & their subsidiaries & JVs	-	-	-
2. Local governments, local government-owned entities & their subsidiaries & JVs	-	-	-
3. PRC national residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	0	-	0
4. Other entities of central government not reported in item 1 above	-	-	-
5. Other entities of local government not reported in item 1 above	-	-	-
6. PRC national residing outside ML China or entities incorporated outside ML China where the credit is granted for use in ML China	16	7	23
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank ML exposures	-	-	-
	16	7	23
Total assets after provision	13,986		
On-balance sheet exposures as percentage of total assets	0.11%		

##### As at 30 Jun 24

	On-balance sheet exposures	Off-balance sheet exposures	Total exposures
1. Central government, central government-owned entities & their subsidiaries & JVs	-	-	-
2. Local governments, local government-owned entities & their subsidiaries & JVs	-	-	-
3. PRC national residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	118	-	118
4. Other entities of central government not reported in item 1 above	-	-	-
5. Other entities of local government not reported in item 1 above	-	-	-
6. PRC national residing outside ML China or entities incorporated outside ML China where the credit is granted for use in ML China	16	4	20
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank ML exposures	-	-	-
	134	4	138
Total assets after provision	12,882		
On-balance sheet exposures as percentage of total assets	1.04%		

### III. ADDITIONAL BALANCE SHEET INFORMATION - CONTINUED

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#### G. FOREIGN CURRENCY POSITION

The foreign currency exposures are prepared in accordance with the H.K.M.A. return of completion Foreign Currency Position completion instructions. The net position (in absolute terms) for each foreign currency which constitutes 10% or more of the total net position in all foreign currencies.

<u>As at 31 Dec 24</u>	USD	GBP	JPY	EUR	CNY	AUD	SGD	NZD	other foreign currencies	Total
Spot assets	10,657	4	101	36	505	5	1	-	-	11,309
Spot liabilities	(10,604)	(4)	(101)	(38)	(505)	(5)	(1)	-	-	(11,258)
Forward purchases	295	-	-	-	-	-	-	-	284	579
Forward sales	(295)	-	-	-	-	-	-	-	(283)	(578)
Net option position	-	-	-	-	-	-	-	-	-	-
Net long (short) position	53	-	-	(2)	0	-	-	-	1	52

  

<u>As at 30 Jun 24</u>	USD	GBP	JPY	EUR	CNY	AUD	SGD	NZD	other foreign currencies	Total
Spot assets	9,480	4	89	42	527	2	2	-	-	10,146
Spot liabilities	(9,435)	(4)	(89)	(42)	(527)	(3)	(2)	-	-	(10,102)
Forward purchases	593	-	-	-	-	-	-	-	563	1,156
Forward sales	(593)	-	-	-	-	-	-	-	(563)	(1,156)
Net option position	-	-	-	-	-	-	-	-	-	-
Net long (short) position	45	0	0	0	-	(1)	-	-	-	44

There were no foreign currency structural positions as at 30 June 2024 and 31 December 2024.

#### H. LIQUIDITY INFORMATION DISCLOSURE

##### i. Liquidity Risk Management System

(i)Liquidity Risk Management Strategy and Process : To maintain adequate liquidity level, to ensure payment ability, and to enhance contingency management, we comply with the internal policies set out by head office and this branch. The policies set out by head office: “臺灣銀行股份有限公司流動性及利率風險管理政策”, “臺灣銀行股份有限公司流動性風險管理準則” and “臺灣銀行股份有限公司辦理國際金融業務作業準則”. The policies set out by this branch: “臺灣銀行股份有限公司香港分行風險管理政策” and “臺灣銀行股份有限公司香港分行流動性管理政策”.

(ii)Liquidity Risk Management Organization and Structure : 1.This branch has set up Asset and Liability Management Committee (ALCO), to maintain sound operations and strengthen ability of asset and liability management, with the branch Chief Executive as the chairman of ALCO, Alternate Chief Executive and business executives as members、2.ALCO meetings, which held periodically or whenever once in need, review the liquidity risk, interest rate risk, foreign exchange risk, and loan-deposit structure of the branch. For liquidity risk management, ALCO is the supervisory unit and the treasury department is the unit for executing.

(iii)Liquidity Risk Reports : This branch submits monthly liquidity risk and interest rate risk analysis reports in major currencies to ALCO and head office for review. Based on liquidity gap analysis and the changes of the structure, this branch allocates adequate funding to reduce liquidity risk. In addition, we classified the assets and liabilities into interest sensitive and non-interest sensitive for interest rate risk management and for pricing basis.

