

Goldman Sachs Asia Bank Limited, a restricted licence bank

Unaudited Condensed Interim Financial Statements

For the six months ended 30 June 2024

Goldman Sachs Asia Bank Limited, a restricted licence bank

**Unaudited Condensed Interim Financial Statements
For the six months ended 30 June 2024**

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Goldman Sachs Asia Bank Limited, a restricted licence bank

Unaudited Condensed Interim Financial Statements For the six months ended 30 June 2024

General information

Goldman Sachs Asia Bank Limited (the “Company”), a restricted licence bank, is a limited liability company incorporated in Hong Kong on 12 December 2012. The address of its registered office is 68th Floor, Cheung Kong Center, 2 Queen’s Road Central, Hong Kong.

The Company is wholly owned by Goldman Sachs Holdings (Hong Kong) Limited. The ultimate parent company is The Goldman Sachs Group, Inc. (“Group Inc.”), which is incorporated in the State of Delaware, U.S.A. and listed on the New York Stock Exchange.

The Company is a restricted licence bank under the Banking Ordinance in Hong Kong. It is also a registered institution under the Hong Kong Securities and Futures Ordinance.

The Company has been established to provide the clients of Group Inc. and / or its consolidated subsidiaries (collectively, the “Firm”) in the Asia excluding Japan region with the opportunity to transact business with a bank counterparty located in Asia.

The Company’s principal activities are to engage in over-the-counter (“OTC”) derivatives and deposit-taking. It is also a clearing member of OTC Clearing Hong Kong Limited. These activities are conducted in cooperation with the affiliated companies within the Firm, which give rise to service fee income and expense.

The Company’s activities and results during the interim reporting period

There has been no significant change in the principal activity of the Company since 31 December 2023. The unaudited profit for the six months ended 30 June 2024 was US\$2,263,000, representing a decrease of 11% as compared to the previous interim reporting period. The decrease was mainly driven by the decrease in net interest income due to maturity of term deposits with external banks.

Requirement in connection with publication of financial statements

The financial information relating to the year ended 31 December 2023 that is included in the unaudited condensed interim financial statements for the six months ended 30 June 2024 as comparative information does not constitute the Company’s statutory annual financial statements for the year ended 31 December 2023 but is derived from the audited financial statements for the year ended 31 December 2023. Further information relating to the audited financial statements for the year ended 31 December 2023 required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap.622) is as follows:

As the Company is a private company, the Company is not required to deliver its financial statements to the Registrar of Companies, and has not done so.

The Company’s auditor has reported on the audited financial statements for the year ended 31 December 2023. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap.622).

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**Unaudited Condensed Interim Statement of Comprehensive Income
For the six months ended 30 June 2024**

	Note	For the six months ended	
		30 June 2024 US\$'000	30 June 2023 US\$'000
Interest income	3	2,798	3,089
Interest expense	3	<u>(99)</u>	<u>(123)</u>
Net interest income		2,699	2,966
Other income	4	<u>3,013</u>	<u>3,032</u>
Total revenue		5,712	5,998
Operating expenses	5	<u>(3,003)</u>	<u>(2,954)</u>
Profit before income tax		2,709	3,044
Income tax expense		(446)	(497)
Profit and total comprehensive income for the period		<u><u>2,263</u></u>	<u><u>2,547</u></u>

The accompanying notes are an integral part of these financial statements.

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**Unaudited Condensed Interim Balance Sheet
As at 30 June 2024**

	Note	30 June 2024 US\$'000	31 December 2023 US\$'000
Assets			
Current assets			
Cash and cash equivalents	6	130,511	135,121
Derivative financial instruments	7	6,793	1,556
Other receivables	9	33,314	21,728
		<u>170,618</u>	<u>158,405</u>
Non-current assets			
Deferred income tax assets		863	1,121
Total assets		<u><u>171,481</u></u>	<u><u>159,526</u></u>
Liabilities			
Current liabilities			
Deposit from an affiliated customer		1,000	1,000
Short-term loans payable		2,000	2,000
Derivative financial instruments	7	6,788	1,578
Other payables	10	30,097	25,791
Current income tax liabilities		732	93
		<u>40,617</u>	<u>30,462</u>
Non-current liabilities			
Other payables	10	2,963	3,426
Total liabilities		<u>43,580</u>	<u>33,888</u>
Equity			
Share capital	11	114,010	114,010
Retained profits		13,891	11,628
Total equity		<u>127,901</u>	<u>125,638</u>
Total equity and liabilities		<u><u>171,481</u></u>	<u><u>159,526</u></u>

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**Unaudited Condensed Interim Statement of Changes in Equity
For the six months ended 30 June 2024**

	Share capital US\$'000	Retained profits US\$'000	Total US\$'000
<u>2024</u>			
Balance as at 1 January 2024	114,010	11,628	125,638
Total comprehensive income for the period	—	2,263	2,263
Balance as at 30 June 2024	<u>114,010</u>	<u>13,891</u>	<u>127,901</u>
<u>2023</u>			
Balance as at 1 January 2023	114,010	6,814	120,824
Total comprehensive income for the period	—	2,547	2,547
Balance as at 30 June 2023	<u>114,010</u>	<u>9,361</u>	<u>123,371</u>

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**Unaudited Condensed Interim Statement of Cash Flows
For the six months ended 30 June 2024**

		For the six months ended	
	Note	30 June 2024 US\$'000	30 June 2023 US\$'000
Operating activities			
Profit before income tax		2,709	3,044
Adjustments for:			
Interest income	3	(2,798)	(3,089)
Interest expense	3	99	123
Currency translation		66	19
Changes in operating assets and liabilities:			
Derivative financial instruments		(27)	(3)
Other receivables		(11,618)	(1,562)
Other payables		3,818	(5,334)
Cash used in operations		(7,751)	(6,802)
Interest received from operating activities		2,830	3,164
Interest paid on operating activities		(74)	(151)
Income tax refunded		450	—
Net cash outflow from operating activities		<u>(4,545)</u>	<u>(3,789)</u>
Decrease in cash and cash equivalents		<u>(4,545)</u>	<u>(3,789)</u>
Cash and cash equivalents at beginning of the period		<u>135,121</u>	<u>137,796</u>
Effect of exchange rate changes on cash and cash equivalents		(65)	(11)
Cash and cash equivalents at end of the period	6	<u><u>130,511</u></u>	<u><u>133,996</u></u>

The accompanying notes are an integral part of these financial statements.

