

**The Siam Commercial Bank Public Company Limited,
Hong Kong Branch
Interim Financial Disclosure Statement
For the period ended 30 June 2021**

Statement of Compliance

The Siam Commercial Bank Public Company Limited is a company incorporated in Thailand with limited liability. Its Hong Kong Branch provides banking and financial related services.

We have prepared this unaudited Financial Disclosure Statement of The Siam Commercial Bank Public Company Limited, Hong Kong Branch (“the Branch”) as of 30 June, 2021. It is compiled in accordance with the Banking (Disclosure) Rules under the Banking Ordinance (Chapter 155).

I confirm to the best of my knowledge, that the information contained in the Disclosure Statement is correctly compiled in accordance with disclosure standards set out in the “Banking (Disclosure) Rules” and the “Guideline on the Application of the Banking (Disclosure) Rules” issued by the Hong Kong Monetary Authority (“HKMA”) and consistent with the books and records of the Branch.

The information contained in this disclosure statement is not false or misleading in any material respect.

The Siam Commercial Bank Public Company Limited,
Hong Kong Branch



Theerapan Nunthapolpat
General Manager

28 September 2021

The disclosure statement has been lodged with the Hong Kong Monetary Authority’s public registry and is available at the registered office of The Siam Commercial Bank Public Company Limited, Hong Kong Branch and the website <https://www.scb.co.th/en/corporate-banking/international-network/hong-kong.html> for public information.

**The Siam Commercial Bank Public Company Limited,
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Financial Disclosure as of 30 June 2021**

Section A – Branch information (Hong Kong office only)

I. Profit and Loss Account	For the period ended 30 Jun 2021 HK\$ in thousands	For the period ended 30 Jun 2020 HK\$ in thousands
Income		
Interest income	39,449	141,702
Interest expense	(23,714)	(124,620)
Net interest income	15,735	17,082
Fees and commission income	2,216	5,517
Gains less losses arising from trading in foreign currencies	2,592	1,017
Other income	17	14
Total operating income	20,560	23,630
Expenses		
Operating expenses		
- Staff expenses	(2,634)	(2,582)
- Rental expenses	(1,823)	(1,823)
- Head Office allocated expenses	(1,080)	(1,020)
- Other expenses	(842)	(496)
Total operating expenses	(6,379)	(5,921)
Operating profit before impairment losses	14,181	17,709
Net credit (charge) for debt provision	1,029	(539)
Profit before taxation	15,210	17,170
Tax expense	(1,290)	(1,460)
Profit after taxation	13,920	15,710

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II. Balance Sheet

	30 Jun 2021 HK\$ in millions	31 Dec 2020 HK\$ in millions
Assets		
Cash and balances with banks	9	11
Placement with banks which have a residual contractual maturity within one month	0	70
Amount due from overseas offices of the institution	14,158	13,991
Trade bills	3	8
Loans and advances		
- Loans and advances to customers	985	1,618
- Allowances for doubtful accounts	(2)	(4)
Accrued interest receivables	3	4
Other assets	10	10
Total assets	<u>15,166</u>	<u>15,708</u>
Liabilities		
Deposits from customers		
- Time, call and notice deposits	864	1,095
Amount due to overseas offices of the institution	14,179	14,502
Other liabilities	121	111
Other provisions	2	0
Total liabilities	<u>15,166</u>	<u>15,708</u>

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III. Additional Balance Sheet Information

	30 Jun 2021 HK\$ in millions	31 Dec 2020 HK\$ in millions
(a) Loans and advances		
Trade financing	3	8
Loan and advances to customers	985	1,618
Loan accrued interest	3	4
Allowance for doubtful accounts	(2)	(4)
	<u>989</u>	<u>1,626</u>

(b) Overdue and rescheduled loans and advances

There were no impaired or overdue loans and advances to banks, other financial institutions or customers as of 30 June 2021 (31 December 2020: Nil).

