



**EFG Bank AG, Hong Kong Branch
Key Financial Information Disclosure Statement
as at 31 December 2020**

The Chief Executive of EFG Bank AG, Hong Kong Branch announces that its key financial information disclosure statement as at December 31, 2020 is as follows: -

Section A – Hong Kong Branch Information

I – Profit and loss information

	31-Dec-20 HKD'000	31-Dec-19 HKD'000
Interest income		
Interest income	282,059	542,682
Interest expense	(169,342)	(462,855)
Net interest income	112,717	79,827
Other operating income		
Gains less losses arising from trading in foreign currencies	75,585	199,573
Gains less losses on securities held for trading purposes	51,730	56,966
Gains less losses from other trading activities	20,977	9,128
Net fees and commission income	176,918	155,732
- gross fees and commission income	247,302	229,063
- gross fees and commission expenses	(70,384)	(73,331)
Others	87	133
Net operating income	325,297	421,532
Gross Revenue	438,014	501,359
Operating expenses		
Staff and rental expense	(397,247)	(372,593)
Other expenses	(206,698)	(243,645)
Net charge for other provisions	(10,695)	(506)
Impairment losses and provisions for impaired loans and receivables	(214)	-
Gains less losses from the disposal of property, plant and equipment and investment properties	-	147
Profit/(loss) before taxation	(176,840)	(115,238)
Tax expense	(258)	-
Profit/(loss) after taxation	(177,098)	(115,238)

II – Balance sheet information

	31-Dec-20 HKD'000	30-Jun-20 HKD'000
Assets		
Cash and balances with banks	608,705	2,338,888
Balances with central bank	1,615,479	68,686
Placements with banks which have a residual contractual maturity of more than one month but not more than twelve months	-	-
Amount due from overseas offices of the institution	4,306,766	3,780,125
Trade bills	-	-
Certificates of deposit held	-	-
Securities held for trading purposes	-	-
Loans and receivables	13,725,394	14,693,472
- <i>loans and advances to customers</i>	12,584,889	13,261,984
- <i>loans and advances to banks</i>	-	-
- <i>other accounts</i>	1,140,505	1,431,488
- <i>provisions for impaired loans and receivables</i>	-	-
<i>collective</i>	-	-
<i>specific</i>	-	-
Investment securities	2,013,548	2,555,916
Other investments	-	-
Property, plant and equipment and investment properties	5,119	4,886
Total assets	22,275,011	23,441,973
Liabilities		
Deposits and balances from banks	471,902	5,218
Deposits from customers	14,035,739	15,832,112
- <i>demand deposits and current accounts</i>	7,436,929	7,413,332
- <i>savings deposits</i>	-	-
- <i>time, call and notice deposits</i>	6,598,810	8,418,780
Amount due to overseas offices of the reporting institution	6,330,760	6,048,093
Certificates of deposit issued	-	-
Issued debt securities	-	-
Other liabilities	1,436,396	1,556,550
Provisions	214	-
Total Liabilities	22,275,011	23,441,973

III – Additional balance sheet information

	31-Dec-20 HKD'000	30-Jun-20 HKD'000
i) Amount of impaired loans and advances to customers and banks	-	-
ii) Amount of specific provisions made for such loans and advances	-	-
iii) Value of collateral which has been taken into account in respect of such loans and advances to which the specific provisions relate	-	-
iv) Percentage of such loans and advances to its total amount of loans and advances to customers and banks	-	-
v) Analysis of gross amount of advances to customers classified into the following industry categories:		
Loans for use in Hong Kong		
Industrial, commercial and financial:		
- property development	-	-
- property investment	-	-
- financial concerns	3,521,291	3,535,555
- stockbrokers	-	-
- wholesale and retail trade	-	-
- manufacturing	-	-
- transport and transport equipment	-	-
- recreational activities	-	-
- information technology	-	-
- others	-	-
Individuals:		
- loans for the purchase of flats in the Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme or their respective successor schemes	-	-
- loans for the purchase of other residential properties	2,854	-
- credit card advances	-	-
- others	8,949,426	9,614,898
Trade finance	-	-
Loans and advances for use outside Hong Kong	111,318	111,531
Total Advances to Customers	12,584,889	13,261,984

100% of the loans and advances to customers are covered by collaterals or other securities as at 31 Dec 2020 and 30 Jun 2020.