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**Notes to Unaudited Condensed Interim Financial Statements
For the six months ended 30 June 2024**

1 Basis of preparation

The unaudited condensed interim financial statements of the Company for the six months ended 30 June 2024 have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”.

The unaudited condensed interim financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these statements are to be read in conjunction with the annual financial statements for the year ended 31 December 2023, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”, which term collectively includes Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period. There are no HKFRSs which became effective for the current reporting period that would be expected to have a material impact on the Company.

The interim financial information for the half year to 30 June 2024 have been subject to review by the Company’s auditor in accordance with HKSRE 2410. Based on the review, nothing came to the auditor’s attention that caused them to believe that the interim financial information is not properly prepared in accordance with HKAS 34.

2 Critical accounting estimates and judgements

The preparation of the unaudited condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the unaudited condensed interim financial statements, the significant judgments made by management in applying the Company’s accounting policies and the key sources of estimate uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2023.

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**Notes to Unaudited Condensed Interim Financial Statements
For the six months ended 30 June 2024**

3 Interest income and interest expense

	For the six months ended	
	30 June 2024	30 June 2023
	US\$'000	US\$'000
Interest Income from:		
Amortised cost:		
- third party banks	859	1,107
- an affiliated bank	1,839	1,960
- an affiliated company	3	—
Fair value through profit or loss	97	22
	<u>2,798</u>	<u>3,089</u>
Interest expense to:		
- an affiliated customer	28	26
- ultimate parent company	35	32
- affiliated companies	36	65
	<u>99</u>	<u>123</u>

4 Other income

	For the six months ended	
	30 June 2024	30 June 2023
	US\$'000	US\$'000
Service fee income (Note (a))	3,016	3,032
Net currency translation losses	(3)	—
	<u>3,013</u>	<u>3,032</u>

- (a) Service fee income from an affiliated company represents charging of expenses, some of which with mark up, incurred by the Company for engaging in OTC derivative activities in cooperation with the affiliated companies.

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**Notes to Unaudited Condensed Interim Financial Statements
For the six months ended 30 June 2024**

5 Operating expenses

Operating expenses include:

	For the six months ended	
	30 June 2024	30 June 2023
	US\$'000	US\$'000
Employee compensation and benefits (Note (a))	925	1,088
Service fee expense (Note (b))	1,874	1,687
Others	204	179
	<u>3,003</u>	<u>2,954</u>

(a) Employee compensation and benefits are presented net of recharges to and from affiliated companies for secondment arrangements between the Company and the affiliated companies.

(b) Service fee expense represents the allocation of costs from an affiliated company in relation to the support services provided to the Company.

6 Cash and cash equivalents

	30 June 2024	31 December 2023
	US\$'000	US\$'000
Cash at bank	65,511	70,121
Bank deposits		
- with an affiliated bank (Note (a))	<u>65,000</u>	<u>65,000</u>
	<u>130,511</u>	<u>135,121</u>

(a) The Company deposits excess cash with an affiliated bank under normal commercial terms.

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Notes to Unaudited Condensed Interim Financial Statements For the six months ended 30 June 2024

7 Derivative financial instruments

The Company engages in OTC derivatives activities and holds positions accordingly.

The following table sets out the Company's derivative financial instruments.

	30 June 2024		31 December 2023	
	Assets US\$'000	Liabilities US\$'000	Assets US\$'000	Liabilities US\$'000
Contracts with an affiliated company				
- Foreign exchange contracts (Note (a))	7	347	594	23
- Interest rate contracts (Note (a))	1,747	4,694	224	738
Contracts with others				
- Foreign exchange contracts	345	—	—	593
- Interest rate contracts	4,694	1,747	738	224
	<u>6,793</u>	<u>6,788</u>	<u>1,556</u>	<u>1,578</u>

(a) Derivative assets and liabilities with an affiliated company arise from transactions that the Company entered into with an affiliated company in the normal course of business.

8 Fair value estimation

The tables below show financial instruments carried at fair value, by valuation method. The different levels of fair value hierarchy have been defined as follows:

- Level 1** The fair value of financial instruments is based on quoted market prices in active markets for identical assets or liabilities at the balance sheet date. The quoted market price used for financial assets and liabilities is the current bid price and ask price, respectively. These instruments are included in level 1.
- Level 2** The fair value of financial instruments is determined by using valuation techniques which maximise the use of observable market data where it is available. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3** If one or more inputs to valuation techniques are significant and unobservable, the instrument is included in level 3.

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8 Fair value estimation (continued)

30 June 2024

	Level 2 US\$'000
Financial assets at fair value	
Derivative financial instruments	<u>6,793</u>
Financial liabilities at fair value	
Derivative financial instruments	<u>6,788</u>

31 December 2023

	Level 2 US\$'000
Financial assets at fair value	
Derivative financial instruments	<u>1,556</u>
Financial liabilities at fair value	
Derivative financial instruments	<u>1,578</u>

There were no transfers of financial assets and liabilities between levels of the fair value hierarchy classifications.

The Company's level 2 financial instruments are valued using derivative pricing models such as discounted cash flows model.

The carrying value of other financial assets and liabilities are a reasonable approximation of their fair values.

9 Other receivables

	30 June 2024 US\$'000	31 December 2023 US\$'000
Amounts due from affiliated companies (Note (a))	4,244	571
Amounts due from ultimate parent company (Note (b))	14	—
Amounts due from clearing house	28,796	20,864
Amounts due from an affiliated bank (Note (c))	<u>260</u>	<u>293</u>
	<u>33,314</u>	<u>21,728</u>

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**Notes to Unaudited Condensed Interim Financial Statements
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9 Other receivables (continued)

- (a) Amounts due from affiliated companies primarily comprise interest, service charges, and cash collateral receivables. Service charges receivables are unsecured and interest-free. Cash collateral receivable is interest-bearing at prevailing market rates.
- (b) Amount due from ultimate parent company primarily comprise service charges. Service charges receivables are unsecured and interest-free.
- (c) Amounts due from an affiliated bank comprise interest from cash deposits placed with an affiliated bank.

