



China CITIC Bank International Limited
中信銀行(國際)有限公司

Regulatory Disclosure Statement

31 March 2020
(Unaudited)

**These disclosures are prepared under
the Banking (Disclosure) Rules**

Regulatory Disclosure Statement

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Regulatory Disclosure Statement (continued)

The information contained in this regulatory disclosure statement is for China CITIC Bank International Limited (“the Bank”) and its subsidiaries (together “the Group”), and is prepared in accordance with the Banking (Disclosure) Rules and the disclosure templates issued by the Hong Kong Monetary Authority (“HKMA”).

PART I: KEY PRUDENTIAL RATIOS AND OVERVIEW OF RISK-WEIGHTED ASSET (RWA)

KM1: Key prudential ratios

	At 31 March 2020	At 31 December 2019	At 30 September 2019	At 30 June 2019	At 31 March 2019	
	(a)	(b)	(c)	(d)	(e)	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Regulatory capital						
1	Common Equity Tier 1 (CET1)	38,063,930	37,430,332	36,488,587	35,484,890	34,818,695
2	Tier 1	45,835,990	45,202,392	44,260,647	43,256,950	44,904,222
3	Total capital	53,146,712	52,476,903	51,711,502	50,656,115	55,209,006
RWA						
4	Total RWA	270,651,826	262,432,341	268,285,972	266,263,985	269,432,895
Risk-based regulatory capital ratios (as a percentage of RWA)						
5	CET1 ratio (%)	14.1%	14.3%	13.6%	13.3%	12.9%
6	Tier 1 ratio (%)	16.9%	17.2%	16.5%	16.2%	16.7%
7	Total capital ratio (%)	19.6%	20.0%	19.3%	19.0%	20.5%
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 (%)	0.584%	1.119%	1.355%	1.393%	1.388%
10	Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	N/A	N/A	N/A	N/A	N/A
11	Total AI-specific CET1 buffer requirements (%)	3.084%	3.619%	3.855%	3.893%	3.888%
12	CET1 available after meeting the AI's minimum capital requirements (%)	9.60%	9.80%	9.10%	8.83%	8.40%
Basel III leverage ratio						
13	Total leverage ratio (LR) exposure measure	361,828,522	384,491,342	359,966,028	373,673,578	369,372,939
14	LR (%)	12.7%	11.8%	12.3%	11.6%	12.2%
Liquidity Coverage Ratio (LCR)/Liquidity Maintenance Ratio (LMR)						
Applicable to category 1 institution only:						
15	Total high quality liquid assets (HQLA)	47,011,755	35,466,051	33,068,768	34,551,660	37,754,487
16	Total net cash outflows	17,320,678	15,799,506	15,960,920	15,470,046	15,290,956
17	LCR (%)	272.2%	225.7%	207.6%	224.0%	249.4%
Applicable to category 2 institution only:						
17a	LMR (%)	N/A	N/A	N/A	N/A	N/A
Net Stable Funding Ratio (NSFR)/Core Funding Ratio (CFR)						
Applicable to category 1 institution only:						
18	Total available stable funding	231,887,605	240,558,288	234,709,644	240,406,580	241,842,413
19	Total required stable funding	167,498,538	165,902,045	168,209,740	168,044,582	171,357,209
20	NSFR (%)	138.4%	145.0%	139.5%	143.1%	141.1%
Applicable to category 2A institution only:						
20a	CFR (%)	N/A	N/A	N/A	N/A	N/A

N/A - Not-Applicable

Regulatory Disclosure Statements (continued)

PART I: KEY PRUDENTIAL RATIOS AND OVERVIEW OF RISK-WEIGHTED ASSET (RWA)

OV1: Overview of RWAs

The following table provides an overview of the Bank's RWA by various risk types and the corresponding minimum capital requirements (i.e. 8% of RWAs), as required by the HKMA.

		(a)	(b)	(c)
		RWAs		Minimum capital requirements
		At 31 March 2020	At 31 December 2019	At 31 March 2020
		HK\$'000	HK\$'000	HK\$'000
1	Credit risk for non-securitization exposures	222,005,195	223,007,135	17,760,416
2	Of which STC approach	222,005,195	223,007,135	17,760,416
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	10,902,844	6,574,407	872,227
7	Of which SA-CCR*	Not applicable	Not applicable	Not applicable
7a	Of which CEM	10,761,655	6,500,711	860,932
8	Of which IMM(CCR) approach	-	-	-
9	Of which others	141,189	73,696	11,295
10	CVA risk	6,392,738	3,395,863	511,419
11	Equity positions in banking book under the simple risk-weight method and internal models method	-	-	-
12	Collective investment scheme ("CIS") exposures – LTA*	Not applicable	Not applicable	Not applicable
13	CIS exposures – MBA*	Not applicable	Not applicable	Not applicable
14	CIS exposures – FBA*	Not applicable	Not applicable	Not applicable
14a	CIS exposures – combination of approaches*	Not applicable	Not applicable	Not applicable
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	14,721,788	12,866,425	1,177,743
21	Of which STM approach	14,721,788	12,866,425	1,177,743
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	15,433,913	15,393,163	1,234,713
24a	Sovereign concentration risk	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% RW)	1,277,538	1,277,538	102,203
26	Capital floor adjustment	-	-	-
26a	Deduction to RWAs	82,190	82,190	6,575
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	82,190	82,190	6,575
27	Total	270,651,826	262,432,341	21,652,146

Remark:

Items marked with an asterisk (*) will be applicable only after their respective policy frameworks take effect. Until then, "Not applicable" is reported in the rows.

