



# **DBS BANK LTD., HONG KONG BRANCH**

(Incorporated in Singapore with limited liability)

**FINANCIAL DISCLOSURE STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2020**

# DBS BANK LTD., HONG KONG BRANCH

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# DBS BANK LTD., HONG KONG BRANCH

## INCOME STATEMENT (unaudited)

		For the year ended	
	Note	31 December 2020 <i>HK\$ million</i>	31 December 2019 <i>HK\$ million</i>
Interest income		<b>6,366</b>	9,607
Interest expense		<b>(4,844)</b>	(6,886)
Net interest income		<b>1,522</b>	2,721
Fee and commission income		<b>576</b>	630
Other income	1	<b>425</b>	820
Total income		<b>2,523</b>	4,171
Total expenses	2	<b>(716)</b>	(760)
Profit before allowances for credit and other losses		<b>1,807</b>	3,411
Allowances for credit and other losses		<b>(481)</b>	38
Profit before income tax		<b>1,326</b>	3,449
Income tax expense		<b>(193)</b>	(535)
Profit after income tax		<b>1,133</b>	2,914

# DBS BANK LTD., HONG KONG BRANCH

## STATEMENT OF FINANCIAL POSITION (unaudited)

	Note	As at 31 December 2020 <i>HK\$ million</i>	As at 30 June 2020 <i>HK\$ million</i>
<b>Assets</b>			
Cash and balance with central bank	3	518	812
Government securities and treasury bills	4	9,061	10,256
Due from banks	5	64,065	41,810
Derivatives	12	31,742	22,732
Bank and corporate securities	6	38,936	41,019
Loans and advances to customers	7	210,241	251,680
Other assets	8	5,850	2,419
		<hr/>	<hr/>
Total assets		<b>360,413</b>	<b>370,728</b>
		<hr/> <hr/>	<hr/> <hr/>
<b>Liabilities</b>			
Due to banks	9	244,327	277,528
Deposits and balances from customers	10	57,145	43,334
Derivatives	12	32,610	23,243
Other liabilities		24,319	25,543
Issued debt securities	11	2,012	1,080
		<hr/>	<hr/>
Total liabilities		<b>360,413</b>	<b>370,728</b>
		<hr/> <hr/>	<hr/> <hr/>

# DBS BANK LTD., HONG KONG BRANCH

## SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

### 1. Other income

	For the year ended	
	31 December 2020	31 December 2019
	<i>HK\$ million</i>	<i>HK\$ million</i>
Net trading income / (loss)		
– Foreign exchange	(722)	(703)
– Interest rates, debt securities, equities and others	<u>1,059</u>	<u>1,457</u>
	<u>337</u>	<u>754</u>
Net loss from financial instruments designated at fair value		
– Financial liabilities designated at fair value	(74)	(87)
Net income from investment securities	163	153
Others	<u>(1)</u>	<u>–</u>
	<u><u>425</u></u>	<u><u>820</u></u>

### 2. Total expenses

	For the year ended	
	31 December 2020	31 December 2019
	<i>HK\$ million</i>	<i>HK\$ million</i>
Employee benefits	295	281
Rental of premises	18	19
Brokerage	46	54
Other expenses	<u>357</u>	<u>406</u>
	<u><u>716</u></u>	<u><u>760</u></u>

# DBS BANK LTD., HONG KONG BRANCH

## SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

### 3. Cash and balance with central bank

	As at 31 December 2020 <i>HK\$ million</i>	As at 30 June 2020 <i>HK\$ million</i>
Cash in hand	1	1
Balance with central bank	<u>517</u>	<u>811</u>
	<u><u>518</u></u>	<u><u>812</u></u>