- vi) The branch does not have any overdue and rescheduled advances as at 31 Dec 2020 and 30 Jun 2020.
- vii) The branch does not have any other assets overdue as at 31 Dec 2020 and 30 Jun 2020.
- viii) The branch does not have any repossessed assets as at 31 Dec 2020 and 30 Jun 2020.

III – Additional balance sheet information (continued)

Non-bank Mainland Exposures

The following Mainland exposures to non-bank counterparties are prepared in accordance with HKMA Return of Mainland Activities (Form MA(BS)20) completion instructions.

	On-balance sheet exposure	Off-balance sheet exposure	Total
	HKD'000	HKD'000	HKD'000
31 Dec 2020			
1 Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	-	-	-
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	743,075	196,561	939,636
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 the reporting institution to be non-bank Mainland China	-	-	-
Total	743,075	196,561	939,636
Total assets after provision	22,274,797		
On-balance sheet exposures as percentage of total assets	3.34%		

	On-balance sheet exposure	Off-balance sheet exposure	Total
	HKD'000	HKD'000	HKD'000
30 Jun 2020			
1 Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	-	-	-
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	810,723	84,995	895,718
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 the reporting institution to be non-bank Mainland China	-	-	-
Total	810,723	84,995	895,718
Total assets after provision	23,441,973		
On-balance sheet exposures as percentage of total assets	3.46%		

III – Additional balance sheet information (continued)

	31-Dec-20 HKD'm	30-Jun-20 HKD'm
Advances to customers by countries		
x) Breakdown of the gross amount of advances to customers by countries where it constitutes 10% or more of the aggregate gross amount of loans and advances to customers after taking into consideration of transfers of risks:		
- Hong Kong	6,035	6,289
- Taiwan	4,242	4,567
- Others	2,308	2,406
	<u>12,585</u>	<u>13,262</u>

International claims

- xi) Breakdown of international claims by major countries or geographical segments and types of counterparties, which are constituted not less than 10% of total international claims after taking into account any recognized risk transfer.

At 31 Dec 2020	Banks	Official Sector	Non-bank private sector		Others	Total
	HKD'm	HKD'm	Non-bank financial institutions HKD'm	Non-financial private sector HKD'm	HKD'm	HKD'm
Developed countries	5,665	1,551	-	46	-	7,262
<i>of which</i>						
- United States	221	1,551	-	-	-	1,772
Offshore centres	4	363	-	4,754	-	5,121
Developing Asia Pacific	44	-	13	5,735	-	5,792
<i>of which</i>						
- Taiwan	-	-	13	4,292	-	4,305
- China	41	-	-	1,249	-	1,290

At 30 Jun 2020	Banks	Official Sector	Non-bank private sector		Others	Total
	HKD'm	HKD'm	Non-bank financial institutions HKD'm	Non-financial private sector HKD'm	HKD'm	HKD'm
Developed countries	6,660	2,013	-	53	-	8,726
<i>of which</i>						
- United States	37	2,013	-	-	-	2,050
Offshore centres	216	343	-	5,093	-	5,652
Developing Asia Pacific	38	-	13	6,150	-	6,201
<i>of which</i>						
- Taiwan	-	-	13	4,731	-	4,744
- China	38	-	-	1,195	-	1,233

The above classification basis is reference to the completion instruction for the "Return of International Banking Statistics - "MA(BS)21" in the determination of international claims.

IV – Off-balance sheet exposures

	31-Dec-20 HKD'000	30-Jun-20 HKD'000
Contingent liabilities and commitments		
• Direct credit substitutes	99,936	80,620
• Transaction-related contingencies	-	-
• Trade-related contingencies	-	-
• Note issuance and revolving underwriting facilities	-	-
• Other commitments	2,818,682	1,726,183
• Forward deposit placement (forward value date)	23,560	573,666
Derivatives		
• Exchange rate contracts	31,614,815	31,759,555
• Interest rate contracts	-	-
• Equity contracts and others	3,970,471	2,341,645
Replacement Costs		
• Exchange rate contracts	199,832	187,710
• Interest rate contracts	-	-
• Equity contracts and others	96,365	102,202

The replacement costs of the above derivatives do not take into account the effect of bilateral netting arrangements.

