



**BNP Paribas Hong Kong Branch**  
(Incorporated in France with Limited Liability)  
**INTERIM FINANCIAL DISCLOSURE STATEMENT**  
As at 30 June 2023

**SECTION A – HONG KONG BRANCH INFORMATION**

<b>I. Income Statement Information</b>	<b>30 Jun 2023</b>	<b>30 Jun 2022</b>
	<i>HKD'000s</i>	<i>HKD'000s</i>
Interest income	7,724,444	2,320,059
Interest expense	(6,231,195)	(970,264)
Other operating income		
- Gains less losses arising from trading in foreign currencies	20,507	(151,639)
- Gains less losses on securities held for trading purposes	21,162	(59,459)
- Gains less losses from other trading activities	101,214	163,777
- Net fees and commission income		
- Fees and commission income	3,895,319	3,003,402
- Fees and commission expenses	(1,662,616)	(323,692)
- Others	(80,849)	(91,707)
Operating expenses		
- Staff and rental expenses	(1,844,734)	(1,996,718)
- Other expenses	(1,020,832)	(636,444)
Net write back / (charge) for impaired loans and receivables	31,063	(416,508)
Gains less losses from the disposal of property, plant and equipment and investment properties	(10)	(448)
Profit before taxation	953,473	840,359
Tax expense	(174,890)	(151,270)
<b>Profit after taxation</b>	<b>778,583</b>	<b>689,089</b>
	<b>30 Jun 2023</b>	<b>31 Dec 2022</b>
	<i>HKD'000s</i>	<i>HKD'000s</i>
<b>II Balance Sheet Information</b>		
<b>Assets</b>		
(i) Cash and balances with banks (except those included in amount due from overseas offices of BNP Paribas)	4,065,516	4,083,988
(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)	-	275,140
(iii) Amount due from overseas offices of BNP Paribas	104,858,681	109,617,872
(iv) Trade bills	3,432,336	3,798,194
(v) Certificates of deposit held	-	-
(vi) Securities held for trading purposes	3,876,712	3,294,868
(vii) Loans and receivables		
- Loans and advances to customers	121,147,689	129,228,150
- Loans and advances to banks	432,084	-
- Other accounts	51,530,459	38,472,131
- Provisions for impaired loans and receivables		
Specific provisions	(1,006,943)	(985,126)
Collective provisions	(392,381)	(437,587)
(viii) Investment securities	33,472,070	26,394,791
Specific provisions	-	-
(ix) Other investments	42,371	42,565
(x) Property, plant and equipment and investment properties	138,175	166,393
(xi) Amount receivable under reverse repos	1,360,323	276,984
(xii) Goodwill	655,495	786,594
(xiii) <b>Total assets</b>	<b>323,612,587</b>	<b>315,014,957</b>
<b>Liabilities</b>		
(i) Deposits and balances from banks (except those included in amount due to overseas offices of BNP Paribas)	14,222,396	9,102,876
(ii) Deposits from customers		
- Demand deposits and current accounts	26,984,031	23,957,586
- Time, call and notice deposits	183,112,816	174,737,519
(iii) Amount due to overseas offices of BNP Paribas	33,904,105	59,500,151
(iv) Certificates of deposit issued	4,984,546	2,533,511
(v) Issued debt securities	26,328,804	16,450,649
(vi) Amount payable under repos	3,622,793	313,325
(vii) Other liabilities	30,453,096	28,419,340
(viii) <b>Total liabilities</b>	<b>323,612,587</b>	<b>315,014,957</b>

### III Additional Balance Sheet Information

	30 Jun 2023		31 Dec 2022	
	HKD'000s	% to total loans and advances to customers	HKD'000s	% to total loans and advances to customers
<b>(i) Loans and Advances to Customers</b>				
1. Impaired loans and advances* to customers				
- The amount of impaired loans and advances	2,121,229	1.75%	1,434,644	1.11%
- The amount of specific provisions	819,043	0.68%	842,368	0.65%
- The amount of collective provisions	98,660	0.08%	3,453	0.00%
- Market value of collateral	846,902		140,850	
Covered portion of total overdue loans and advances	-		73	
Uncovered portion of total overdue loans and advances	328,794		332,411	
2. Impaired loans and advances to banks	-		83	