### 4. Government securities and treasury bills

	Mandatorily at fair value through profit or loss <i>HK\$ million</i>	Fair value through other comprehensive income <i>HK\$ million</i>	Amortised cost <i>HK\$ million</i>	Total <i>HK\$ million</i>
<b>As at 31 December 2020</b>				
Treasury bills	–	4,180	–	4,180
Other debt securities	<u>–</u>	<u>453</u>	<u>4,428</u>	<u>4,881</u>
	<u><u>–</u></u>	<u><u>4,633</u></u>	<u><u>4,428</u></u>	<u><u>9,061</u></u>
<b>As at 30 June 2020</b>				
Treasury bills	–	4,933	–	4,933
Other debt securities	<u>108</u>	<u>952</u>	<u>4,263</u>	<u>5,323</u>
	<u><u>108</u></u>	<u><u>5,885</u></u>	<u><u>4,263</u></u>	<u><u>10,256</u></u>

# DBS BANK LTD., HONG KONG BRANCH

## SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

### 5. Due from banks

	As at 31 December 2020 <i>HK\$ million</i>	As at 30 June 2020 <i>HK\$ million</i>
(a) Balances with banks	2,872	2,288
(b) Placements with banks		
Remaining maturity		
– Within one month	6,111	5,479
– One year or less but over one month	9,148	2,441
	<u>15,259</u>	<u>7,920</u>
(c) Amount due from overseas offices	45,934	31,602
(d) Loans and advances to banks	<u>–</u>	<u>–</u>
Gross amount due from banks	64,065	41,810
Allowances for credit and other losses	<u>–</u>	<u>–</u>
Net amount due from banks	<u><u>64,065</u></u>	<u><u>41,810</u></u>

As at 31 December 2020, there were no impaired, overdue or rescheduled placements with and advances to banks (30 June 2020: Nil).

# DBS BANK LTD., HONG KONG BRANCH

## SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

### 6. Bank and corporate securities

	Mandatorily at fair value through profit or loss <i>HK\$ million</i>	Fair value through other comprehensive income <i>HK\$ million</i>	Amortised cost <i>HK\$ million</i>	Total <i>HK\$ million</i>
<b>As at 31 December 2020</b>				
Certificates of deposit held	2,888	3,457	–	6,345
Debt securities	846	19,227	12,517	32,590
Equity securities	6	–	–	6
	<u>3,740</u>	<u>22,684</u>	<u>12,517</u>	<u>38,941</u>
Allowances for credit and other losses	–	–	(5)	(5)
	<u><u>3,740</u></u>	<u><u>22,684</u></u>	<u><u>12,512</u></u>	<u><u>38,936</u></u>
<b>As at 30 June 2020</b>				
Certificates of deposit held	3,673	4,631	–	8,304
Debt securities	82	18,742	13,895	32,719
	<u>3,755</u>	<u>23,373</u>	<u>13,895</u>	<u>41,023</u>
Allowances for credit and other losses	–	–	(4)	(4)
	<u><u>3,755</u></u>	<u><u>23,373</u></u>	<u><u>13,891</u></u>	<u><u>41,019</u></u>

In 2020, DBS Bank Ltd., HK Branch (“the Branch”) reclassified HK\$13,494 million of “Bank and corporate securities” from amortised cost to fair value through other comprehensive income (“FVOCI”). The reclassification occurred during 2020 as the Branch changed its business model in response to the liquidity conditions brought about by COVID-19.



## DBS BANK LTD., HONG KONG BRANCH

### SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

#### 7. Loans and advances to customers

	As at 31 December 2020 <i>HK\$ million</i>	As at 30 June 2020 <i>HK\$ million</i>
Gross loans and advances to customers	211,279	252,348
Allowances for credit and other losses		
– Specific allowances	(423)	–
– General allowances	(615)	(668)
	<u>210,241</u>	<u>251,680</u>
Comprising:		
– Trade bills	4,310	8,304
– Loans	205,931	243,376
	<u>210,241</u>	<u>251,680</u>

Specific allowances for credit losses is established if there is evidence that the Branch will be unable to collect all amounts due under a claim according to the original contractual terms or the equivalent value.

Specific allowances for credit losses is recorded as a reduction in the carrying value of a claim on the balance sheet.