10 Other payables

	30 June 2024	31 December 2023
	US\$'000	US\$'000
Current liabilities		
Amounts due to ultimate parent company (Note (a))	2,283	3,395
Amounts due to affiliated companies (Note (b))	22,397	16,743
Amounts due to clearing house	2,652	519
Accruals and other liabilities	2,765	5,134
	<u>30,097</u>	<u>25,791</u>
Non-current liabilities		
Amounts due to ultimate parent company (Note (a))	2,121	1,860
Accruals and other liabilities	842	1,566
	<u>2,963</u>	<u>3,426</u>

- (a) Amounts due to the ultimate parent company primarily comprise chargeback of share-based awards before further recharges to an affiliated company. The balance is unsecured and interest-free.
- (b) Amounts due to affiliated companies include cash collateral payable, which is interest-bearing at prevailing market rates.

11 Share capital

	30 June 2024	31 December 2023
	US\$'000	US\$'000
Issued and fully paid:		
114,010,000 ordinary shares	<u>114,010</u>	<u>114,010</u>

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Unaudited Interim Disclosure Statement

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**Unaudited Interim Disclosure Statement
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Unaudited Interim Disclosure Statement For the six months ended 30 June 2024

1 General information

This disclosure statement is prepared to comply with the relevant provisions of the Banking (Disclosure) Rules made under section 60A of the Banking Ordinance for the period ended 30 June 2024. The disclosure statement is not required to be, and has not been, audited by our independent auditors.

The Company's Unaudited Disclosure Statement is published on its parent company's website as the Company does not maintain a website of its own:

<https://www.goldmansachs.com/disclosures/gsab-disclosures/financial-disclosures.html>

2 Key prudential ratios

The Company is regulated by the Hong Kong Monetary Authority (the "HKMA") and as such is subject to minimum capital and liquidity requirements. The Company computes capital ratios in accordance with the Banking (Capital) Rules (the "BCR") of the Banking Ordinance. In addition, liquidity ratios are computed in accordance with the Banking (Liquidity) Rules (the "BLR") of the Banking Ordinance.

The capital adequacy ratios are measures of regulatory capital to risk-weighted amounts ("RWA"). RWA represent the sum of the Company's exposure to credit risk, market risk and operational risk calculated in accordance with the relevant provisions of the BCR. The Company has been exempted by the HKMA under section 22(1) of the BCR from the calculation of market risk under section 17 of the BCR for 2024.

The Common Equity Tier 1 ("CET1") ratio is defined as CET1 divided by RWA. The Tier 1 capital ratio is defined as Tier 1 capital divided by RWA. The Total capital ratio is defined as total capital divided by RWA.

The leverage ratio ("LR") is defined as Tier 1 capital to a measure of total exposures, defined as the sum of on-balance sheet exposures (after certain Tier 1 capital deductions), certain derivative exposures, securities financing transaction ("SFT") exposures and other off-balance sheet exposures.

The liquidity maintenance ratio ("LMR") is calculated as the arithmetic mean of the average LMRs of the three calendar months within the quarter. The average LMR of each calendar month is the figure reported in MA(BS)1E Return of Liquidity Position submitted to the HKMA.

The Company is a category 2 institution (not designated as a category 2A institution) under the BLR. Hence, the liquidity coverage ratio, net stable funding ratio and core funding ratio are not applicable.

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2 Key prudential ratios (continued)

Using the standard templates as specified by the HKMA, the details of the Company's key prudential ratios are set out below.

Template KM1: Key prudential ratios

		30 June 2024	31 March 2024	31 December 2023	30 September 2023	30 June 2023
	Regulatory capital (US\$'000)					
1	Common Equity Tier 1 (CET1)	127,038	125,892	124,517	123,392	122,288
2	Tier 1	127,038	125,892	124,517	123,392	122,288
3	Total capital	127,038	125,892	124,517	123,392	122,288
	RWA (US\$'000)					
4	Total RWA	47,687	45,893	45,625	45,850	47,571
	Risk-based regulatory capital ratios (as a percentage of RWA)					
5	CET1 ratio (%)	266.40%	274.32%	272.91%	269.12%	257.06%
6	Tier 1 ratio (%)	266.40%	274.32%	272.91%	269.12%	257.06%
7	Total capital ratio (%)	266.40%	274.32%	272.91%	269.12%	257.06%
	Additional CET1 buffer requirements (as a percentage of RWA)					
8	Capital conservation buffer requirement (%)	2.500%	2.500%	2.500%	2.500%	2.500%
9	Countercyclical capital buffer requirement (%)	1.064%	1.131%	1.180%	0.707%	0.911%
10	Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	-	-	-	-	-
11	Total AI-specific CET1 buffer requirements (%)	3.564%	3.631%	3.680%	3.207%	3.411%
12	CET1 available after meeting the AI's minimum capital requirements (%)	258.40%	266.32%	264.91%	261.12%	249.06%
	Basel III leverage ratio					
13	Total leverage ratio (LR) exposure measure (US\$'000)	194,294	179,387	172,281	159,455	137,604
14	LR (%)	65.38%	70.18%	72.28%	77.38%	88.87%
	Liquidity Coverage Ratio (LCR) / Liquidity Maintenance Ratio (LMR)					
	Applicable to category 1 institution only:					
15	Total high quality liquid assets (HQLA)	-	-	-	-	-
16	Total net cash outflows	-	-	-	-	-
17	LCR (%)	-	-	-	-	-
	Applicable to category 2 institution only:					
17a	LMR (%)	160.04%	160.01%	160.03%	160.04%	160.05%
	Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)					
	Applicable to category 1 institution only:					
18	Total available stable funding	-	-	-	-	-
19	Total required stable funding	-	-	-	-	-
20	NSFR (%)	-	-	-	-	-
	Applicable to category 2A institution only:					
20a	CFR (%)	-	-	-	-	-

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Unaudited Interim Disclosure Statement For the six months ended 30 June 2024

3 Overview of RWA

The Company uses the Standardized (Credit Risk) Approach (“STC”), the Standardized (Market Risk) Approach (“STM”) and the Basic Indicator Approach (“BIA”), as set out in the BCR, to calculate its credit risk, market risk and operational risk respectively.