\* 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 2023		31 Dec 2022	
	HKD'000s	% collateral covered	HKD'000s	% collateral covered
1. Loans and advances for use in Hong Kong				
Industrial, commercial and financial				
- Property development	5,961,353	39%	6,675,610	48%
- Property investment	3,196,575	91%	4,653,787	70%
- Financial concerns	10,484,924	29%	10,833,902	36%
- Stockbrokers	134,019	0%	8,039	0%
- Wholesale and retail trade	5,710,633	36%	6,097,235	31%
- Manufacturing	10,313,913	8%	11,644,687	5%
- Transport and transport equipment	14,488,329	96%	16,650,004	95%
- Recreational activities	641,892	22%	764,397	23%
- Information technology	3,706,969	4%	1,387,902	11%
- Others	9,742,331	24%	12,329,190	31%
Individuals				
- Loans for the purchase of other residential properties	-	0%	-	0%
- Others	9,659,584	100%	8,818,243	100%
2. Trade finance	10,398,573	4%	13,523,507	5%
3. Loans and advances for use outside Hong Kong	36,708,594	61%	35,841,647	56%
Total loans and advances to customers	<b>121,147,689</b>		<b>129,228,150</b>	

#### (iii) Non-Bank Mainland China Exposures

Equivalent in HKD Millions Type of counterparties	30 Jun 2023		
	On-balance sheet exposure	Off-balance sheet exposure	Total
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	8,702	2,897	11,599
2. Local governments, local government-owned entities and their subsidiaries and JVs	4,379	1,096	5,475
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	17,494	10,794	28,288
4. Other entities of central government not reported in item 1 above	1,150	1	1,151
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	3,765	6,676	10,441
7. Other counterparties where the exposures are considered by BNP Paribas to be non-bank Mainland China exposures	3,531	109	3,640
Total	<b>39,021</b>	<b>21,573</b>	<b>60,594</b>
Total assets after provision	<b>323,613</b>		
On-balance sheet exposures as percentage of total assets	<b>12.06%</b>		
Equivalent in HKD Millions Type of counterparties	31 Dec 2022		
	On-balance sheet exposure	Off-balance sheet exposure	Total
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	11,559	2,005	13,564
2. Local governments, local government-owned entities and their subsidiaries and JVs	5,123	1,732	6,855
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	16,157	10,401	26,558
4. Other entities of central government not reported in item 1 above	1,166	6	1,172
5. Other entities of local governments not reported in item 2 above	141	-	141
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	5,028	6,094	11,122
7. Other counterparties where the exposures are considered by BNP Paribas to be non-bank Mainland China exposures	4,827	182	5,009
Total	<b>44,001</b>	<b>20,420</b>	<b>64,421</b>
Total assets after provision	<b>315,015</b>		
On-balance sheet exposures as percentage of total assets	<b>13.97%</b>		

(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 2023					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>	109,640 <i>108,498</i>	9,920 -	28,675 <i>27,114</i>	14,780 <i>3,098</i>	- -	163,015 <i>138,710</i>
2. Offshore centres <i>of which Hong Kong</i>	308 <i>135</i>	681 <i>681</i>	6,325 <i>3,795</i>	71,024 <i>27,160</i>	- -	78,338 <i>31,771</i>

<i>Equivalent in HKD Millions</i>	31 Dec 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>	112,925 <i>111,834</i>	4,277 -	18,938 <i>17,497</i>	14,916 <i>3,160</i>	- -	151,056 <i>132,491</i>
2. Offshore centres <i>of which Hong Kong</i>	44 <i>29</i>	- -	5,709 <i>2,376</i>	75,617 <i>32,033</i>	- -	81,370 <i>34,438</i>

(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 2023			31 Dec 2022		
	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
Hong Kong	45,190	100	380	51,732	106	386
British Virgin Islands	23,563	-	-	21,809	-	-
Cayman Islands	12,713	-	736	13,420	-	68
Others	39,682	229	1,005	42,267	226	981
Total	121,148	329	2,121	129,228	332	1,435