#### 8. Other assets

	As at 31 December 2020 <i>HK\$ million</i>	As at 30 June 2020 <i>HK\$ million</i>
Acceptances	1,883	1,120
Accrued interest receivables	341	485
Deferred tax assets	81	96
Fixed assets	14	15
Others	3,531	703
	<u>5,850</u>	<u>2,419</u>

# DBS BANK LTD., HONG KONG BRANCH

## SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

### 9. Due to banks

	As at 31 December 2020 <i>HK\$ million</i>	As at 30 June 2020 <i>HK\$ million</i>
Deposits and balances from banks	151,037	191,044
Amounts due to overseas offices	93,290	86,484
	<u>244,327</u>	<u>277,528</u>

### 10. Deposits and balances from customers

	As at 31 December 2020 <i>HK\$ million</i>	As at 30 June 2020 <i>HK\$ million</i>
Demand deposits and current accounts	27,151	12,304
Savings deposits	18,179	16,867
Time, call and notice deposits	11,815	14,163
	<u>57,145</u>	<u>43,334</u>

### 11. Issued debt securities

	As at 31 December 2020 <i>HK\$ million</i>	As at 30 June 2020 <i>HK\$ million</i>
Liabilities designated at fair value through profit or loss	1,238	1,080
Liabilities measured at amortised cost	774	—
	<u>2,012</u>	<u>1,080</u>

# DBS BANK LTD., HONG KONG BRANCH

## SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

### 12. Derivatives

The contractual/notional amounts of derivatives are disclosed as follows:

	As at 31 December 2020 <i>HK\$ million</i>	As at 30 June 2020 <i>HK\$ million</i>
Foreign exchange derivatives	1,445,024	1,845,224
Interest rate derivatives	1,046,473	1,221,092
Equity derivatives	1,285	1,577
	<u>2,492,782</u>	<u>3,067,893</u>

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

The contract/notional amounts of these instruments indicate the volume of transactions outstanding as at the balance sheet date. They do not represent amounts at risk.

The following table summarises the positive and negative fair values of each class of derivatives:

	As at 31 December 2020 <i>HK\$ million</i>	As at 30 June 2020 <i>HK\$ million</i>
<b>Positive fair values</b>		
Foreign exchange derivatives	19,961	8,779
Interest rate derivatives	11,779	13,948
Equity derivatives	2	5
	<u>31,742</u>	<u>22,732</u>
<b>Negative fair values</b>		
Foreign exchange derivatives	22,234	11,382
Interest rate derivatives	10,325	11,743
Equity derivatives	51	118
	<u>32,610</u>	<u>23,243</u>

# DBS BANK LTD., HONG KONG BRANCH

## SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

### 13. Contingent liabilities and commitments

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

	As at 31 December 2020 <i>HK\$ million</i>	As at 30 June 2020 <i>HK\$ million</i>
Direct credit substitutes	845	1,179
Transaction-related contingencies	8,544	4,590
Trade-related contingencies	5,983	6,816
Forward forward deposits placed	18	3,578
Other commitments with an original maturity of not more than one year or which are unconditionally cancellable	107,732	145,603
Other commitments with an original maturity of more than one year	37,710	38,263
	<u>160,832</u>	<u>200,029</u>

The above table shows the contractual amounts of the Branch's off balance sheet exposures that commit it to extend credit to customers. The above amounts represent a worse case scenario of credit risk exposure 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 date.

### 14. Liquidity

#### 14.1 Liquidity Ratios

The Branch complies with the minimum requirement of Liquidity Maintenance Ratio ("LMR") and Core Funding Ratio ("CFR") in accordance with the Banking (Liquidity) Rules issued by the Hong Kong Monetary Authority ("HKMA").

	For the quarter ended	
	31 December 2020	31 December 2019
Average LMR	<u>44.0%</u>	<u>43.4%</u>
	For the quarter ended	
	31 December 2020	31 December 2019
Average CFR	<u>163.8%</u>	<u>136.3%</u>

The average LMR and CFR are calculated as the simple average of each month's average corresponding ratio.

# DBS BANK LTD., HONG KONG BRANCH

## SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

### 14. Liquidity (Continued)

#### 14.2 Liquidity Risk Management

##### 14.2.1 Governance

The Branch's approach to liquidity risk management is based on the building blocks of governance by risk committees' oversight, policies that define overarching principles and specific risk methodologies, and standards that establish the detailed requirements.