Using the standard template as specified by the HKMA, the detailed breakdown of the Company’s RWA are set out below.

Template OV1: Overview of RWA

		RWA		Minimum capital requirements (Note (i))
		30 June 2024	31 March 2024	30 June 2024
		US\$'000	US\$'000	US\$'000
1	Credit risk for non-securitization exposures	26,730	26,202	2,138
2	Of which STC approach	26,730	26,202	2,138
2a	Of which BSC approach	-	-	-
3	Of which foundation IRB approach	-	-	-
4	Of which supervisory slotting criteria approach	-	-	-
5	Of which advanced IRB approach	-	-	-
6	Counterparty default risk and default fund contributions	2,180	1,895	174
7	Of which SA-CCR	1,913	1,568	153
7a	Of which CEM	-	-	-
8	Of which IMM(CCR) approach	-	-	-
9	Of which others	267	327	21
10	CVA risk	365	333	29
11	Equity positions in banking book under the simple risk-weight method and internal models method	-	-	-
12	Collective investment scheme (“CIS”) exposures – LTA	-	-	-
13	CIS exposures – MBA	-	-	-
14	CIS exposures – FBA	-	-	-
14a	CIS exposures – combination of approaches	-	-	-
15	Settlement risk	-	-	-
16	Securitization exposures in banking book	-	-	-
17	Of which SEC-IRBA	-	-	-
18	Of which SEC-ERBA (including IAA)	-	-	-
19	Of which SEC-SA	-	-	-
19a	Of which SEC-FBA	-	-	-
20	Market risk	-	-	-
21	Of which STM approach	-	-	-
22	Of which IMM approach	-	-	-
23	Capital charge for switch between exposures in trading book and banking book (not applicable before the revised market risk framework takes effect)	Not applicable	Not applicable	Not applicable
24	Operational risk	18,412	17,463	1,473
24a	Sovereign concentration risk	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% RW)	-	-	-
26	Capital floor adjustment	-	-	-
26a	Deduction to RWA	-	-	-
26b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	-	-	-
26c	Of which portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in Tier 2 Capital	-	-	-
27	Total	47,687	45,893	3,814

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3 Overview of RWA (continued)

Template OV1: Overview of RWA (continued)

- (i) The minimum capital requirements are determined by multiplying the Company's RWA derived from the relevant calculation approach by 8%, not the Company's actual regulatory capital.

4 Composition of regulatory capital

4.1 Template CC1: Composition of regulatory capital

The following table sets out the detailed composition of the Company's regulatory capital as at 30 June 2024 using the standard template as specified by the HKMA. Note (a) to (c) represents the source which is to be cross-referenced to the corresponding rows in Template CC2.

		Amount (US\$'000)	Source based on reference letters of the balance sheet under the regulatory scope of consolidation
CET1 capital: instruments and reserves			
1	Directly issued qualifying CET1 capital instruments plus any related share premium	114,010	(a)
2	Retained earnings	13,891	(b)
3	Disclosed reserves	-	
4	<i>Directly issued capital subject to phase-out arrangements from CET1 (only applicable to non-joint stock companies)</i>	Not applicable	Not applicable
5	Minority interests arising from CET1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in CET1 capital of the consolidation group)	-	
6	CET1 capital before regulatory deductions	127,901	
CET1 capital: regulatory deductions			
7	Valuation adjustments	-	
8	Goodwill (net of associated deferred tax liabilities)	-	
9	Other intangible assets (net of associated deferred tax liabilities)	-	
10	Deferred tax assets (net of associated deferred tax liabilities)	863	(c)
11	Cash flow hedge reserve	-	
12	Excess of total EL amount over total eligible provisions under the IRB approach	-	
13	Credit-enhancing interest-only strip, and any gain-on-sale and other increase in the CET1 capital arising from securitization transactions	-	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	
15	Defined benefit pension fund net assets (net of associated deferred tax liabilities)	-	
16	Investments in own CET1 capital instruments (if not already netted off paid-in capital on reported balance sheet)	-	
17	Reciprocal cross-holdings in CET1 capital instruments	-	
18	Insignificant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
19	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	

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4 Composition of regulatory capital (continued)

4.1 Template CC1: Composition of regulatory capital (continued)

		Amount (US\$'000)	Source based on reference letters of the balance sheet under the regulatory scope of consolidation
20	Mortgage servicing rights (net of associated deferred tax liabilities)	Not applicable	Not applicable
21	Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities)	Not applicable	Not applicable
22	Amount exceeding the 15% threshold	Not applicable	Not applicable
23	of which: significant investments in the ordinary share of financial sector entities	Not applicable	Not applicable
24	of which: mortgage servicing rights	Not applicable	Not applicable
25	of which: deferred tax assets arising from temporary differences	Not applicable	Not applicable
26	National specific regulatory adjustments applied to CET1 capital	-	
26a	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	-	
26b	Regulatory reserve for general banking risks	-	
26c	Securitization exposures specified in a notice given by the MA	-	
26d	Cumulative losses below depreciated cost arising from the institution's holdings of land and buildings	-	
26e	Capital shortfall of regulated non-bank subsidiaries	-	
26f	Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	-	
27	Regulatory deductions applied to CET1 capital due to insufficient AT1 capital and Tier 2 capital to cover deductions	-	
28	Total regulatory deductions to CET1 capital	863	
29	CET1 capital	127,038	
	AT1 capital: instruments		
30	Qualifying AT1 capital instruments plus any related share premium	-	
31	of which: classified as equity under applicable accounting standards	-	
32	of which: classified as liabilities under applicable accounting standards	-	
33	<i>Capital instruments subject to phase-out arrangements from AT1 capital</i>	-	
34	AT1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in AT1 capital of the consolidation group)	-	
35	<i>of which: AT1 capital instruments issued by subsidiaries subject to phase-out arrangements</i>	-	
36	AT1 capital before regulatory deductions	-	
	AT1 capital: regulatory deductions		
37	Investments in own AT1 capital instruments	-	
38	Reciprocal cross-holdings in AT1 capital instruments	-	
39	Insignificant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
40	Significant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
41	National specific regulatory adjustments applied to AT1 capital	-	
42	Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions	-	
43	Total regulatory deductions to AT1 capital	-	
44	AT1 capital	-	

