



BNP PARIBAS
SECURITIES SERVICES

BNP Paribas Securities Services Hong Kong Branch

(Incorporated in France with Limited Liability)

INTERIM FINANCIAL DISCLOSURE STATEMENT

As at 30 June 2022

SECTION A – HONG KONG BRANCH INFORMATION

	<u>30 Jun 2022</u>	<u>30 Jun 2021</u>
	<i>HKD'000s</i>	<i>HKD'000s</i>
I. <u>Income Statement Information</u>		
Interest income	55,035	21,600
Interest expense	(33,984)	(12,138)
Other operating income		
- Gains less losses arising from trading in foreign currencies	(848)	(11)
- Gains less losses on securities held for trading purposes	-	-
- Gains less losses from other trading activities	-	-
- Net fees and commission income		
- Fees and commission income	394,925	828,679
- Fees and commission expenses	(170,925)	(607,971)
- Others	82	33
Operating expenses		
- Staff and rental expenses	(100,712)	(91,052)
- Other expenses	(115,426)	(115,851)
- Net charge for other provisions	-	-
Net charge for impaired loans and receivables	989	136
Gains less losses from the disposal of property, plant and equipment and investment properties	-	-
Profit before taxation	29,136	23,425
Tax expense	(5,176)	(4,619)
Profit after taxation	23,960	18,806
II. <u>Balance Sheet Information</u>	30 Jun 2022	31 Dec 2021
	<i>HKD'000s</i>	<i>HKD'000s</i>
<u>Assets</u>		
(i) Cash and balances with banks (except those included in amount due from overseas offices of BNP Paribas Securities Services)	5,113,197	1,742,648
(ii) Placements with banks which have a residual contractual maturity of more than one month but not more than 12 months (except those included in amount due from overseas offices of BNP Paribas Securities Services)	-	-
(iii) Amount due from overseas offices of BNP Paribas Securities Services	3,657,283	2,354,399
(iv) Trade bills	-	-
(v) Certificates of deposit held	-	-
(vi) Securities held for trading purposes	-	-
(vii) Loans and receivables		
- Loans and advances to customers	5,635	13,759
- Loans and advances to banks	-	-
- Other accounts	3,203,956	3,030,995
- Provisions for impaired loans and receivables		
Specific provisions	-	-
Collective provisions	(742)	(1,731)
(viii) Investment securities	2,100,000	1,700,000
Specific provisions	-	-
(ix) Other investments	32,080	32,080
Specific provisions	(32,080)	(32,080)
(x) Property, plant and equipment and investment properties	2,329	2,861
(xi) Goodwill	60,444	64,261
(xii) Total assets	14,142,102	8,907,192
<u>Liabilities</u>		
(i) Deposits and balances from banks (except those included in amount due to overseas offices of BNP Paribas Securities Services)	1,128,819	1,195,638
(ii) Deposits from customers		
- Demand deposits and current accounts	3,216,552	1,763,730
- Time, call and notice deposits	-	-
(iii) Amount due to overseas offices of BNP Paribas Securities Services	6,334,571	2,612,943
(iv) Certificates of deposit issued	-	-
(v) Issued debt securities	-	-
(vi) Other liabilities	3,462,160	3,334,881
(vii) Total liabilities	14,142,102	8,907,192

III Additional Balance Sheet Information

	30 Jun 2022		31 Dec 2021	
	HKD'000s	% to total loans and advances to customers	HKD'000s	% to total loans and advances to customers
(i) Loans and Advances to Customers				
1. Impaired loans and advances* to customers				
- The amount of impaired loans and advances	-	0%	-	0%
- The amount of specific provisions	-	0%	-	0%
- The amount of collective provisions	-	0%	-	0%
- Market value of collateral	-	-	-	-
Covered portion of total overdue loans and advances	-	-	-	-
Uncovered portion of total overdue loans and advances	-	-	-	-
2. No impaired loans and advances to banks as at 30 Jun 2022 and 31 Dec 2021.				

* Impaired loans are advances to customers which have been classified as “substandard”, “doubtful” and “loss” in accordance with the HKMA Return of Loans and Advances and Provisions (Form MA(BS)2A) completion instructions.