The Group Liquidity Risk Management Policy sets out the Branch's overall approach towards liquidity risk management and describes the range of strategies employed by the Branch to manage its liquidity. These include maintaining an adequate counterbalancing capacity, which corresponds to liquid assets, the capacity to borrow from the money markets as well as forms of managerial interventions that improve liquidity, to address potential cash flow shortfalls and maintaining diversified sources of liquidity. The Policy also sets out the structure and responsibilities of committees and functional units for liquidity risk management.

The Policy is supported by standards and corresponding Hong Kong addendums which establish the detailed requirements for liquidity risk identification, measurement, reporting and control. All the policies, standards and addendums would be subjected to annual review and approval from various risk committees.

The Hong Kong Market and Liquidity Risk Committee ("MLRC") serves as an executive forum to provide oversight on the effectiveness of liquidity risk management framework including policies, models, systems, processes, information and methodologies. The MLRC comprises representatives from risk management and other relevant business and support units. It sets standards and provides necessary guidance on the establishment and maintenance of bank-wide Liquidity Contingency Plan ("LCP").

The day-to-day liquidity risk monitoring, control, reporting and analysis are managed by the Risk Management Group, Market and Liquidity Risk unit – an independent risk management function that reports to the Senior Risk Executive.

##### 14.2.2 Liquidity Stress Testing

The primary measure used to manage liquidity within the tolerance is the cash flow maturity mismatch analysis. The analysis is performed on a regular basis under normal and adverse scenarios. It assesses the adequacy of the counterbalancing capacity to fund or mitigate any cash flow shortfalls that may occur as forecasted in the cash flow movements across successive time bands. To ensure that liquidity is managed in line with the risk tolerance, core parameters underpinning the performance of the analysis, such as the types of scenarios, survival period and minimum level of liquid assets, are pre-specified for monitoring and control.

# DBS BANK LTD., HONG KONG BRANCH

## SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

### 14. Liquidity (Continued)

#### 14.2 Liquidity Risk Management (Continued)

##### 14.2.2 Liquidity Stress Testing (Continued)

Stress testing is performed under the cash flow maturity mismatch analysis, and covers adverse scenarios involving shocks that are general market and/or bank-specific in nature. Stress tests assess the Branch's vulnerability when liability run-offs increase, asset drawdown and rollovers increase and / or liquid asset buffer reduces. In addition, ad-hoc stress tests are performed in the formulation of the internal capital adequacy assessment process.

##### 14.2.3 Funding Strategy

The Branch's liquidity and funding positions is centrally managed at Hong Kong location level with the support from Head Office. DBS strives to develop a diversified funding base with access to funding sources across retail and wholesale channels. In particular, it has continuously made inroads in growing, deepening and diversifying its deposit base, spanning retail, wealth management, corporate and institutional customers. Supplementing the deposit base, it continues to maintain access to wholesale channels to increase flexibility and manage funding cost in capitalising on business opportunities.

The Assets and Liabilities Committee ("ALCO") regularly reviews the composition and growth trajectories of the balance sheet and refine our funding strategy according to business momentum, competitive factors and prevailing market conditions.

##### 14.2.4 Contingency Funding Plan

In the event of a potential or actual crisis, DBS Bank Ltd., has in place a set of LCP and respective Hong Kong Addendum, which applies to Hong Kong location level (including the Branch), to facilitate and prepare the management to respond in a coordinated, coherent and organized way to tide the Branch over a crisis situation. The LCP establishes clear lines of responsibilities and preventive measures against and respond to a crisis situation. It also outlines the key management actions and options to be taken in managing a liquidity crisis. Stockpiling High Quality Liquid Assets, maintaining diversification of wholesale funding facilities, such as Money Market lines, Overdraft facilities, Repo facilities and access to Central Bank liquidity facilities could be served as contingent facilities while their availability depends on the types and/or severity of the crisis.