V – Foreign Currency Exposures

At 31 Dec 2020

Equivalent in millions of HKD	USD	AUD	CAD	CHF	CNY	EUR	GBP	JPY	NZD	SGD	Others	Total
Spot assets	11,550	64	25	394	584	1,370	2,087	1,265	6	392	52	17,789
Spot Liabilities	15,530	478	278	46	1,438	515	242	161	89	223	160	19,160
Forward Purchases	14,507	548	320	656	2,065	451	559	1,877	252	4,586	540	26,361
Forward Sales	10,528	134	67	1,004	1,211	1,306	2,404	2,981	169	4,755	432	24,991
Net Option position	-	-	-	-	-	-	-	-	-	-	-	-
Net long (short) position	(1)	-	-	-	-	-	-	-	-	-	-	(1)

At 30 Jun 2020

Equivalent in millions of HKD	USD	AUD	CAD	CHF	CNY	EUR	GBP	JPY	NZD	SGD	Others	Total
Spot assets	14,604	135	38	620	536	629	1,557	1,809	29	429	73	20,459
Spot Liabilities	15,979	715	262	70	1,198	434	475	196	195	294	347	20,165
Forward Purchases	13,951	1,162	311	284	1,669	48	1,053	1,177	766	4,412	558	25,391
Forward Sales	12,573	582	87	836	1,007	243	2,135	2,790	600	4,547	284	25,684
Net Option position	-	-	-	-	-	-	-	-	-	-	-	-
Net long (short) position	3	-	-	(2)	-	-	-	-	-	-	-	1

*No structural position is recorded.

VI – Liquidity information

	2020	2019
Average LMR for the quarter ended 31 December	45.5%	60.0%

The average LMR for the quarter ended of December (3 months' average) are calculated based on the arithmetic mean of the average value of its LMR for each calendar month in accordance with the Banking (Disclosure) rules effective from Jan 2018.

VII - Liquidity risk management

Liquidity risk is that the Bank does not have sufficient financial resources available to enable it to meet its payment obligations when they fall due, or can secure them only at an excessive cost. This includes the run-off of the client deposits, tightening of credit lines, market liquidity under stressed situations, market-wise impact on funding sources and the assumptions on cash flow requirements.

The Branch manages liquidity risk in accordance with EFG bank group's guidelines to ensure sufficient liquidity is available to meet commitments to customers, both in demand for loans and repayments of deposits and to satisfy the bank's own cash flow needs. The Branch has a liquidity management process in place that includes liquidity contingency plans, encompassing repo borrowing, liquidation of marketable securities and stress tests.

Liquidity risk management governance in EFG Bank AG Hong Kong branch *HK-ALCO*

A monthly meeting is organized by the Hong Kong Asset & Liability Committee ("HK-ALCO") to review the branch's liquidity, maturity mismatch position, customer deposits, investment portfolio, interest rate swap for hedging bank's interest rate risk and the implication to the branch due to interest rate movement on top of the profitability of the branch to make sure that the liquidity risk management is properly conducted.

Liquidity Maintenance Ratio

The Ratio is prepared daily, in accordance with the reporting requirements of the Hong Kong Monetary Authority (HKMA). The purpose of the report is to ascertain the liquidity position of the branch on any business day and see whether the branch is able to meet the statutory liquidity requirement.

The liquidity risk tolerance is 5% above the statutory liquidity requirements (i.e. 30% as the minimum target ratio). This requirement is already taken into account of on and off balance sheet activities including funding requirements. The daily report is prepared by the Financial Control department and provided to the Chief Executive, Risk Management, Regional Treasury and Money Market Unit for review.