(vi) Currency Risk

<i>Equivalent in HKD Millions</i>	30 Jun 2023			
	USD	EUR	CNY	Total
Spot assets	142,657	57,260	22,049	221,966
Spot liabilities	(139,725)	(37,074)	(22,652)	(199,451)
Forward purchases	182,127	21,514	90,708	294,349
Forward sales	(182,695)	(43,954)	(89,534)	(316,183)
Net options position	-	-	2	2
Net long (short) position	2,364	(2,254)	573	683
Net structural position	-	-	-	-

<i>Equivalent in HKD Millions</i>	31 Dec 2022			
	USD	EUR	CNY	Total
Spot assets	148,373	52,687	23,233	224,293
Spot liabilities	(142,198)	(36,314)	(21,491)	(200,003)
Forward purchases	190,307	35,824	89,092	315,223
Forward sales	(197,008)	(54,361)	(91,234)	(342,603)
Net options position	2,349	-	(2,535)	(186)
Net long (short) position	1,823	(2,164)	(2,935)	(3,276)
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 2023		31 Dec 2022	
	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	30,339	0.03%	15,566	0.01%
- more than 6 months but not more than one year	-	0.00%	32,030	0.02%
- more than one year	298,455	0.25%	284,888	0.22%
- The amount of specific provisions	278,033		281,947	
- Market value of collateral	-		73	
The collateral held in respect of the overdue loans and advances to customers is deposit.				
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	493,177	0.41%	801,640	0.62%
4. Loans and advances to banks which have been overdue for				
- more than 3 months but not more than 6 months	-	0.00%	-	0.00%
5. No rescheduled assets to banks as at 30 Jun 2023 and 31 Dec 2022.				
6. No repossessed assets as at 30 Jun 2023 and 31 Dec 2022.				

**IV. Off Balance Sheet Exposures**

	30 Jun 2023	31 Dec 2022
	HKD'000s	HKD'000s
<b>1. Contingent liabilities and commitments</b>		
- Direct credit substitutes	5,029,184	4,871,365
- Transaction-related contingencies	10,551,570	10,991,975
- Trade-related contingencies	10,594,637	12,816,011
- Other commitments	178,675,150	193,044,929
- Others	874,835	18,694,669
<b>2. Derivatives (Notional amounts)</b>		
- Exchange rate contracts**	624,725,596	513,491,127
- Interest rate contracts	195,200,829	132,412,624
- Others	36,937,957	25,467,687
<b>3. Total fair value of derivatives</b>		
- Exchange rate contracts**	89,884	(1,145,487)
- Interest rate contracts	(8,787)	187,408
- Others	(92,955)	(1,343,932)

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

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

	30 Jun 2023	30 Jun 2022
Average LMR for 3 months period	50.97%	40.68%

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

**(ii) Core Funding Ratio (CFR)**

	30 Jun 2023	30 Jun 2022
Average CFR for 3 months period	132.74%	113.72%

The average core funding ratio is the arithmetic mean of each months' average CFR calculated in accordance with the Banking (Liquidity) Rules.

Details of liquidity information can be found in the Financial Disclosure Statements section of our website [www.bnpparibas.com.hk](http://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 Hong Kong Branch complies with the requirements and has adopted the remuneration systems of BNP Paribas Head Office.

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

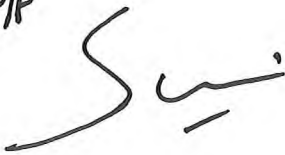
	<u>30 Jun 2023</u>	<u>31 Dec 2022***</u>
Capital ratio	17.80%	16.20%
Shareholders' funds	123,301	121,237
Total assets	2,671,181	2,663,748
Total liabilities	2,542,877	2,537,738
Total loans and advances	890,251	889,636
Total customer deposits	977,676	1,008,056
	<u>2023</u>	<u>2022***</u>
Pre-tax profit for the 6 months end 30 June	6,435	6,825

\*\*\* Restated according to IFRS 17 and 9.

Declaration of Chief Executive Officer

We have prepared the interim financial disclosure statement of BNP Paribas, Hong Kong Branch for the six month period ended 30 June 2023. 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.

**Hugo LEUNG**  
Chief Executive  
Hong Kong, 25 September 2023

P/P  


**Fabien Simon-Leclerc**  
Chief Operating Officer, Hong Kong