##### 14.2.5 Liquidity Risk Mitigation

Strategies and plans are discussed at relevant committees such as ALCO and MLRC to proactively manage liquidity risk of the Branch. To mitigate the risk, the Branch strives to maintain a diversified funding base and put in place a set of LCP to ensure adequate liquidity as mentioned in above paragraphs.

# DBS BANK LTD., HONG KONG BRANCH

## SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

### 14. Liquidity (Continued)

#### 14.2 Liquidity Risk Management (Continued)

##### 14.2.6 Cash Flow Maturity Mismatch Analysis\*

In HK\$ millions <sup>(i)</sup>	Less than 7 days	1 week to 1 month	1 to 3 months	3 to 12 months
<b>2020</b>				
Net liquidity mismatch	15,122	21	(29,677)	(45,945)
Cumulative mismatch	<u>15,122</u>	<u>15,143</u>	<u>(14,534)</u>	<u>(60,479)</u>
<b>2019<sup>(ii)</sup></b>				
Net liquidity mismatch	10,902	(4,545)	(32,354)	(13,906)
Cumulative mismatch	<u>10,902</u>	<u>6,358</u>	<u>(25,997)</u>	<u>(39,903)</u>

(i) Positive indicates a position of liquidity surplus. Negative indicates a liquidity shortfall that has to be funded. The Branch's liquidity is monitored on a cumulative mismatch basis. The negative mismatch can be covered by sufficient counter-balancing capacity.

(ii) As the behavioural assumptions used to determine the maturity mismatch between assets and liabilities are updated from time to time, the information presented above may not be directly comparable across past balance sheet dates.

\* The cash flow maturity mismatch analysis has already taken into account limitations on the transferability of liquidity.

##### 14.2.7 Sources of Funding

The Branch's source of funding is mainly from wholesale funding comprising intragroup borrowings and supplemented by Euro commercial paper and medium-term notes issuance if necessary.

# DBS BANK LTD., HONG KONG BRANCH

## SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

### 14. Liquidity (Continued)

#### 14.2 Liquidity Risk Management (Continued)

##### 14.2.8 Liquidity Gap

The table below analyses the on- and off-balance sheet items, broken down into maturity buckets of the Branch as at 31 December 2020 based on the completion instructions of the HKMA MA(BS)23 – Liquidity Monitoring Tools:

In HK\$ millions	Total amount	Next day	2 to 7 days	8 days to 1 month	> 1	> 3	> 6	> 1 year up to 2 years	> 2 years up to 3 years	> 3 years up to 5 years	Over 5 years	Balancing amount
					month up to 3 months	months up to 6 months	months up to 1 year					
Cash and balances with central bank	518	518	–	–	–	–	–	–	–	–	–	–
Due from banks	64,066	2,932	48,252	65	11,716	943	158	–	–	–	–	–
Debt securities	48,353	30,615	–	1,036	983	3,036	4,883	2,137	1,803	2,282	1,578	–
Loans and advances to customers	211,449	403	10,178	45,500	23,345	19,268	23,273	33,918	25,861	27,778	1,498	427
Other assets	443,238	956	4,107	14,137	20,591	34,976	49,346	90,517	71,729	76,205	80,387	287
<b>Total on-balance sheet assets</b>	<b>767,624</b>	<b>35,424</b>	<b>62,537</b>	<b>60,738</b>	<b>56,635</b>	<b>58,223</b>	<b>77,660</b>	<b>126,572</b>	<b>99,393</b>	<b>106,265</b>	<b>83,463</b>	<b>714</b>
<b>Total off-balance sheet claims</b>	<b>1,847</b>	<b>–</b>	<b>1,829</b>	<b>–</b>	<b>–</b>	<b>15</b>	<b>3</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

  

