



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

INTERIM FINANCIAL INFORMATION DISCLOSURE STATEMENTS

**FOR THE PERIOD ENDED
30 JUNE 2020**

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UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED INCOME STATEMENT

	Note	Half-year ended 30 June 2020 HK\$'000	Half-year ended 30 June 2019 HK\$'000
Interest income		2,553,196	2,919,795
Interest expense		(1,274,703)	(2,032,267)
Net interest income		1,278,493	887,528
Fee and commission income		238,176	466,053
Fee and commission expenses		(9,997)	(9,345)
Net fee and commission income		228,179	456,708
Net trading (loss)/ gain	1	(46,698)	368,409
Other income		3,722	4,998
Total income		1,463,696	1,717,643
Operating expenses	2	(342,953)	(324,203)
Net income before impaired advances and receivables allowances		1,120,743	1,393,440
Net (charge)/ reversal of impaired advances and receivables		(113,005)	153,707
Operating profit		1,007,738	1,547,147
Net gain from disposal of fixed assets and investment properties		-	-
Profit before taxation		1,007,738	1,547,147
Taxation		(180,778)	(257,888)
Profit for the period		826,960	1,289,259

UNITED OVERSEAS BANK LIMITED, HONG KONG BRANCH
UNAUDITED BALANCE SHEET

	Note	As at 30 June 2020 HK\$'000	As at 31 December 2019 HK\$'000
Assets			
Cash and balances with central banks and banks	3	1,950,659	2,058,771
Placements with banks maturing between one and twelve months		852,533	489,368
Amount due from overseas offices		2,415,755	5,614,735
Trade bills	4	6,805,495	6,964,474
Securities held for trading purposes		2,479,572	380,000
Positive fair values for derivative financial instruments	10	5,994,022	3,936,199
Amount receivable under reverse repos		5,728,717	9,963,507
Advances to banks		-	-
Advances to customers	5	129,885,400	123,569,358
Financial investments	6	36,139,334	39,898,323
Investment in subsidiary		20	20
Investment properties		492	492
Fixed assets		255,991	280,573
Other assets		1,629,267	1,654,399
Total assets		194,137,257	194,810,219
Liabilities			
Deposits and balances from central banks, banks and other financial institutions	7	20,906,173	25,273,200
Negative fair values for derivative financial instruments	10	5,655,519	3,854,951
Amount payable under repos		281,719	2,163,942
Deposits from customers	8	59,507,559	68,826,127
Amount due to overseas offices		100,908,633	84,990,093
Certificates of deposit issued	9	300,000	599,980
Issued debt securities		1,000,000	1,000,000
Other liabilities		5,551,798	8,126,867
Reserve for securities classified at fair value through other comprehensive income		25,856	(24,941)
Total liabilities		194,137,257	194,810,219

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

	Half-year ended 30 June 2020 HK\$'000	Half-year ended 30 June 2019 HK\$'000
Foreign exchange	(114,712)	270,344
Interest rate instruments	38,571	98,391
Commodity contracts	20,798	368
Credit derivative contracts	270	-
Securities held for trading purposes	9,226	690
Others	(851)	(1,384)
	<u>(46,698)</u>	<u>368,409</u>

2. Operating expenses

	Half-year ended 30 June 2020 HK\$'000	Half-year ended 30 June 2019 HK\$'000
Staff costs	237,063	244,057
Rental expenses	47,536	34,910
Courier expenses	2,287	2,404
Data processing fees	28,816	19,774
Net charge/ (reversal) for other provisions	937	(7,606)
Others	26,314	30,664
	<u>342,953</u>	<u>324,203</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 2020 HK\$'000	As at 31 December 2019 HK\$'000
Cash in hand	41,368	31,526
Balances with central banks	89,129	61,880
Balances with banks	482,785	1,287,122
Placements with banks maturing within one month	1,338,117	678,905
Less:		
Allowances for non-impaired losses	(740)	(662)
	<u>1,950,659</u>	<u>2,058,771</u>

4. Trade bills

	As at 30 June 2020 HK\$'000	As at 31 December 2019 HK\$'000
Gross trade bills	6,920,707	7,052,953
Less:		
Allowances for non-impaired losses	(17,531)	(31,772)
Allowances for impaired losses	(97,681)	(56,707)
	<u>6,805,495</u>	<u>6,964,474</u>

5. Advances to customers

	As at 30 June 2020 HK\$'000	As at 31 December 2019 HK\$'000
Gross advances to customers	130,354,559	123,953,293
Less:		
Allowances for non-impaired advances	(355,709)	(342,954)
Allowances for impaired advances	(113,450)	(40,981)
	<u>129,885,400</u>	<u>123,569,358</u>