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4 Composition of regulatory capital (continued)

4.1 Template CC1: Composition of regulatory capital (continued)

		Amount (US\$'000)	Source based on reference letters of the balance sheet under the regulatory scope of consolidation
45	Tier 1 capital (T1 = CET1 + AT1)	127,038	
	Tier 2 capital: instruments and provisions		
46	Qualifying Tier 2 capital instruments plus any related share premium	-	
47	<i>Capital instruments subject to phase-out arrangements from Tier 2 capital</i>	-	
48	Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group)	-	
49	<i>of which: capital instruments issued by subsidiaries subject to phase-out arrangements</i>	-	
50	Collective provisions and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	-	
51	Tier 2 capital before regulatory deductions	-	
	Tier 2 capital: regulatory deductions		
52	Investments in own Tier 2 capital instruments	-	
53	Reciprocal cross-holdings in Tier 2 capital instruments and non-capital LAC liabilities	-	
54	Insignificant LAC investments in Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold and, where applicable, 5% threshold)	-	
54a	Insignificant LAC investments in non-capital LAC liabilities of financial sector entities that are outside the scope of regulatory consolidation (amount formerly designated for the 5% threshold but no longer meets the conditions) (for institutions defined as "section 2 institution" under §2(1) of Schedule 4F to BCR only)	-	
55	Significant LAC investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
55a	Significant LAC investments in non-capital LAC liabilities of financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
56	National specific regulatory adjustments applied to Tier 2 capital	-	
56a	Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	-	
56b	Regulatory deductions applied to Tier 2 capital to cover the required deductions falling within §48(1)(g) of BCR	-	
57	Total regulatory adjustments to Tier 2 capital	-	
58	Tier 2 capital (T2)	-	
59	Total regulatory capital (TC = T1 + T2)	127,038	
60	Total RWA	47,687	
	Capital ratios (as a percentage of RWA)		
61	CET1 capital ratio	266.40%	
62	Tier 1 capital ratio	266.40%	
63	Total capital ratio	266.40%	
64	Institution-specific buffer requirement (capital conservation buffer plus countercyclical capital buffer plus higher loss absorbency requirements)	3.564%	

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4 Composition of regulatory capital (continued)

4.1 Template CC1: Composition of regulatory capital (continued)

		Amount (US\$'000)	Source based on reference letters of the balance sheet under the regulatory scope of consolidation
65	of which: capital conservation buffer requirement	2.500%	
66	of which: bank specific countercyclical capital buffer requirement	1.064%	
67	of which: higher loss absorbency requirement	-	
68	CET1 (as a percentage of RWA) available after meeting minimum capital requirements	258.40%	
	National minima (if different from Basel 3 minimum)		
69	National CET1 minimum ratio	Not applicable	Not applicable
70	National Tier 1 minimum ratio	Not applicable	Not applicable
71	National Total capital minimum ratio	Not applicable	Not applicable
	Amounts below the thresholds for deduction (before risk weighting)		
72	Insignificant LAC investments in CET1, AT1 and Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation	-	
73	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
74	Mortgage servicing rights (net of associated deferred tax liabilities)	Not applicable	Not applicable
75	Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities)	Not applicable	Not applicable
	Applicable caps on the inclusion of provisions in Tier 2 capital		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the BSC approach, or the STC approach and SEC-ERBA, SEC-SA and SEC-FBA (prior to application of cap)	-	
77	Cap on inclusion of provisions in Tier 2 under the BSC approach, or the STC approach, and SEC-ERBA, SEC-SA and SEC-FBA	-	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the IRB approach and SEC-IRBA (prior to application of cap)	-	
79	Cap for inclusion of provisions in Tier 2 under the IRB approach and SEC-IRBA	-	
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)		
80	<i>Current cap on CET1 capital instruments subject to phase-out arrangements</i>	Not applicable	Not applicable
81	<i>Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)</i>	Not applicable	Not applicable
82	<i>Current cap on AT1 capital instruments subject to phase-out arrangements</i>	-	
83	<i>Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)</i>	-	
84	<i>Current cap on Tier 2 capital instruments subject to phase-out arrangements</i>	-	
85	<i>Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)</i>	-	

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4 Composition of regulatory capital (continued)

4.1 Template CC1: Composition of regulatory capital (continued)

Note to the Template:

	Description	Hong Kong basis (US\$'000)	Basel III basis (US\$'000)
10	Deferred tax assets (net of associated deferred tax liabilities)	863	-
	<u>Explanation</u> As set out in paragraphs 69 and 87 of the Basel III text issued by the Basel Committee (December 2010), Deferred Tax Assets ("DTAs") of the bank to be realized are to be deducted, whereas DTAs which relate to temporary differences may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to deduct all DTAs in full, irrespective of their origin, from CET1 capital. Therefore, the amount to be deducted as reported in row 10 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 10 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of DTAs to be deducted which relate to temporary differences to the extent not in excess of the 10% threshold set for DTAs arising from temporary differences and the aggregate 15% threshold set for Mortgage Servicing Rights ('MSRs'), DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities or other credit exposures to connected companies) under Basel III.		

Remarks: The amount of the 10% threshold is calculated based on the amount of CET1 capital determined in accordance with the deduction methods set out in BCR Schedule 4F. The 15% threshold is referring to paragraph 88 of the Basel III text issued by the Basel Committee (December 2010) and has no effect to the Hong Kong regime.

4.2 Template CC2: Reconciliation of regulatory capital to balance sheet

The following table shows a reconciliation of amounts in the balance sheet of the Company to the capital components of regulatory capital.