(ii) Sector Information

	30 Jun 2022		31 Dec 2021	
	HKD'000s	% collateral covered	HKD'000s	% collateral covered
1. Loans and advances for use in Hong Kong				
Industrial, commercial and financial				
- Property development	-	0%	-	0%
- Property investment	-	0%	-	0%
- Financial concerns	-	0%	-	0%
- Stockbrokers	5,635	0%	13,759	0%
- Wholesale and retail trade	-	0%	-	0%
- Manufacturing	-	0%	-	0%
- Transport and transport equipment	-	0%	-	0%
- Recreational activities	-	0%	-	0%
- Information technology	-	0%	-	0%
- Others	-	0%	-	0%
Individuals				
- Loans for the purchase of other residential properties	-	0%	-	0%
- Others	-	0%	-	0%
2. Trade finance	-	0%	-	0%
3. Loans and advances for use outside Hong Kong	-	0%	-	0%
Total loans and advances to customers	<u>5,635</u>		<u>13,759</u>	

(iii) Non-Bank Mainland China Exposures

Equivalent in HKD Millions

Type of counterparties

	30 Jun 2022		
	On-balance sheet exposure	Off-balance sheet exposure	Total
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	2	-	2
2. Local governments, local government-owned entities and their subsidiaries and JVs	-	-	-
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	-	-	-
4. Other entities of central government not reported in item 1 above	-	-	-
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	-	-	-
7. Other counterparties where the exposures are considered by BNP Paribas Securities Services to be non-bank Mainland China exposures	-	-	-
Total	<u>2</u>	<u>-</u>	<u>2</u>
Total assets after provision	14,142		
On-balance sheet exposures as percentage of total assets	0.02%		

Equivalent in HKD Millions

Type of counterparties

	31 Dec 2021		
	On-balance sheet exposure	Off-balance sheet exposure	Total
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	2	-	2
2. Local governments, local government-owned entities and their subsidiaries and JVs	-	-	-
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	-	-	-
4. Other entities of central government not reported in item 1 above	-	-	-
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	-	-	-
8. Other counterparties where the exposures are considered by BNP Paribas Securities Services to be non-bank Mainland China exposures	-	-	-
Total	<u>2</u>	<u>-</u>	<u>2</u>
Total assets after provision	8,907		
On-balance sheet exposures as percentage of total assets	0.02%		

(iv) International Claims by Major Countries or Geographical Segments

International claims are exposures of counterparties based on the location of the counterparties after taking into account any recognized risk transfer. International claims on individual geographical areas amounting to 10% or more of the total international claims are as follows :

<i>Equivalent in HKD Millions</i>	30 Jun 2022					Total
	Banks	Official Sector	Non-bank private sector		Others	
			Non-bank financial institutions	Non-financial private sector		
1. Developed countries <i>of which France</i>	5,728 3,844	- -	59 26	- -	- -	5,787 3,870
2. Offshore centres <i>of which Hong Kong</i>	774 774	- -	2,223 2,204	- -	- -	2,997 2,978

<i>Equivalent in HKD Millions</i>	31 Dec 2021					Total
	Banks	Official Sector	Non-bank private sector		Others	
			Non-bank financial institutions	Non-financial private sector		
1. Developed countries <i>of which France</i>	3,456 3,022	- -	61 20	- -	- -	3,517 3,042
2. Offshore centres <i>of which Hong Kong</i>	489 489	- -	1,562 1,542	- -	- -	2,051 2,031

(v) Loans and Advances to Customers by Geographical Segments

The analysis of loans and advances to customers by geographical segments, which is significant according to location of the counterparties after taking into account any recognized risk transfer (constitute 10% or more of the total loans and advances to customers), are as follows :

<i>Equivalent in HKD Millions</i>	30 Jun 2022			31 Dec 2021		
	Total loans and advances to customers	Loans and advances overdue over 3 months	Impaired loans and advances to customers	Total loans and advances to customers	Loans and advances overdue over 3 months	Impaired loans and advances to customers
United States	6	-	-	13	-	-
France	-	-	-	1	-	-
Total	6	-	-	14	-	-

(vi) Currency Risk

<i>Equivalent in HKD Millions</i>	30 Jun 2022			
	USD	EUR	CNY	Total
Spot assets	2,260	154	4,048	6,462
Spot liabilities	(2,240)	(148)	(4,068)	(6,456)
Forward purchases	-	-	-	-
Forward sales	-	-	-	-
Net options position	-	-	-	-
Net long(short)position	20	6	(20)	6
Net structural position	-	-	-	-

<i>Equivalent in HKD Millions</i>	31 Dec 2021			
	USD	EUR	CNY	Total
Spot assets	239	107	3,342	3,688
Spot liabilities	(218)	(118)	(3,342)	(3,678)
Forward purchases	-	-	-	-
Forward sales	-	-	-	-
Net options position	-	-	-	-
Net long(short)position	21	(11)	-	10
Net structural position	-	-	-	-

Net position (in absolute terms) in a particular foreign currency constitute not less than 10% of the institution's total net position in all foreign currencies. The net option position is calculated using the delta equivalent approach.