Periodic Stress Testing

The branch is taking a preventive measure to conduct a quarterly stress test, or at a less frequent manner depending on the market environment and the branch's conditions, reviewing the branch's funding and liquidity positions under an extreme scenario.

The result on liquidity stress testing is reviewed by members of HK-ALCO and submitted to Global Head of Treasury and Global Risk Unit. Corrective actions will be made if unsatisfactory result is obtained.

VII – Liquidity risk management (continued)

As at 31 Dec 2020

(HK\$'m)

	Total amount	Contractual maturity of cash flows and securities flows arising from the relevant items										Balancing amount
		Next day	2 to 7 days	8 days to 1 month	> 1 month up to 3 months	> 3 months up to 6 months	> 6 months up to 1 year	> 1 year up to 2 years	> 2 years up to 3 years	> 3 years up to 5 years	Over 5 years	
On-balance sheet liabilities												
1 Deposits from non-bank customers												
(a) Pledged deposits	685	286	200	26	87	86	0	0	0	0	0	
(b) Demand, savings and current account deposits	7,076	7,076										
(c) Term, call and notice deposits	4,262	0	1,439	1,445	1,084	230	66	0	0	0	0	
2 Amount payable arising from securities financing transactions (other than securities swap transactions)	0	0	0	0	0	0	0	0	0	0	0	
3 Amount payable arising from derivative contracts	289	0	6,800	8,600	5,144	3,813	610	0	0	0	0	
4 Due to MA for a/c of Exchange Fund	0	0	0	0	0	0	0	0	0	0	0	
5 Due to overseas central banks	0	0	0	0	0	0	0	0	0	0	0	
6 Due to banks	7,368	1,136	307	1,703	4,103	0	0	49	6	64	0	0
7 Debt securities, prescribed instruments and structured financial instruments issued and outstanding	0	0	0	0	0	0	0	0	0	0	0	0
8 Other liabilities	2,287	0	250	457	1,042	200	0	0	0	0	0	339
9 Capital and reserves	(16)	0	(16)	0	0	0	0	0	0	0	0	0
10 Total	21,951	8,497	8,980	12,229	11,460	4,329	676	49	6	64	0	339

Off-balance sheet obligations

11 Total off-balance sheet obligations	753	700	28	19	3	2	0	0	0	0	0	0
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	Total amount	Contractual maturity of cash flows and securities flows arising from the relevant items										Balancing amount
		Next day	2 to 7 days	8 days to 1 month	> 1 month up to 3 months	> 3 months up to 6 months	> 6 months up to 1 year	> 1 year up to 2 years	> 2 years up to 3 years	> 3 years up to 5 years	Over 5 years	
On-balance sheet assets												
12 Currency notes and coins	0	0	0	0	0	0	0	0	0	0	0	
13 Amount receivable arising from securities financing transactions (other than securities swap transactions)	0	0	0	0	0	0	0	0	0	0	0	0
14 Amount receivable arising from derivative contracts	261	0	6,769	8,574	5,147	3,805	645	0	0	0	0	0
15 Due from MA for a/c of Exchange Fund	1,310	1,310	0	0	0	0	0	0	0	0	0	0
16 Due from overseas central banks	0	0	0	0	0	0	0	0	0	0	0	0
17 Due from banks	5,475	1,213	4,155	107	0	0	0	0	0	0	0	0
18 Debt securities, prescribed instruments and structured financial instruments held (net of short positions)												
(a) Readily monetizable	2,024	2,024										
(b) Not readily monetizable												
(i) Pledged to customers	0	0	0	0	0	0	0	0	0	0	0	0
(ii) Others	0	0	0	0	0	0	0	0	0	0	0	0
19 Acceptances and bills of exchange held	0	0	0	0	0	0	0	0	0	0	0	0
20 Loans and advances to non-bank customers	12,668	3	1,446	3,333	3,432	2,300	1,931	121	35	68	0	0
21 Other assets	224	0	0	0	0	0	0	0	0	0	0	224
22 Total	21,962	4,549	12,369	12,014	8,579	6,105	2,576	121	35	68	0	224