30 June 2024

	Balance sheet as in published financial statements / Under regulatory scope of consolidation (Note (i))	Cross reference to composition of regulatory capital
	US\$'000	
Assets		
Cash and cash equivalents	130,511	
Derivative financial instruments	6,793	
Other receivables	33,314	
Deferred income tax assets	863	(c)
Total assets	171,481	
Liabilities		
Deposit from an affiliated customer	1,000	
Short-term loans payable	2,000	
Derivative financial instruments	6,788	
Other payables	33,060	
Current income tax liabilities	732	
Total liabilities	43,580	
Equity		
Share capital	114,010	(a)
Retained profits	13,891	(b)
Total equity	127,901	
Total equity and liabilities	171,481	

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4 Composition of regulatory capital (continued)

4.2 Template CC2: Reconciliation of regulatory capital to balance sheet (continued)

(i) There is no difference in scope between the balance sheet and the composition of regulatory capital.

4.3 Table CCA: Main features of regulatory capital instruments

The following table shows the main features of regulatory capital instruments.

30 June 2024

1	Issuer	Goldman Sachs Asia Bank Limited
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	Not applicable
3	Governing law(s) of the instrument	Hong Kong Law
	<i>Regulatory treatment</i>	
4	Transitional Basel III rules	Not applicable
5	Post-transitional Basel III rules	Common Equity Tier 1
6	Eligible at solo / group / solo and group	Solo
7	Instrument type (types to be specified by each jurisdiction)	Ordinary Shares (with voting rights)
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	US\$ 114.01 million
9	Par value of instrument	Not applicable
10	Accounting classification	Shareholders' equity
11	Original date of issuance	10,000 shares issued on 12 December 2012 1,000,000 shares issued on 14 January 2015 13,000,000 shares issued on 26 June 2015 100,000,000 shares issued on 12 July 2016
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	Not applicable
16	Subsequent call dates, if applicable	Not applicable
	<i>Coupons / dividends</i>	
17	Fixed or floating dividend / coupon	Floating
18	Coupon rate and any related index	Not applicable
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step-up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	Not applicable
25	If convertible, fully or partially	Not applicable
26	If convertible, conversion rate	Not applicable
27	If convertible, mandatory or optional conversion	Not applicable
28	If convertible, specify instrument type convertible into	Not applicable
29	If convertible, specify issuer of instrument it converts into	Not applicable
30	Write-down feature	No
31	If write-down, write-down trigger(s)	Not applicable
32	If write-down, full or partial	Not applicable
33	If write-down, permanent or temporary	Not applicable
34	If temporary write-down, description of write-up mechanism	Not applicable

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4 Composition of regulatory capital (continued)

4.3 Table CCA: Main features of regulatory capital instruments (continued)

35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	Not applicable
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	Not applicable

Information relating to the disclosure of the full terms and conditions of the Company's capital instruments can be viewed on its parent company's website as the Company does not maintain a website of its own: <http://www.goldmansachs.com/disclosures/gsab-disclosures/terms-and-conditions.html>

5 Macroprudential supervisory measures

Template CCyB1: Geographical distribution of credit exposures used in countercyclical capital buffer ("CCyB")

The geographical allocation of private sector credit exposures to the various jurisdictions is based on "ultimate risk basis". "Ultimate risk basis" means the allocation of exposures to the jurisdictions where the risk ultimately lies, as defined as the location where the "ultimate obligor" resides.

The geographical distribution of private sector credit exposures that are relevant in the calculation of CCyB ratio is set out below.

30 June 2024

	Geographical breakdown by Jurisdiction (J)	Applicable JCCyB ratio in effect (%)	RWA used in computation of CCyB ratio (US\$'000)	AI-specific CCyB ratio (%)	CCyB amount (US\$'000)	Note
1	Hong Kong	1.000%	2,502			(i)
2	United Kingdom	2.000%	219			
3	Sum		2,721			
4	Total		2,755	1.064%	29	

- (i) The increase in RWA used in the computation of CCyB ratio from the previous semi-annual reporting period is mainly due to the increase in amounts due from affiliated companies.

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6 Leverage ratio

6.1 Template LR1: Summary comparison of accounting assets against leverage ratio (“LR”) exposure measure

The leverage ratio is calculated in accordance with the relevant provisions of the BCR.

30 June 2024

	Item	Value under the LR framework (US\$'000 equivalent)	Note
1	Total consolidated assets as per published financial statements	171,481	
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-	
2a	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-	
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting standard but excluded from the LR exposure measure	-	
3a	Adjustments for eligible cash pooling transactions	-	
4	Adjustments for derivative contracts	23,676	(i)
5	Adjustment for SFTs (i.e. repos and similar secured lending)	-	
6	Adjustment for off-balance sheet (“OBS”) items (i.e. conversion to credit equivalent amounts of OBS exposures)	-	
6a	Adjustments for prudent valuation adjustments and specific and collective provisions that are allowed to be excluded from exposure measure	-	
7	Other adjustments	(863)	
8	Leverage ratio exposure measure	194,294	

- (i) Increase in adjustments for derivative contracts from the previous semi-annual reporting period is mainly due to increase in initial margin placed with central counterparty (“CCP”).

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6 Leverage ratio (continued)

6.2 Template LR2: Leverage ratio

		US\$'000 equivalent	
		30 June 2024	31 March 2024
On-balance sheet exposures			
1	On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	164,695	158,872
2	Less: Asset amounts deducted in determining Tier 1 capital	(863)	(895)
3	Total on-balance sheet exposures (excluding derivative contracts and SFTs)	163,832	157,977
Exposures arising from derivative contracts			
4	Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	26,917	17,634
5	Add-on amounts for PFE associated with all derivative contracts	3,545	3,776
6	Gross-up for collateral provided in respect of derivative contracts where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
7	Less: Deductions of receivables assets for cash variation margin provided under derivative contracts	-	-
8	Less: Exempted CCP leg of client-cleared trade exposures	-	-
9	Adjusted effective notional amount of written credit-related derivative contracts	-	-
10	Less: Adjusted effective notional offsets and add-on deductions for written credit-related derivative contracts	-	-
11	Total exposures arising from derivative contracts	30,462	21,410
Exposures arising from SFTs			
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	-	-
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
14	CCR exposure for SFT assets	-	-
15	Agent transaction exposures	-	-
16	Total exposures arising from SFTs	-	-

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6 Leverage ratio (continued)

6.2 Template LR2: Leverage ratio (continued)

		US\$'000 equivalent	
		30 June 2024	31 March 2024
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	-	-
18	Less: Adjustments for conversion to credit equivalent amounts	-	-
19	Off-balance sheet items	-	-
Capital and total exposures			
20	Tier 1 capital	127,038	125,892
20a	Total exposures before adjustments for specific and collective provisions	194,294	179,387
20b	Adjustments for specific and collective provisions	-	-
21	Total exposures after adjustments for specific and collective provisions	194,294	179,387
Leverage ratio			
22	Leverage ratio	65.38%	70.18%

7 Credit risk for non-securitization exposures

Using the standard templates as specified by the HKMA, the following tables provide detailed information relating to credit risk for non-securitization exposures under the STC approach.

