

**Credit Suisse AG**

**A UBS Group Company**

**Hong Kong Branch**

**Quarterly Liquidity Information Disclosure Statement**

**As at 30 September 2023**

Liquidity Information Disclosure Statement

The Liquidity Disclosure Statement complies with the Banking (Disclosure) Rules (BDR) made under section 60A of the Banking Ordinance.

Basis of preparation

The approaches used in calculating the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) are in accordance with the Banking Liquidity Rules (BLR).

During 2023, Credit Suisse AG, a UBS Group Company Hong Kong Branch (the Branch) is required to maintain LCR of not less than 100%.

The average LCR for the periods are as follow:

	Quarter ended (%)	
	30 Sep 2023	30 Jun 2023
Average LCR	298.41%	280.61%

Average LCR is the simple average value of all working days in the quarter.

The NSFR, Available Stable Funding (ASF) and Required Stable Funding (RSF) for the periods are as follow:

	Quarter ended (%)	
	30 Sep 2023	30 Jun 2023
NSFR	204.63%	175.96%
	Quarter ended (HKD million)	
	30 Sep 2023	30 Jun 2023
ASF	50,822	49,068
RSF	24,836	27,885

Accompanying narrative

The liquidity position of the Branch remained stable and healthy. The average LCR were 298.41% and 280.61% at end of 3Q2023 and 2Q2023 respectively. The NSFR were 204.63% and 175.96% for the quarters ended 30 Sep 2023 and 30 Jun 2023 respectively.

The Branch holds a pool of high quality liquid assets (HQLA) as defined under Schedule 2 of the BLR. The majority of the HQLA held by the Branch are Level 1 assets, predominantly in government debt securities.

The Branch is able to source additional funding, in the appropriate currency, from affiliates of Credit Suisse AG to meet its requirement.

The average LCR increased from 280.61% for the quarter ended 30 Jun 2023 to 298.41% for the quarter ended 30 Sep 2023 primarily driven by a decrease in unsecured wholesale funding. NSFR increased from 175.96% for the quarter ended 30 Jun 2023 to 204.63% for the quarter ended 30 Sep 2023 mainly driven by decrease in required stable funding arising from decrease in loans provided to customers.

The Branch monitors and manages liquidity risk on a standalone basis. The risk control framework aims to ensure the appropriate amount of liquidity is set aside locally whilst ensuring a sufficient amount of liquidity is held at Credit Suisse AG to support and meet its obligations.

Liquidity Information Disclosure Statement

The following table sets out the required disclosure items under Standard Disclosure Templates as specified by the HKMA. The number of data points used in calculating average value of the LCR and its related components for the quarters ended 30 Sep 2023 and 30 Jun 2023 are 65 and 59 data points respectively. The number of data points equates to the number of working days in the quarter.

LIQ1 - Liquidity Coverage Ratio for category 1 institution

Amount in HKD\$ '000		Quarter ended 30 Sep 2023 (65 data points)		Quarter ended 30 Jun 2023 (59 data points)	
Basis of disclosure: Hong Kong office basis		Unweighted value (average)	Weighted value (average)	Unweighted value (average)	Weighted value (average)
A. HIGH QUALITY LIQUID ASSETS					
1	Total high quality liquid assets (HQLA)		13,340,743		15,355,542
B. CASH OUTFLOWS					
2	Retail deposits and small business funding, of which:	22,782,829	2,278,283	18,612,901	1,861,251
3	Stable retail deposits and stable small business funding	-	-	-	-
4	Less stable retail deposits and less stable small business funding	22,782,829	2,278,283	18,612,122	1,861,212
4a	Retail term deposits and small business term funding	-	-	779	39
5	Unsecured wholesale funding (other than small business funding) and debt securities and prescribed instruments issued by the FI, of which:	21,576,493	12,598,105	24,383,462	17,305,569
6	Operational deposits	-	-	-	-
7	Unsecured wholesale funding (other than small business funding) not covered in Row 6	21,576,493	12,598,105	24,383,462	17,305,569
8	Debt securities and prescribed instruments issued by the FI and redeemable within the LCR period	-	-	-	-
9	Secured funding transactions (including securities swap transactions)		-		-
10	Additional requirements, of which:	2,042,487	1,512,349	2,176,321	1,657,613
11	Cash outflows arising from derivative contracts and other transactions, and additional liquidity needs arising from related collateral requirements	1,454,281	1,454,281	1,526,117	1,526,117
12	Cash outflows arising from obligations under structured financing transactions and repayment of funding obtained from such transactions	-	-	-	-
13	Potential drawdown of undrawn committed facilities (including committed credit facilities and committed liquidity facilities)	588,206	58,068	650,204	131,496
14	Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows	1,512,394	1,512,394	1,237,013	1,237,013
15	Other contingent funding obligations (whether contractual or non-contractual)	218,298,369	391	227,573,292	392
16	TOTAL CASH OUTFLOWS		17,901,522		22,061,838
C. CASH INFLOWS					
17	Secured lending transactions (including securities swap transactions)	9,717,532	25,994	11,641,507	27,361
18	Secured and unsecured loans (other than secured lending transactions covered in Row 17) and operational deposits placed at other financial institutions	37,667,399	27,487,760	34,902,538	23,372,822
19	Other cash inflows	2,935,487	2,330,460	2,898,101	2,391,995
20	TOTAL CASH INFLOWS	50,320,418	29,844,214	49,442,146	25,792,178
D. LIQUIDITY COVERAGE RATIO			Adjusted value		Adjusted value
21	TOTAL HQLA		13,340,743		15,355,542
22	TOTAL NET CASH OUTFLOWS		4,475,380		5,515,460
23	LCR (%)		298.41%		280.61%

**Chief Executive's Declaration of Compliance**

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It is certified by the Chief Executive of Credit Suisse AG, a UBS Group Company Hong Kong Branch that the information disclosed above is in compliance with the Banking (Disclosure) rules and the disclosure standards of the Supervisory Policy Manual – "Guideline on the Application of the Banking (Disclosure) Rules" issued by the Hong Kong Monetary Authority.

Rickie Chan  
Chief Executive, Credit Suisse AG, a UBS Group Company Hong Kong Branch