In HK\$ millions	Total amount	Next day	2 to 7 days	8 days to 1 month	> 1	> 3	> 6	> 1 year up to 2 years	> 2 years up to 3 years	> 3 years up to 5 years	Over 5 years	Balancing amount
					month up to 3 months	months up to 6 months	months up to 1 year					
Deposits and balances from customers	57,146	45,330	1,505	5,471	4,321	454	65	–	–	–	–	–
Due to banks	245,085	1,328	32,535	10,744	33,636	15,928	41,295	100,819	3,900	4,900	–	–
Debt securities issued	2,065	–	4	842	327	728	164	–	–	–	–	–
Other liabilities	441,333	42	1,860	14,447	21,092	34,473	50,229	90,680	71,382	76,225	80,344	559
<b>Total on-balance sheet liabilities</b>	<b>745,629</b>	<b>46,700</b>	<b>35,904</b>	<b>31,504</b>	<b>59,376</b>	<b>51,583</b>	<b>91,753</b>	<b>191,499</b>	<b>75,282</b>	<b>81,125</b>	<b>80,344</b>	<b>559</b>
<b>Total off-balance sheet obligations</b>	<b>59,851</b>	<b>41,613</b>	<b>9,838</b>	<b>8,400</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>



# DBS BANK LTD., HONG KONG BRANCH

## SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

### 15. Foreign exchange exposures

The table summarises the Branch's non-structural foreign currency positions which are prepared in accordance with the HKMA return of "Foreign Currency Position". The net options position is calculated on the basis of the delta-weighted position of foreign exchange option contracts.

	USD	CNY	EUR	JPY	AUD	GBP	TWD	Others	Total
In HK\$ million									
<b>As at 31 December 2020</b>									
Spot assets	175,613	23,080	5,588	4,577	5,223	4,183	3,429	4,690	226,383
Spot liabilities	(197,514)	(20,403)	(822)	(560)	(1,936)	(1,474)	(804)	(4,601)	(228,114)
Forward purchases	744,848	351,015	6,014	4,061	4,790	2,339	41,834	5,689	1,160,590
Forward sales	(720,213)	(353,620)	(10,814)	(8,249)	(7,972)	(5,043)	(44,355)	(5,784)	(1,156,050)
Net options position	-	-	-	-	-	-	-	-	-
Net long/(short) non-structural position	<u>2,734</u>	<u>72</u>	<u>(34)</u>	<u>(171)</u>	<u>105</u>	<u>5</u>	<u>104</u>	<u>(6)</u>	<u>2,809</u>
<b>As at 30 June 2020</b>									
Spot assets	174,407	16,640	5,625	4,750	4,282	7,249	3,152	1,140	217,245
Spot liabilities	(216,952)	(11,739)	(375)	(767)	(1,704)	(729)	(862)	(942)	(234,070)
Forward purchases	992,729	437,106	6,940	3,657	4,029	946	67,938	4,293	1,517,638
Forward sales	(944,379)	(441,932)	(12,072)	(7,641)	(6,703)	(7,455)	(70,732)	(4,493)	(1,495,407)
Net options position	201	(201)	-	-	-	-	-	-	-
Net long/(short) non-structural position	<u>6,006</u>	<u>(126)</u>	<u>118</u>	<u>(1)</u>	<u>(96)</u>	<u>11</u>	<u>(504)</u>	<u>(2)</u>	<u>5,406</u>

There was no structural position in any currency as at 31 December 2020 and 30 June 2020.

## DBS BANK LTD., HONG KONG BRANCH

### SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

#### 16. Loans and advances to customers by loan usage

The Branch employs a range of policies and practices to mitigate credit risk, one of which is the taking of collateral. The collateral includes cash, marketable securities, properties, trade receivables, inventory, equipment and other physical and financial collateral. Balances of advances analysed by loan usage and the corresponding balances covered by collateral are as follows:

	As at 31 December 2020		As at 30 June 2020	
	Outstanding balance	Balance covered by collateral	Outstanding balance	Balance covered by collateral
In HK\$ million				
Loans for use in Hong Kong				
Industrial, commercial and financial				
– Property development	35,770	9,598	40,432	10,060
– Property investment	36,576	19,420	37,483	19,730
– Financial concerns	3,985	–	2,063	–
– Stockbrokers	–	–	581	–
– Wholesale and retail trade	13,785	–	14,796	–
– Manufacturing	6,340	450	4,006	62
– Transport and transport equipment	5,856	–	8,604	–
– Recreational activities	712	–	657	–
– Information technology	8,895	–	12,209	–
– Others	12,391	548	14,647	1,256
Individuals				
– Loans for the purchase of other residential properties	232	232	190	190
– Others	–	–	–	–
Trade finance (including trade bills)	9,447	–	21,123	–
Loans for use outside Hong Kong	<u>77,290</u>	<u>3,590</u>	<u>95,557</u>	<u>3,836</u>
	<u><u>211,279</u></u>	<u><u>33,838</u></u>	<u><u>252,348</u></u>	<u><u>35,134</u></u>