Off-balance sheet claims

23 Total off-balance sheet claims	60	0	53	0	0	0	0	0	0	0	0	7
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24 Contractual Maturity Mismatch		(4,648)	3,414	(235)	(2,885)	1,774	1,900	72	29	5	0	
25 Cumulative Contractual Maturity Mismatch		(4,648)	(1,235)	(1,470)	(4,354)	(2,580)	(680)	(608)	(579)	(574)	(574)	

VII – Liquidity risk management (continued)

As at 30 June 2020

(HK\$m)

	Total amount	Contractual maturity of cash flows and securities flows arising from the relevant items										Balancing amount
		Next day	2 to 7 days	8 days to 1 month	> 1 month up to 3 months	> 3 months up to 6 months	> 6 months up to 1 year	> 1 year up to 2 years	> 2 years up to 3 years	> 3 years up to 5 years	Over 5 years	
On-balance sheet liabilities												
1 Deposits from non-bank customers												
(a) Pledged deposits	823	488	69	73	166	27	0	0	0	0	0	0
(b) Demand, savings and current account deposits	6,788	6,788										
(c) Term, call and notice deposits	6,078	261	1,385	1,750	1,873	458	350	0	0	0	0	0
2 Amount payable arising from securities financing transactions (other than securities swap transactions)	0	0	0	0	0	0	0	0	0	0	0	0
3 Amount payable arising from derivative contracts	233	2,843	4,094	5,394	4,537	7,233	820	5	0	0	0	0
4 Due to MA for a/c of Exchange Fund	0	0	0	0	0	0	0	0	0	0	0	0
5 Due to overseas central banks	0	0	0	0	0	0	0	0	0	0	0	0
6 Due to banks	6,756	891	74	620	4,817	2	234	49	0	70	0	0
7 Debt securities, prescribed instruments and structured financial instruments issued and outstanding	0	0	0	0	0	0	0	0	0	0	0	0
8 Other liabilities	2,245	169	61	371	1,225	51	150	0	0	0	0	218
9 Capital and reserves	(7)	0	(7)	0	0	0	0	0	0	0	0	0
10 Total	22,916	11,441	5,676	8,207	12,618	7,771	1,553	54	0	70	0	218

Off-balance sheet obligations

11 Total off-balance sheet obligations	1,573	1,450	45	28	30	12	8	0	0	0	0	0
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	Total amount	Contractual maturity of cash flows and securities flows arising from the relevant items										Balancing amount
		Next day	2 to 7 days	8 days to 1 month	> 1 month up to 3 months	> 3 months up to 6 months	> 6 months up to 1 year	> 1 year up to 2 years	> 2 years up to 3 years	> 3 years up to 5 years	Over 5 years	
On-balance sheet assets												
12 Currency notes and coins	0	0	0	0	0	0	0	0	0	0	0	0
13 Amount receivable arising from securities financing transactions (other than securities swap transactions)	0	0	0	0	0	0	0	0	0	0	0	0
14 Amount receivable arising from derivative contracts	260	2,859	4,106	5,392	4,549	7,222	820	5	0	0	0	0
15 Due from MA for a/c of Exchange Fund	68	68	0	0	0	0	0	0	0	0	0	0
16 Due from overseas central banks	0	0	0	0	0	0	0	0	0	0	0	0
17 Due from banks	6,509	4,065	2,003	428	0	14	0	0	0	0	0	0
18 Debt securities, prescribed instruments and structured financial instruments held (net of short positions)												
(a) Readily monetizable	2,546	2,546										
(b) Not readily monetizable												
(i) Pledged to customers	0		0	0	0	0	0	0	0	0	0	0
(ii) Others	0		0	0	0	0	0	0	0	0	0	0
19 Acceptances and bills of exchange held	0	0	0	0	0	0	0	0	0	0	0	0
20 Loans and advances to non-bank customers	13,383	400	1,460	2,409	4,462	895	3,548	134	0	77	0	0
21 Other assets	142	0	0	0	0	0	0	0	0	0	0	142
22 Total	22,909	9,937	7,569	8,228	9,011	8,131	4,368	138	0	77	0	142