No repossessed assets were held for impaired or overdue loans and advances as of 30 June 2021 (31 December 2020: Nil).

There were no loans and advances which were rescheduled as of 30 June 2021 (31 December 2020: Nil).

(c) Breakdown of the gross amount of loans and advances to customers by economic sectors

	30 Jun 2021 HK\$ in millions		31 Dec 2020 HK\$ in millions	
	Gross advances	Gross advances covered by collateral	Gross advances	Gross advances covered by collateral
Trade financing	3	0	8	0
Loans and advances for use in Hong Kong :				
- Manufacturing	0	0	271	0
Loans and advances for use outside Hong Kong	985	0	1,347	0
	<u>988</u>	<u>0</u>	<u>1,626</u>	<u>0</u>

(d) Analysis of gross loans and advances to customers by geographical areas

	30 Jun 2021 HK\$ in millions	Percentage of total loans	31 Dec 2020 HK\$ in millions	Percentage of total loans
Asia Pacific (excluding Hong Kong)	673	68.1%	897	55.2%
Hong Kong	315	31.9%	729	44.8%
	<u>988</u>	<u>100.0%</u>	<u>1,626</u>	<u>100.0%</u>

Note: A country or geographical area is disclosed where it constitutes 10% of more of the gross amount of advances to customers after taking into consideration any transfers of risk.

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**III. Additional Balance Sheet Information (continued)
(e) Non-bank mainland exposures**

As of 30 June 2021

Types of counterparties	On-balance sheet exposures HK\$ in millions	Off-balance sheet exposures HK\$ in millions	Total HK\$ in millions
1. Central governments, central government-owned entities and their subsidiaries and joint ventures (“JVs”)	0	0	0
2. Local government, local government-owned entities and their subsidiaries and JVs	0	0	0
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	673	0	673
4. Other entities of central government not reported in item (1) above	0	0	0
5. Other entities of local government not report in item (2) above	0	0	0
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	0	0	0
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	0	0	0
	673	0	673
	15,166		
On-balance sheet exposures as percentage of total assets	4.44%		

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III. Additional Balance Sheet Information (continued)

(e) Non-bank mainland exposures

As of 31 December 2020	On-balance sheet exposures HK\$ in millions	Off-balance sheet exposures HK\$ in millions	Total HK\$ in millions
Types of counterparties			
1. Central governments, central government-owned entities and their subsidiaries and joint ventures (“JVs”)	0	155	155
2. Local government, local government-owned entities and their subsidiaries and JVs	0	0	0
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	897	0	897
4. Other entities of central government not reported in item (1) above	0	0	0
5. Other entities of local government not report in item (2) above	0	0	0
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China were the credit is granted for use in Mainland China	0	44	0
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	0	0	0
	<u>897</u>	<u>199</u>	<u>1,096</u>
 Total assets after provision	 <u>15,708</u>		
 On-balance sheet exposures as percentage of total assets	 <u>5.71%</u>		

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IV. International claims – the major country or geographical segment breakdown of international claims by types of counterparties

**As of 30 June 2021
(HK\$ in millions)**

	Banks	Official Sector	Non-financial Private Sector	Total
- Developed countries	2	0	0	2
Of which,				
- United Kingdom	1	0	0	1
- United States	1	0	0	1
- Offshore centres	3	0	317	320
Of which,				
- Hong Kong SAR	3	0	317	320
- Developing Asia and Pacific	14,159	0	673	14,832
Of which,				
- China	0	0	673	673
- Thailand	14,159	0	0	14,159
	<u>14,164</u>	<u>0</u>	<u>990</u>	<u>15,154</u>

**As of 31 December 2020
(HK\$ in millions)**

	Banks	Official Sector	Non-financial Private Sector	Total
- Developed countries	4	0	0	4
Of which,				
- United Kingdom	2	0	0	2
- United States	2	0	0	2
- Offshore centres	73	0	731	804
Of which,				
- Hong Kong SAR	73	0	731	804
- Developing Asia and Pacific	13,993	0	897	14,890
Of which,				
- China	0	0	897	897
- Thailand	13,993	0	0	13,993
	<u>14,070</u>	<u>0</u>	<u>1,628</u>	<u>15,698</u>

The figures are reported on net basis after taking into account the effect of any recognized risk transfer.