## DBS BANK LTD., HONG KONG BRANCH

### SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

#### 17. Loans and advances to customers by geographical area

	<b>As at 31 December 2020 <i>HK\$ million</i></b>	<b>As at 30 June 2020 <i>HK\$ million</i></b>
Hong Kong	<b>186,676</b>	224,353
Mainland China	<b>15,758</b>	21,779
Others	<b>8,845</b>	6,216
	<b><u>211,279</u></b>	<b><u>252,348</u></b>

The above analysis by geographical area is based on the location of the counterparty after taking into account the transfer of risk. In general, transfer of risk applies when an advance is guaranteed by a party in a location which is different from that of the counterparty.

# DBS BANK LTD., HONG KONG BRANCH

## SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

### 18. International claims

Analysis of international claims by location and by type of counterparty is as follows:

In HK\$ million	Banks	Official sector	Non-bank private sector		Total
			Non-bank financial institutions	Non-financial private sector	
<b>As at 31 December 2020</b>					
Developed countries	12,818	8,675	–	4,530	26,023
Offshore centres, of which:	61,418	–	5,959	84,139	151,516
– Singapore	46,621	–	–	1,063	47,684
– Hong Kong	14,797	–	5,959	83,076	103,832
– Others	–	–	–	–	–
Developing Asia Pacific, of which	15,181	154	1,288	18,797	35,420
– China	14,892	154	1,288	15,718	32,052
– Others	289	–	–	3,079	3,368
International organisations	–	5,581	–	–	5,581
<b>Total</b>	<b>89,417</b>	<b>14,410</b>	<b>7,247</b>	<b>107,466</b>	<b>218,540</b>
<b>As at 30 June 2020</b>					
Developed countries	12,300	9,876	–	5,644	27,820
Offshore centres, of which:	39,250	–	4,365	99,595	143,210
– Singapore	34,159	–	–	1,329	35,488
– Hong Kong	5,091	–	3,287	98,266	106,644
– Others	–	–	1,078	–	1,078
Developing Asia Pacific, of which	19,876	262	816	19,980	40,934
– China	19,353	262	816	17,298	37,729
– Others	523	–	–	2,682	3,205
International organisations	–	5,069	–	–	5,069
<b>Total</b>	<b>71,426</b>	<b>15,207</b>	<b>5,181</b>	<b>125,219</b>	<b>217,033</b>

The above analysis is disclosed on a net basis after taking into account the effect of any recognised risk transfer.

## DBS BANK LTD., HONG KONG BRANCH

### SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

#### 19. Non-performing loans and advances

As at 31 December 2020, non-performing loans and advances are HK\$423 million (At 30 June 2020: NIL).

Non-performing loans and advances are advances with objective evidence of impairment and are assessed using discounted cash flow method. Specific allowances of such advances are measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

The specific allowances were made after taking into account the value of collateral in respect of the above advances.

#### 20. Overdue and rescheduled loans and advances

There is no rescheduled loan and advance and no repossessed asset as at 31 December 2020 and 30 June 2020.