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

	As at 30 June 2020 HK\$'000	As at 31 December 2019 HK\$'000
Government debt securities	10,748,988	17,834,476
Certificates of deposit	16,330,989	15,858,096
Other debt securities	<u>9,059,357</u>	<u>6,205,751</u>
	<u>36,139,334</u>	<u>39,898,323</u>

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

	As at 30 June 2020 HK\$'000	As at 31 December 2019 HK\$'000
Deposits and balances from central banks	8,291,700	12,152,240
Deposits and balances from banks and other financial institutions	<u>12,614,473</u>	<u>13,120,960</u>
	<u>20,906,173</u>	<u>25,273,200</u>

8. Deposits from customers

	As at 30 June 2020 HK\$'000	As at 31 December 2019 HK\$'000
Demand deposits and current accounts	12,999,753	17,765,741
Savings deposits	12,455,404	10,459,834
Time, call and notice deposits	<u>34,052,402</u>	<u>40,600,552</u>
	<u>59,507,559</u>	<u>68,826,127</u>

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

	As at 30 June 2020 HK\$'000	As at 31 December 2019 HK\$'000
At amortised cost	<u>300,000</u>	<u>599,980</u>

10. Derivative financial instruments

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

	As at 30 June 2020 HK\$'000	As at 31 December 2019 HK\$'000
Exchange rate-related contracts		
- Spot and forwards	34,683,784	45,429,390
- Swaps	388,483,122	421,244,707
- Options	<u>1,816,756</u>	<u>1,907,901</u>
	424,983,662	468,581,998
Interest rate contracts	253,062,436	223,831,560
Commodity contracts	2,919,056	-
Credit derivative contracts	<u>6,009,146</u>	<u>6,263,516</u>
	<u>686,974,300</u>	<u>698,677,074</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 2020 HK\$'000	As at 31 December 2019 HK\$'000
Positive fair values		
Exchange rate-related contracts		
- Spot and forwards	451,606	519,119
- Swaps	1,881,199	2,089,800
- Options	50,429	39,511
	2,383,234	2,648,430
Interest rate contracts	3,438,260	1,235,530
Commodity contracts	106,418	-
Credit derivative contracts	66,110	52,239
	5,994,022	3,936,199
Negative fair values		
Exchange rate-related contracts		
- Spot and forwards	537,019	578,892
- Swaps	1,779,677	2,221,249
- Options	60,928	49,867
	2,377,624	2,850,008
Interest rate contracts	3,145,641	974,844
Commodity contracts	87,989	-
Credit derivative contracts	44,265	30,099
	5,655,519	3,854,951

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 2020 HK\$'000	As at 31 December 2019 HK\$'000
Direct credit substitutes	1,365,850	1,329,432
Transaction-related contingencies	3,546,364	2,928,277
Trade-related contingencies	6,382,157	7,621,501
Forward forward deposits placed	1,307,234	256,272
Other commitments	78,462,173	89,829,577
	<u>91,063,778</u>	<u>101,965,059</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 2020	Quarter ended 30 June 2019
Average LMR for 3 months periods	40.01%	40.15%

(b) Core Funding Ratio (CFR)

	Quarter ended 30 June 2020	Quarter ended 30 June 2019
Average CFR for 3 months periods	103.33%	100.34%

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 Disclosures 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)
13. Currency risk

	USD	CNY	Others	Total
HK\$'million				
As at 30 June 2020				
Hong Kong dollar equivalents				
Spot assets	74,069	3,574	7,046	84,689
Spot liabilities	(129,985)	(1,084)	(3,029)	(134,098)
Forward purchases	242,928	74,834	16,896	334,658
Forward sales	(184,620)	(77,054)	(20,707)	(282,381)
Net options position	-	-	-	-
	<u>2,392</u>	<u>270</u>	<u>206</u>	<u>2,868</u>
Net long /(short) position				
HK\$'million				
As at 31 December 2019				
Hong Kong dollar equivalents				
Spot assets	67,368	1,940	7,296	76,604
Spot liabilities	(115,744)	(2,052)	(2,106)	(119,902)
Forward purchases	261,359	86,081	16,155	363,595
Forward sales	(210,190)	(86,265)	(21,268)	(317,723)
Net options position	-	-	-	-
	<u>2,793</u>	<u>(296)</u>	<u>77</u>	<u>2,574</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 2020 and 31 December 2019.