There were no loans or debt securities or related off-balance sheet exposures as at 30 June 2024.

7.1 Template CR4: Credit risk exposures and effects of recognized credit risk mitigation – for STC approach

30 June 2024

	Exposure classes	Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	%
1	Sovereign exposures	-	-	-	-	-	-
2	PSE exposures	-	-	-	-	-	-
2a	Of which: domestic PSEs	-	-	-	-	-	-
2b	Of which: foreign PSEs	-	-	-	-	-	-
3	Multilateral development bank exposures	-	-	-	-	-	-
4	Bank exposures	130,771	-	130,771	-	26,154	20
5	Securities firm exposures	1,281	-	1,075	-	548	51
6	Corporate exposures	116	-	28	-	28	100
7	CIS exposures	-	-	-	-	-	-
8	Cash items	7	-	7	-	-	-

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7 Credit risk for non-securitization exposures (continued)

7.1 Template CR4: Credit risk exposures and effects of recognized credit risk mitigation – for STC approach (continued)

	Exposure classes	Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	%
9	Exposures in respect of failed delivery on transactions entered into on a basis other than a delivery-versus-payment basis	-	-	-	-	-	-
10	Regulatory retail exposures	-	-	-	-	-	-
11	Residential mortgage loans	-	-	-	-	-	-
12	Other exposures which are not past due exposures	-	-	-	-	-	-
13	Past due exposures	-	-	-	-	-	-
14	Significant exposures to commercial entities	-	-	-	-	-	-
15	Total	132,175	-	131,881	-	26,730	20

7.2 Template CR5: Credit risk exposures by asset classes and by risk weights – for STC approach

30 June 2024

	Exposure class	Risk weight											Total credit risk exposures amount (post CCF and post CRM)
		0%	10%	20%	35%	50%	75%	100%	150%	250%	Others		
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
1	Sovereign exposures	-	-	-	-	-	-	-	-	-	-	-	-
2	PSE exposures	-	-	-	-	-	-	-	-	-	-	-	-
2a	Of which: domestic PSEs	-	-	-	-	-	-	-	-	-	-	-	-
2b	Of which: foreign PSEs	-	-	-	-	-	-	-	-	-	-	-	-
3	Multilateral development bank exposures	-	-	-	-	-	-	-	-	-	-	-	-
4	Bank exposures	-	-	130,771	-	-	-	-	-	-	-	-	130,771
5	Securities firm exposures	-	-	-	-	1,054	-	21	-	-	-	-	1,075
6	Corporate exposures	-	-	-	-	-	-	28	-	-	-	-	28
7	CIS exposures	-	-	-	-	-	-	-	-	-	-	-	-
8	Cash items	7	-	-	-	-	-	-	-	-	-	-	7

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7 Credit risk for non-securitization exposures (continued)

7.2 Template CR5: Credit risk exposures by asset classes and by risk weights – for STC approach (continued)

Exposure class	Risk weight	0%	10%	20%	35%	50%	75%	100%	150%	250%	Others	Total credit risk exposures amount (post CCF and post CRM)
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
9	Exposures in respect of failed delivery on transactions entered into on a basis other than a delivery-versus-payment basis	-	-	-	-	-	-	-	-	-	-	-
10	Regulatory retail exposures	-	-	-	-	-	-	-	-	-	-	-
11	Residential mortgage loans	-	-	-	-	-	-	-	-	-	-	-
12	Other exposures which are not past due exposures	-	-	-	-	-	-	-	-	-	-	-
13	Past due exposures	-	-	-	-	-	-	-	-	-	-	-
14	Significant exposures to commercial entities	-	-	-	-	-	-	-	-	-	-	-
15	Total	7	-	130,771	-	1,054	-	49	-	-	-	131,881

8 Counterparty credit risk

Using the standard templates as specified by the HKMA, the following tables provide detailed information relating to counterparty credit risk and credit valuation adjustment (“CVA”) arising from derivative contracts.

There were no credit-related derivative contracts as at 30 June 2024.

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8 Counterparty credit risk (continued)

8.1 Template CCR1: Analysis of counterparty default risk exposures (other than those to CCPs) by approaches

30 June 2024

		Replacement cost (RC)	PFE	Effective EPE	Alpha (α) used for computing default risk exposure	Default risk exposure after CRM	RWA	Note
		US\$'000	US\$'000	US\$'000		US\$'000	US\$'000	
1	SA-CCR approach (for derivative contracts)	380	744		1.4	1,573	1,355	(i)
1a	CEM (for derivative contracts)	-	-		1.4	-	-	
2	IMM (CCR) approach			-	-	-	-	
3	Simple approach (for SFTs)					-	-	
4	Comprehensive approach (for SFTs)					-	-	
5	VaR (for SFTs)					-	-	
6	Total						1,355	

(i) RWA calculated under the SA-CCR approach increased from the previous semi-annual reporting period mainly due to more OTC derivative transactions.