The overdue loans and advances of the Branch are analysed as follows:

	As at 31 December 2020		As at 30 June 2020	
	HK\$ million	% of gross loans and advances to customers	HK\$ million	% of gross loans and advances to customers
Six months or less but over three months	381	0.18%	–	–
One year or less but over six months	–	–	–	–
Over one year	–	–	–	–
	<u>381</u>	<u>0.18%</u>	<u>–</u>	<u>–</u>

## DBS BANK LTD., HONG KONG BRANCH

### SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

#### 20. Overdue and rescheduled loans and advances (Continued)

In HK\$ million	As at 31 December 2020		As at 30 June 2020	
	HK\$ million	% of gross loans and advances to customers	HK\$ million	% of gross loans and advances to customers
Specific allowances made in respect of the above overdue loans and advances	<u>381</u>	<u>0.18%</u>	<u>–</u>	<u>–</u>
Current market value of collateral held against the covered portion of the above overdue loans and advances	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Covered portion of the above overdue loans and advances	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Uncovered portion of the above overdue loans and advances	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>

# DBS BANK LTD., HONG KONG BRANCH

## SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

### 21. Mainland activities

Type of Counterparties	On-balance sheet exposures <i>HK\$ million</i>	Off-balance sheet exposures <i>HK\$ million</i>	Total <i>HK\$ million</i>
<b>As at 31 December 2020</b>			
(a) Central government, central government-owned entities and their subsidiaries and joint ventures (“JVs”)	62,521	18,287	80,808
(b) Local governments, local government-owned entities and their subsidiaries and JVs	16,174	833	17,007
(c) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	16,489	2,201	18,690
(d) Other entities of central government not reported in part (a) above	11,245	1,964	13,209
(e) Other entities of local governments not reported in part (b) above	6,789	327	7,116
(f) PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	8,440	1,943	10,383
(g) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	10,882	2,625	13,507
	<u>132,540</u>	<u>28,180</u>	<u>160,720</u>
<b>Total assets after provisions</b>	<u>360,351</u>		
<b>On-balance sheet exposures as percentage of total assets</b>	<u>36.78%</u>		

# DBS BANK LTD., HONG KONG BRANCH

## SUPPLEMENTARY FINANCIAL INFORMATION (unaudited)

### 21. Mainland activities (Continued)

Type of Counterparties	On-balance sheet exposures <i>HK\$ million</i>	Off-balance sheet exposures <i>HK\$ million</i>	Total <i>HK\$ million</i>
As at 30 June 2020			
(a) Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs")	69,226	13,561	82,787
(b) Local governments, local government-owned entities and their subsidiaries and JVs	24,337	740	25,077
(c) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	22,046	2,691	24,737
(d) Other entities of central government not reported in part (a) above	12,195	2,286	14,481
(e) Other entities of local governments not reported in part (b) above	7,586	100	7,686
(f) PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	12,766	2,290	15,056
(g) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	13,126	1,298	14,424
	<u>161,282</u>	<u>22,966</u>	<u>184,248</u>
Total assets after provisions	<u>370,656</u>		
On-balance sheet exposures as percentage of total assets	<u>43.51%</u>		

Hong Kong, 26 March 2021



# DBS GROUP HOLDINGS LTD

## GROUP CONSOLIDATED FINANCIAL INFORMATION

### 1. Capital Position and Capital Adequacy Ratios

The Group's capital adequacy ratios are as follows:

	<b>As at 31 December 2020</b>	As at 30 June 2020
Capital Adequacy Ratios		
Common Equity Tier 1	<b>13.9%</b>	13.7%
Tier 1	<b>15.0%</b>	14.9%
Total	<b>16.8%</b>	16.6%

The capital adequacy ratios are computed in accordance with the requirements set out in the Monetary Authority of Singapore's Notice to Banks No. 637 "Notice on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore".

The Group shareholders' funds, including capital and reserves, as at 31 December 2020 were S\$54,626 million (30 June 2020: S\$53,438 million).

### 2. Other financial information

	<b>For the year ended</b>	
	<b>31 December 2020</b>	31 December 2019
	<b>S\$'million</b>	S\$'million
Pre-tax profit	<b>5,368</b>	7,583
	<b>As at 31 December 2020</b>	As at 30 June 2020
	<b>S\$'million</b>	S\$'million
Total assets	<b>649,938</b>	648,204
Total liabilities	<b>595,295</b>	593,945
Total loans and advances	<b>371,171</b>	374,784
Total customer deposits	<b>464,850</b>	447,423