Off-balance sheet claims

23 Total off-balance sheet claims	7,704	225	609	0	2	0	0	0	0	0	0	6,868
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24 Contractual Maturity Mismatch		(2,729)	2,458	(7)	(3,635)	348	2,806	85	0	7	0	
25 Cumulative Contractual Maturity Mismatch		(2,729)	(270)	(278)	(3,913)	(3,565)	(759)	(674)	(674)	(667)	(667)	

VII – Liquidity risk management (continued)

Concentration of funding sources

The following significant funding instruments are prepared in accordance with HKMA Return on Liquidity Monitoring Tools (Form MA(BS)23) completion instructions.

Significant funding instruments

31 Dec 2020

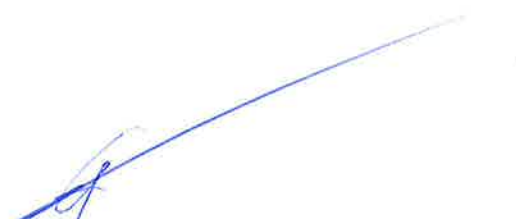
	Grand Total HKD'm	As of % of total liabilities
Deposits from retail customers	5,885	26.42%
Deposits from other non-bank customers	6,150	27.62%
Funding raised from banks	32,225	144.67%
Other outstanding funding instruments	1,961	8.81%

30 Jun 2020

	Grand Total HKD'm	As of % of total liabilities
Deposits from retail customers	6,364	27.15%
Deposits from other non-bank customers	7,352	31.37%
Funding raised from banks	31,761	135.49%
Other outstanding funding instruments	2,079	8.87%

VIII – Statement of Compliance

This key financial disclosure statement is prepared in accordance with the Banking (Disclosure) rules. The information contained in the statement is not false or misleading in any material respect.



 Cornelis Johannes Stoute
 Chief Executive
 EFG Bank AG, Hong Kong Branch

Section B – Financial Information of EFG Bank AG, Switzerland (in accordance with Swiss accounting standards)

I – Capital and capital adequacy

The following table presents data related to regulatory capital requirements for EFG Bank AG, Switzerland which is computed in accordance with the Basel III.

	31-Dec-20		30-Jun-20	
	CHF'm	Ratio	CHF'm	Ratio
Total eligible capital	1,293	20.0%	1,303	18.9%
Tier 1 capital (CET1)	991	15.3%	982	14.2%
Shareholders' equity	<u>1,077</u>		<u>1,015</u>	

II – Other financial information

Financial Highlights of EFG Bank AG, Switzerland

	31-Dec-20	30-Jun-20
	CHF'm	CHF'm
Total assets	27,578	28,403
Total liabilities	26,501	27,388
Total advances	11,169	11,855
Total customer deposits	21,574	22,266

	31-Dec-20	31-Dec-19
	CHF'm	CHF'm
Pre-tax profit/(loss)	87.0	(21.9)

Section C – Consolidated Financial Information of EFG International AG, the holding company of EFG Bank AG, incorporated in Switzerland and listed on the SWX Swiss Exchange (in accordance with International financial reporting standards except for capital and capital adequacy ratio)

I – Capital and capital adequacy

The following table presents data related to regulatory capital requirements for EFG International AG, which is computed in accordance with the Basel III:

	31-Dec-20		30-Jun-20	
	CHF'm	Ratio	CHF'm	Ratio
Total eligible capital (Swiss GAAP fully applied)	1,969	19.9%	1,983	19.1%
Tier 1 capital (CET1) (Swiss GAAP fully applied)	1,604	16.2%	1,589	15.3%
	CHF'm		CHF'm	
Shareholders' equity	1,701		1,643	

II – Other financial information

Financial Highlights of EFG International AG

	31-Dec-20		30-Jun-20	
	CHF'm		CHF'm	
Total assets	40,637		42,301	
Total liabilities	38,879		40,606	
Total advances	18,223		18,706	
Total customer deposits	30,842		31,965	

	31-Dec-20		31-Dec-19	
	CHF'm		CHF'm	
Pre-tax profit/(loss)	152.3		123.4	

END