(vii) Overdue or Rescheduled Assets

	30 Jun 2022		31 Dec 2021	
	HKD'000s	% to total loans and advances to customers	HKD'000s	% to total loans and advances to customers
1. Loans and advances to customers which have been overdue for				
- more than 3 months but not more than 6 months	-	0%	-	0%
- more than 6 months but not more than one year	-	0%	-	0%
- more than one year	-	0%	-	0%
- The amount of specific provisions	-		-	
- Market value of collateral	-		-	
No collateral held in respect of the overdue loans and advances to customers.				
2. Other assets to customers which have been overdue for				
- more than 3 months but not more than 6 months	-		-	
- more than 6 months but not more than one year	-		-	
- more than one year	-		-	
3. Rescheduled assets to customers, excluding those which have been overdue for more than 3 months	-	0%	-	0%
4. Loans and advances to banks which have been overdue for				
- more than 3 months but not more than 6 months	-	0%	-	0%
5. No rescheduled assets to banks as at 30 Jun 2022 and 31 Dec 2021.				
6. No repossessed assets as at 30 Jun 2022 and 31 Dec 2021.				

IV. Off Balance Sheet Exposures

	30 Jun 2022	31 Dec 2021
	HKD'000s	HKD'000s
1. Contingent liabilities and commitments		
- Direct credit substitutes	-	-
- Transaction-related contingencies	-	-
- Trade-related contingencies	-	-
- Other commitments	-	-
- Others	-	-
2. Derivatives (Notional amounts)		
- Exchange rate contracts**	-	-
- Interest rate contracts	-	-
- Others	-	-
3. Total fair value of derivatives		
- Exchange rate contracts**	-	-
- Interest rate contracts	-	-
- Others	-	-

** Excluding forward foreign exchange contracts arising from swap deposit arrangements.

V. Liquidity Information Disclosure**(i) Liquidity Maintenance Ratio (LMR)**

	30 Jun 2022	30 Jun 2021
Average LMR for 3 months period	103.03%	91.52%

The average liquidity maintenance ratio is the arithmetic mean of each months' average LMR calculated in accordance with the Banking (Liquidity) Rules.

Details of liquidity information can be found in the News & Press section of our website www.bnpparibas.com.hk.

VI. Disclosure on Remuneration

Pursuant to section 3 of Supervisory Policy Manual (CG-5) Guideline on a sound remuneration system issued by the Hong Kong Monetary Authority, BNP Paribas Securities Services Hong Kong Branch complies with the requirements and has adopted the remuneration systems of BNP Paribas Securities Services Head Office.

SECTION B – BNP PARIBAS GROUP CONSOLIDATED INFORMATION (EUR Million)

	<u>30 Jun 2022</u>	<u>31 Dec 2021</u>
Capital ratio	15.70%	16.40%
Shareholders' funds	115,945	117,886
Total assets	2,891,007	2,634,444
Total liabilities	2,770,478	2,511,937
Total loans and advances	892,385	835,751
Total customer deposits	1,008,661	957,684
	<u>2022</u>	<u>2021***</u>
Pre-tax profit for the 6 months end 30 June	7,246	6,560

*** Restated according to IFRS 5.

Declaration of Chief Executive Officer

We have prepared the interim financial disclosure statement of BNP Paribas Securities Services, Hong Kong Branch for the six month period ended 30 June 2022. The information disclosed complies fully with the Banking (Disclosure) Rules made by Hong Kong Monetary Authority under Section 60A of the Banking Ordinance (Cap.155). To the best of my knowledge, the Disclosure Statement is not false or misleading.

Julien KASPARIAN
Chief Executive
Hong Kong, 23 September 2022



Angela LUNN
Chief Operating Officer