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V. Currency risk

Foreign currency exposures (Position of individual currency reported is the net position and constitutes 10% or more of the total net position in all foreign currencies).

As of 30 June 2021

	HK\$ in millions		
	USD	Others	Total
Spot assets	15,017	56	15,073
Spot liabilities	(14,822)	(219)	(15,041)
Forward purchases	0	163	163
Forward sales	(163)	0	(163)
Net long position	<u>32</u>	<u>0</u>	<u>32</u>

As of 31 December 2020

	HK\$ in millions		
	USD	Others	Total
Spot assets	15,562	66	15,628
Spot liabilities	(15,490)	(101)	(15,591)
Forward purchases	0	36	36
Forward sales	(36)	0	(36)
Net long position	<u>36</u>	<u>1</u>	<u>37</u>

There was no structural position held by the branch as of 30 June 2021 and 31 December 2020.

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VI. Off-balance sheet exposures

The contractual amounts of each of the following class of off-balance sheet exposures outstanding were as follows:

	30 Jun 2021 HK\$ in millions	31 Dec 2020 HK\$ in millions
Contingent liabilities and commitments		
– Trade-related contingent items	56	376
– Exchange rate and gold contracts	326	72
– Other commitments	333	1,418
	<u>715</u>	<u>1,866</u>

Contingent liabilities and commitments arise from credit-related instruments which include letters of credit, guarantees and commitments to extend credit. The risk involved in these credit-related instruments is essentially the same as the credit risk involved in extending loan facilities to customers. The contractual amounts represent the amounts at risk should the contract be fully drawn upon and the client default. As the facilities may expire without being drawn upon, the contract amounts do not represent expected future cash flows.

VII. Liquidity

Liquidity Maintenance Ratio

	For the quarter ended 30 Jun 2021 Percentage	For the quarter ended 30 Jun 2020 Percentage
The average liquidity maintenance ratio for the quarter period	<u>79.69%</u>	<u>65.57%</u>

Starting 1 January 2018, the average liquidity maintenance ratio is the simple average of each calendar month's average liquidity maintenance ratio as reported in the "Return of Liquidity Position of an Authorized Institution" for that quarter.

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Section B – Bank Information (Consolidated basis)

VIII. Capital and Capital Adequacy

	30 Jun 2021	31 Dec 2020
(a) Capital adequacy ratio (Basel III)	17.9%	18.2%
	30 Jun 2021	31 Dec 2020
	HK\$ in millions	HK\$ in millions
(b) Total capital (paid up and premium)	10,922	11,642
(c) Total amount of shareholders' fund	102,375	106,270

IX. Other financial information (audited)

(a) Total assets	775,193	845,969
(b) Total liabilities	672,818	739,699
(c) Total loans and advances	559,256	585,697
(d) Total deposits	573,535	624,585
	For the period	For the period
	ended 30 Jun 2021	ended 30 Jun 2020
	HK\$ in millions	HK\$ in millions
(e) Pre-tax profit	5,740	5,498

- 1 The conversion rates of HKD/THB as of 30 June 2021, 31 December 2020 and 30 June 2020 were 4.1306, 3.88 and 3.99 respectively.
- 2 Section B – Bank Information (Consolidated Basis) were prepared in accordance with the information as of 30 June 2021 which is the latest information available to the public.

X. Remuneration system

Since remuneration information for senior management and key personnel is disclosed by Head Office, such information is not separately disclosed by Hong Kong Branch in line with Supervisory Policy Manual CG-5 “Guideline on a Sound Remuneration System” issued by the Hong Kong Monetary Authority.