8.2 Template CCR2: CVA capital charge

30 June 2024

		EAD post CRM	RWA	Note
		US\$'000	US\$'000	
	Netting sets for which CVA capital charge is calculated by the advanced CVA method	-	-	
1	(i) VaR (after application of multiplication factor if applicable)		-	
2	(ii) Stressed VaR (after application of multiplication factor if applicable)		-	
3	Netting sets for which CVA capital charge is calculated by the standardized CVA method	1,573	365	(i)
4	Total	1,573	365	

(i) CVA capital charge increased from the previous semi-annual reporting period mainly due to more OTC derivative transactions

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8 Counterparty credit risk (continued)

8.3 Template CCR3: Counterparty default risk exposures (other than those to CCPs) by asset classes and by risk weights – for STC approach

30 June 2024

	Risk weight Exposure class	0%	10%	20%	35%	50%	75%	100%	150%	250%	Others	Total default risk exposure after CRM	Note
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
1	Sovereign exposures	-	-	-	-	-	-	-	-	-	-	-	
2	PSE exposures	-	-	-	-	-	-	-	-	-	-	-	
2a	Of which: domestic PSEs	-	-	-	-	-	-	-	-	-	-	-	
2b	Of which: foreign PSEs	-	-	-	-	-	-	-	-	-	-	-	
3	Multilateral development bank exposures	-	-	-	-	-	-	-	-	-	-	-	
4	Bank exposures	-	-	-	-	-	-	-	-	-	-	-	
5	Securities firm exposures	-	-	-	-	437	-	-	-	-	-	437	(i)
6	Corporate exposures	-	-	-	-	-	-	1,136	-	-	-	1,136	(i)
7	CIS exposures	-	-	-	-	-	-	-	-	-	-	-	
8	Regulatory retail exposures	-	-	-	-	-	-	-	-	-	-	-	
9	Residential mortgage loans	-	-	-	-	-	-	-	-	-	-	-	
10	Other exposures which are not past due exposures	-	-	-	-	-	-	-	-	-	-	-	
11	Significant exposures to commercial entities	-	-	-	-	-	-	-	-	-	-	-	
12	Total	-	-	-	-	437	-	1,136	-	-	-	1,573	

(i) The movement in securities firm counterparty default risk exposures and corporate counterparty default risk exposures from the previous semi-annual reporting period are mainly due to the fair value change of derivatives.

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8 Counterparty credit risk (continued)

8.4 Template CCR5: Composition of collateral for counterparty default risk exposures (including those for contracts or transactions cleared through CCPs)

30 June 2024

	Derivative contracts				SFTs		Note
	Fair value of recognized collateral received		Fair value of posted collateral		Fair value of recognized collateral received	Fair value of posted collateral	
	Segregated	Unsegregated	Segregated	Unsegregated			
US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000		
Cash - domestic currency	-	-	-	380	-	-	
Cash - other currencies	-	18,065	-	21,371	-	-	
Total	-	18,065	-	21,751	-	-	(i)

(i) The movement in cash collateral received and placed from the previous semi-annual reporting period is mainly due to the fair value change of derivatives.

8.5 Template CCR8: Exposures to CCPs

30 June 2024

		EAD post CRM	RWA
		US\$'000	US\$'000
1	Exposures of the AI as clearing member or client to qualifying CCPs (total)		825
2	Default risk exposures to qualifying CCPs (excluding items disclosed in rows 7 to 10), of which:	27,883	558
3	(i) OTC derivative transactions	27,883	558
4	(ii) Exchange-traded derivative contracts	-	-
5	(iii) Securities financing transactions	-	-
6	(iv) Netting sets subject to valid cross-product netting agreements	-	-
7	Segregated initial margin	-	
8	Unsegregated initial margin	-	-
9	Funded default fund contributions	11,814	267
10	Unfunded default fund contributions	-	-
11	Exposures of the AI as clearing member or clearing client to nonqualifying CCPs (total)		-
12	Default risk exposures to non-qualifying CCPs (excluding items disclosed in rows 17 to 20), of which:	-	-
13	(i) OTC derivative transactions	-	-
14	(ii) Exchange-traded derivative contracts	-	-
15	(iii) Securities financing transactions	-	-
16	(iv) Netting sets subject to valid cross-product netting agreements	-	-
17	Segregated initial margin	-	
18	Unsegregated initial margin	-	-
19	Funded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

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9 Securitization exposures

There were no securitization exposures as at 30 June 2024.

10 Market risk

The Company has been exempted by the HKMA under section 22(1) of the BCR from the calculation of market risk under section 17 of the BCR for 2024.

11 International claims

International claims are on-balance sheet exposures of counterparties based on the location of the counterparties after taking into account any risk transfer. The risk transfers have been made if the claims are guaranteed by a party in a geographical area which is different from that of the counterparty or if the claims are on an overseas branch of a bank whose head office is located in another geographical area.

International claims attributable to individual countries or areas not less than 10% of the total international claims, after recognised risk transfer, are disclosed as follows:

30 June 2024

	Banks US\$'000	Official sector US\$'000	Non-bank financial institutions US\$'000	Non- financial private sector US\$'000	Total US\$'000
Developed countries:					
United States	22,669	-	34	-	22,703
Canada	15,207	-	-	-	15,207
United Kingdom	80,222	-	3,157	-	83,379
Offshore centres:					
Hong Kong	10,036	-	7,577	15	17,628
Total	<u>128,134</u>	<u>-</u>	<u>10,768</u>	<u>15</u>	<u>138,917</u>

12 Loans and advances – sector information

There were no loans and advances to customers as at 30 June 2024.

13 Overdue and rescheduled assets

There were no impaired, rescheduled or overdue assets as at 30 June 2024.

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14 Mainland activities

The breakdown of the Company's Mainland exposures to material non-bank counterparties into the specified categories is as follows:

<u>30 June 2024</u>				
Type of counterparties	On-balance sheet exposures US\$ '000	Off-balance sheet exposures US\$ '000	Total US\$ '000	Specific provisions US\$ '000
Other entities of central government not reported in item 1 in Table III Part 3 of MA(BS)20	-	345	345	-
Total	-	345	345	-

15 Currency risk

The currency risk arising from the Company's operations for those individual currencies which each constitute more than 10% of the total net positions in all foreign currencies are as follows:

<u>30 June 2024</u>		USD currency
		US\$'000
Spot assets		134,510
Spot liabilities		(143,951)
Forward purchases		40,303
Forward sales		(30,147)
Net long position		715

As at 30 June 2024, the Company had no net currency position calculated on the basis of the delta-weighted position of its options contracts.

As at 30 June 2024, the Company had no foreign currency exposure arising from structural positions.

16 Off-balance sheet exposures (other than derivative transactions)

There were no off-balance sheet exposures (other than derivative transactions) as at 30 June 2024.