(iv)Contingency Funding Plan for Liquidity Risk Management : This branch has contingency funding plan in place to respond to the situations such as abnormal deposit withdrawal and serious lack of liquidity. After reviewing the plan periodically, it would be

(v)Funding Management Strategy : This branch manages the liquidity risk based on the principle of conservativeness and stability. Besides the predictable short-term cash-flow, we dynamically adjust the liquidity gaps of different term based on our operation cash-flows or market changes.1.The funding sources should be diversified, stable and reliable.2.The use of funds should be broad.3.The funding management strategy should be conservative and should strengthen the interaction management between different currencies.

(vi)Liquidity Stress Test : This branch runs liquidity stress-testing periodically to estimate the liquidity level demand when in stress situations. The testing items including assets, liabilities and off-balance sheet commitments. The stress-testing is run by accounting department, and the result will be reported to ALCO and the head office. The result will be the reference for the future business planning, the improvement of liquidity risk management or other strategic plans.

(vii)Liquidity Buffer : In addition to complying with the statutory liquidity maintenance ratio requirement of the authority, daily minimum liquidity maintenance ratio and liquidity ratio buffer are set to maintain the liquidity level of the branch in response to all the possibilities.

## ii Liquidity Risk Analysis (Major currencies in HKD)

### 31 Dec 24

	0~2days	2~7days	0~1month	1~2month	2~3month	3~4month	4~5month	5~6month
Due Cash Inflow	1,143	77	2,969	2,708	769	1,427	383	736
Due Cash Outflow	726	1,810	3,375	1,234	967	641	437	353
Cumulative gap over Total Debt	3.41%	-10.77%	-3.32%	8.75%	7.13%	13.56%	13.11%	16.25%
	6~7month	7~8month	8~9month	9~10month	10~11month	11~12month	over 1 year	
Due Cash Inflow	436	871	239	494	259	343	3,103	
Due Cash Outflow	397	502	251	116	1,026	158	5,280	
Cumulative gap over Total Debt	16.56%	19.59%	19.49%	22.59%	16.31%	17.82%	0.00%	

## iii.LIQUIDITY INFORMATION DISCLOSURE

### For the year/period

	31 Dec 24	31 Dec 23
Average LMR for the year/period	112.90%	138.88%
Calculation period	Oct~Dec 2024	Oct~Dec 2023

Disclosure the average value of its LMR and the related information under section 103(3)(c) of the Banking ( Disclosure ) Rules.

The average value of its LMR calculated based on the arithmetic mean of the average value of its LMR reported in its liquidity position return for each month during the reporting period.

Liquidity ratios are monitored on a daily basis (Treasury department is responsible for adjustments of allocation of assets and liabilities based on the LMR calculated by Accounting department) and liquidity stress test has been performed quarterly in the branch. The Asset-Liability Committee (ALCO) has been established in the branch and ALCO meetings are held on a monthly basis.

## I. REMUNERATION DISCLOSURE

In accordance with section 3 of the HKMA's Supervisory Policy Manual Guideline CG-5 "Sound Remuneration System", Bank of Taiwan has disclosed the relevant information in the part of Corporate Governance of the Bank's Annual Report.

SECTION B – INFORMATION OF THE BANK (CONSOLIDATED BASIS)

NT\$'000

I. CAPITAL AND CAPITAL ADEQUACY RATIO

	<u>31 Dec 24</u>	As at <u>30 Jun 24</u>
A. Capital Adequacy Ratio	16.26%	16.25%
B. Aggregate amount of shareholder's funds	492,405,525	470,219,042

The capital adequacy ratio is computed in accordance with the Basel III Capital Accord framework after taken into account for credit risk, market risk and operational risk.

II. OTHER FINANCIAL INFORMATION

	<u>31 Dec 24</u>	As at <u>30 Jun 24</u>
Total assets	6,583,122,735	6,540,097,899
Total liabilities	6,090,717,210	6,069,878,857
Total advances	3,369,123,180	3,119,554,211
Total customer deposits	5,024,987,414	5,034,644,401
	<b>For the year ended</b>	
	<u>31 Dec 24</u>	<u>31 Dec 23</u>
Profit / (Loss) before taxation	32,182,802	28,482,850

# Declaration

According to the requirement of the Hong Kong Monetary Authority on Key Financial Information Disclosure Statement of Authorized Institutions incorporated outside Hong Kong, we have pleasure in presenting the Key Financial Information Disclosure Statements of Bank of Taiwan, Hong Kong Branch for **the year ended 31 Dec 2024**. We confirmed that the information contained therein complies, in all material respects, with the relevant requirements for financial disclosure by overseas incorporated authorized institutions as set out in the supervisory policy manual CA-D-1 "Guideline on the Application of the Banking (Disclosure) Rules", and to the best of my knowledge and belief, it is not false or misleading.



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Lu A-Kan

Chief Executive

Bank of Taiwan, Hong Kong Branch

22. Apr. 2025.  
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Date