The Bank has adopted the "standardised approach" for calculating the risk-weighted amount for credit risk and market risk and the "basic indicator approach" for calculating operational risk.

Total RWAs increased mainly due to an increase in RWA for credit risk, which was also driven mainly by an increase in the RWA for derivative contracts.

Regulatory Disclosure Statements (continued)

PART II: LEVERAGE RATIO

LR2: Leverage ratio

		(a)	(b)
		At 31 March 2020	At 31 December 2019
		HK\$'000	HK\$'000
On-balance sheet exposures			
1	On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	336,425,797	352,316,913
2	Less: Asset amounts deducted in determining Tier 1 capital	(1,103,140)	(1,292,775)
3	Total on-balance sheet exposures (excluding derivative contracts and SFTs)	335,322,657	351,024,138
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)	3,862,935	548,865
5	Add-on amounts for PFE associated with all derivative contracts	9,373,994	7,012,271
6	Gross-up for derivatives collateral provided 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	(2,965,026)	(687,372)
8	Less: Exempted CCP leg of client-cleared trade exposures	-	-
9	Adjusted effective notional amount of written credit derivative contracts	-	-
10	Less: Adjusted effective notional offsets and add-on deductions for written credit derivative contracts	-	-
11	Total exposures arising from derivative contracts	10,271,903	6,873,764
Exposures arising from SFTs			
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	982,337	149,798
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
14	CCR exposure for SFT assets	929	-
15	Agent transactions exposures	-	-
16	Total exposures arising from SFTs	983,266	149,798
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	94,579,479	107,282,240
18	Less: Adjustments for conversion to credit equivalent amounts	(79,239,466)	(80,766,455)
19	Off-balance sheet items	15,340,013	26,515,785
Capital and total exposures			
20	Tier 1 capital	45,835,990	45,202,392
20a	Total exposures before adjustments for specific and collective provisions	361,917,839	384,563,485
20b	Adjustments for specific and collective provisions	(89,317)	(72,143)
21	Total exposures after adjustments for specific and collective provisions	361,828,522	384,491,342
Leverage ratio			
22	Leverage ratio	12.67%	11.76%

The increase in leverage ratio during the period is mainly due to the increase in Tier 1 capital and the decrease in both on- and off-balance sheet exposures for the quarter ended 31 March 2020.

Regulatory Disclosure Statements (continued)

PART III: LIQUIDITY

LIQ1: Liquidity Coverage Ratio ("LCR") - for category 1 institution

Number of data points used in calculating the average value of the LCR and related components set out in this template		For the quarter ended 31 March 2020: (74 data points)	
		UNWEIGHTED AMOUNT (Average)	WEIGHTED AMOUNT (Average)
Basis of disclosure: Consolidated		HK\$'000	HK\$'000
A. High Quality Liquid Assets (HQLA)			
1	Total HQLA		47,011,755
B. Cash outflows			
2	Retail deposits and small business funding, of which	150,292,952	10,716,130
3	<i>Stable retail deposits and stable small business funding</i>	10,375,467	518,773
4	<i>Less stable retail deposits and less stable small business funding</i>	64,025,150	6,402,569
4a	<i>Retail term deposits and small business term funding</i>	75,892,335	3,794,788
5	Unsecured wholesale funding (other than small business funding), and debt securities and prescribed instruments issued by the AI, of which:	86,133,440	47,299,317
6	<i>Operational deposits</i>	-	-
7	<i>Unsecured wholesale funding (other than small business funding) not covered in Row 6</i>	85,137,314	46,303,191
8	<i>Debt securities and prescribed instruments issued by the AI and redeemable within the LCR period</i>	996,126	996,126
9	Secured funding transactions (including securities swap transactions)		-
10	Additional requirements, of which	9,385,866	4,023,144
11	<i>Cash outflows arising from derivative contracts and other transactions, and additional liquidity needs arising from related collateral requirements</i>	3,207,857	3,207,857
12	<i>Cash outflows arising from obligations under structured financing transactions and repayment of funding obtained from such transactions</i>	-	-
13	<i>Potential drawdown of undrawn committed facilities (including committed credit facilities and committed liquidity facilities)</i>	6,178,009	815,287
14	Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows	6,176,335	6,176,335
15	Other contingent funding obligations (without contractual or non-contractual)	89,461,641	390,993
16	Total cash outflows		68,605,919
C. Cash Inflows			
17	Secured lending transactions (including securities swap transactions)	632,218	279,695
18	Secured and unsecured loans (other than secured lending transactions covered in row 17) and operational deposits placed at other financial institutions	82,137,192	62,032,935
19	Other cash inflows	4,760,412	4,736,314
20	Total cash inflows	87,529,822	67,048,944
D. Liquidity Coverage Ratio			
21	Total HQLA		47,011,755
22	Total Net Cash Outflows		17,320,678
23	LCR (%)		272.2%