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 2020		As at 31 December 2019	
	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	18,672,370	10,439,203	20,702,194	10,433,345
- Property investment	22,378,624	18,617,833	24,207,262	16,017,746
- Financial concerns	4,967,189	135,490	3,456,207	135,793
- Stockbrokers	3,637,796	1,595,537	3,797,110	2,565,200
- Wholesale and retail trade	5,100,935	2,650,180	5,079,605	3,018,759
- Manufacturing	6,591,108	3,637,901	6,524,715	3,603,430
- Transport and transport equipment	1,226,606	958,873	1,195,655	868,977
- Recreational activities	16,305	16,303	16,869	16,869
- Information technology	718,395	715,443	698,874	693,607
- Others	30,163,173	19,199,727	28,948,952	18,976,387
Subtotal	93,472,501	57,966,490	94,627,443	56,330,113
Individuals				
- Loans for purchase of other residential properties	147,813	147,813	151,085	151,085
- Others	90,593	83,166	123,807	90,001
Subtotal	238,406	230,979	274,892	241,086
Total loans for use in Hong Kong	93,710,907	58,197,469	94,902,335	56,571,199
Trade finance	17,101,617	2,663,666	11,528,676	2,692,549
Loans for use outside Hong Kong	19,542,035	5,895,806	17,522,282	5,759,295
Gross advances to customers	130,354,559	66,756,941	123,953,293	65,023,043

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 2020 HK\$'000	As at 31 December 2019 HK\$'000
Hong Kong	112,986,027	106,563,633
Other areas	17,368,532	17,389,660
	<u>130,354,559</u>	<u>123,953,293</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 2020					
Developed countries	3,217	3	1,414	1,674	6,308
Offshore centres, of which:	12,207	-	10,587	36,596	59,390
- Singapore	5,573	-	388	747	6,708
- Hong Kong	6,633	-	10,199	32,994	49,826
- Other areas	1	-	-	2,855	2,856
Developing Latin America and Caribbean	-	-	-	-	-
Developing Asia Pacific, of which:	11,607	1,163	1,152	12,641	26,563
- Mainland China	9,529	1,163	1,152	11,004	22,848
- Other areas	2,078	-	-	1,637	3,715
Others	-	-	-	-	-
Total	27,031	1,166	13,153	50,911	92,261
HK\$'million					
As at 31 December 2019					
Developed countries	4,722	2	1,205	1,691	7,620
Offshore centres, of which:	15,367	-	9,987	29,568	54,922
- Singapore	9,384	-	467	1,088	10,939
- Hong Kong	5,983	-	9,520	26,887	42,390
- Other areas	-	-	-	1,593	1,593
Developing Latin America and Caribbean	-	-	-	-	-
Developing Asia Pacific, of which:	11,755	336	689	12,698	25,478
- Mainland China	9,823	336	689	11,399	22,247
- Other areas	1,932	-	-	1,299	3,231
Others	2	-	-	-	2
Total	31,846	338	11,881	43,957	88,022

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 2020 HK\$'000	As at 31 December 2019 HK\$'000
Gross impaired advances to customers	776,870	163,699
Allowances for impaired advances	<u>(113,450)</u>	<u>(40,981)</u>
	<u>663,420</u>	<u>122,718</u>
Value of collateral taken into account in respect of such advances to customers to which the allowances for the impaired advances relate	550,337	103,977
Percentage of such advances to customers to total gross advances to customers	0.60%	0.13%

Analysis of gross impaired advances to customers by geographical areas:

	As at 30 June 2020 HK\$'000	As at 31 December 2019 HK\$'000
Hong Kong	768,270	140,795
Singapore	<u>8,600</u>	<u>22,904</u>
	<u>776,870</u>	<u>163,699</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 2020 HK\$'000	As at 31 December 2019 HK\$'000
Gross impaired trade bills	235,177	66,019
Allowances for impaired losses	<u>(97,681)</u>	<u>(56,707)</u>
	<u>137,496</u>	<u>9,312</u>
Value of collateral taken into account in respect of such trade bills to which the allowances for impaired losses relate	98,761	-
Percentage of such trade bills to total trade bills	3.40%	0.94%

Analysis of gross impaired trade bills by geographical areas:

	As at 30 June 2020 HK\$'000	As at 31 December 2019 HK\$'000
Hong Kong	202,401	33,086
Singapore	<u>32,776</u>	<u>32,933</u>
	<u>235,177</u>	<u>66,019</u>

(c) There are no allowances for impaired losses on advance to banks and debt securities as at 30 June 2020 and 31 December 2019 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 2020		As at 31 December 2019	
	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	269,975	0.21%	49,131	0.04%
- one year or less but over six months	261,589	0.20%	16,753	0.01%
- over one year	6,269	0.01%	6,292	0.01%
Total	<u>537,833</u>	<u>0.42%</u>	<u>72,176</u>	<u>0.06%</u>

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

	As at 30 June 2020 HK\$'000	As at 31 December 2019 HK\$'000
Hong Kong	531,640	49,240
Singapore	6,175	22,914
Others	18	22
	<u>537,833</u>	<u>72,176</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 2020		As at 31 December 2019	
	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	134,083	1.94%	6,190	0.09%
- one year or less but over six months	60,049	0.87%	-	0.00%
- over one year	41,045	0.59%	41,242	0.58%
Total	235,177	3.40%	47,432	0.67%

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

	As at 30 June 2020 HK\$'000	As at 31 December 2019 HK\$'000
Hong Kong	202,401	14,499
Singapore	32,776	32,933
	235,177	47,432

(c) There are no rescheduled advances to customers as at 30 June 2020 and 31 December 2019.

(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 2020 and 31 December 2019.

(e) There are no repossessed assets as at 30 June 2020 and 31 December 2019.

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 2020					
Overdue advances					
- Fully covered advances	-	-	-	-	-
- Partially covered advances	527,879	441,895	441,895	85,984	43,444
- Uncovered advances	<u>9,954</u>	<u>-</u>	<u>-</u>	<u>9,954</u>	<u>9,877</u>
Total	<u>537,833</u>	<u>441,895</u>	<u>441,895</u>	<u>95,938</u>	<u>53,321</u>
As at 31 December 2019					
Overdue advances					
- Fully covered advances	48,210	48,210	48,210	-	-
- Partially covered advances	-	-	-	-	-
- Uncovered advances	<u>23,966</u>	<u>-</u>	<u>-</u>	<u>23,966</u>	<u>23,684</u>
Total	<u>72,176</u>	<u>48,210</u>	<u>48,210</u>	<u>23,966</u>	<u>23,684</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 2020					
Overdue trade bills					
- Fully covered trade bills	-	-	-	-	-
- Partially covered trade bills	168,578	98,761	98,761	69,817	31,712
- Uncovered trade bills	66,599	-	-	66,599	65,969
Total	<u>235,177</u>	<u>98,761</u>	<u>98,761</u>	<u>136,416</u>	<u>97,681</u>
As at 31 December 2019					
Overdue trade bills					
- Fully covered trade bills	-	-	-	-	-
- Partially covered trade bills	-	-	-	-	-
- Uncovered trade bills	47,432	-	-	47,432	47,432
Total	<u>47,432</u>	<u>-</u>	<u>-</u>	<u>47,432</u>	<u>47,432</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 2020			
(1) Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs")	17,246	3,387	20,633
(2) Local governments, local government-owned entities and their subsidiaries and JVs	2,343	2,538	4,881
(3) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	11,013	1,809	12,822
(4) Other entities of central government not reported in item 1 above	1,084	232	1,316
(5) Other entities of local governments not reported in item 2 above	211	24	235
(6) PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	8,978	2,550	11,528
(7) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	3,003	293	3,296
Total	<u>43,878</u>	<u>10,833</u>	<u>54,711</u>
Total assets after provisions	<u>194,074</u>		
On-balance sheet exposures as percentage of total assets	<u>22.61%</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 31 December 2019			
(1) Central government, central government-owned entities and their subsidiaries and joint ventures ("JVs")	10,888	3,533	14,421
(2) Local governments, local government-owned entities and their subsidiaries and JVs	1,473	616	2,089
(3) PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	11,199	2,165	13,364
(4) Other entities of central government not reported in item 1 above	1,943	108	2,051
(5) Other entities of local governments not reported in item 2 above	215	130	345
(6) PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	6,911	2,600	9,511
(7) Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	3,565	348	3,913
Total	36,194	9,500	45,694
Total assets after provisions	194,774		
On-balance sheet exposures as percentage of total assets	18.58%		

There are no allowances for impaired loan on non-bank Mainland China exposures as at 30 June 2020 and 31 December 2019 respectively.

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 2020

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 2020 S\$'million	As at 31 December 2019 S\$'million
Group shareholders' equity	40,081	39,637
Group's capital adequacy ratios		
Common Equity Tier 1	14.0%	14.3%
Tier 1	15.0%	15.4%
Total	17.1%	17.4%

2. Other financial information

	Half-year ended 30 June 2020 S\$'million	Half-year ended 30 June 2019 S\$'million
Pre-tax profit	1,899	2,660

	As at 30 June 2020 S\$'million	As at 31 December 2019 S\$'million
Total assets	429,614	404,409
Total liabilities	389,308	364,545
Total gross customer loans	280,693	268,676
Total customer deposits	322,688	310,726