



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

Regulatory Disclosure Statements

30 June 2019
(Unaudited)

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

Regulatory Disclosure Statements

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Regulatory Disclosure Statements (continued)

The information contained in this regulatory disclosure statements 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”). It should be read in conjunction with the Group’s 2019 Interim Report. These regulatory disclosures are governed by the Group’s disclosure policy, which set out the governance, control and assurance requirements for publication of the document.

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

KM1: Key prudential ratios

		At 30 June 2019	At 31 March 2019	At 31 December 2018	At 30 September 2018	At 30 June 2018
		(a)	(b)	(c)	(d)	(e)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Regulatory capital						
1	Common Equity Tier 1 (CET1)	35,484,890	34,818,695	33,354,626	32,629,371	32,631,882
2	Tier 1	43,256,950	44,904,222	43,440,153	38,806,386	38,808,897
3	Total capital	50,656,115	55,209,006	50,386,359	45,632,680	45,696,160
RWA						
4	Total RWA	266,263,985	269,432,895	260,769,021	253,726,353	256,922,304
Risk-based regulatory capital ratios (as a percentage of RWA)						
5	CET1 ratio (%)	13.3%	12.9%	12.8%	12.9%	12.7%
6	Tier 1 ratio (%)	16.2%	16.7%	16.7%	15.3%	15.1%
7	Total capital ratio (%)	19.0%	20.5%	19.3%	18.0%	17.8%
Additional CET1 buffer requirements (as a percentage of RWA)						
8	Capital conservation buffer requirement (%)	2.500%	2.500%	1.875%	1.875%	1.875%
9	Countercyclical capital buffer requirement (%)	1.393%	1.388%	1.071%	1.075%	1.011%
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 (%)	3.893%	3.888%	2.946%	2.950%	2.886%
12	CET1 available after meeting the AI's minimum capital requirements (%)	8.8%	8.4%	8.3%	8.4%	8.2%
Basel III leverage ratio						
13	Total leverage ratio (LR) exposure measure	373,673,578	369,372,939	380,471,033	375,475,397	364,299,274
14	LR (%)	11.6%	12.2%	11.4%	10.3%	10.7%
Liquidity Coverage Ratio (LCR)/Liquidity Maintenance Ratio (LMR)						
Applicable to category 1 institution only:						
15	Total high quality liquid assets (HQLA)	34,551,660	37,754,487	45,470,570	37,721,407	40,156,201
16	Total net cash outflows	15,470,046	15,290,956	17,611,354	17,674,562	18,928,947
17	LCR (%)	224.0%	249.4%	258.5%	213.5%	213.1%
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	240,406,580	241,842,413	241,797,117	233,251,769	226,471,370
19	Total required stable funding	168,044,582	171,357,209	170,883,768	170,595,832	170,893,092
20	NSFR (%)	143.1%	141.1%	141.5%	136.7%	132.5%
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 RWAs 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 30 June 2019	At 31 March 2019	At 30 June 2019
		HK\$'000	HK\$'000	HK\$'000
1	Credit risk for non-securitization exposures	228,440,288	230,947,601	18,275,223
2	Of which STC approach	228,440,288	230,947,601	18,275,223
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	6,330,029	7,603,786	506,403
7	Of which SA-CCR*	Not applicable	Not applicable	Not applicable
7a	Of which CEM	6,270,419	7,568,584	501,634
8	Of which IMM(CCR) approach	–	–	–
9	Of which others	59,610	35,202	4,769
10	CVA risk	3,062,075	3,200,613	244,966
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	12,194,638	11,843,138	975,571
21	Of which STM approach	12,194,638	11,843,138	975,571
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	15,055,013	14,705,563	1,204,401
24a	Sovereign concentration risk*	Not Applicable	Not Applicable	Not Applicable
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	95,596	145,344	7,648
26b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	8,713	56,922	697
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	86,883	88,422	6,951
27	Total	266,263,985	269,432,895	21,301,119

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 decreased mainly due to a decrease in credit RWAs for non-securitization exposures, which was also driven mainly by an decrease in loans and advances to customers.

Regulatory Disclosure Statements (continued)

PART IIA: COMPOSITION OF REGULATORY CAPITAL

CC1: Composition of regulatory capital

		(a)	(b)
		Amount	Source based on reference number of the balance sheet under the regulatory scope of consolidation
At 30 June 2019		HK\$'000	
CET1 capital: instruments and reserves			
1	Directly issued qualifying CET1 capital instruments plus any related share premium	18,404,013	(4)+(5)
2	Retained earnings	18,572,767	(8)
3	Disclosed reserves	598,486	(6)
4	<i>Directly issued capital subject to phase out from CET1 capital (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 adjustments	37,575,266	
CET1 capital: regulatory deductions			
7	Valuation adjustments	7,657	(11)
8	Goodwill (net of associated deferred tax liability)	-	
9	Other intangible assets (net of associated deferred tax liability)	609,884	(16)
10	Deferred tax assets (net of deferred tax liabilities)	220,646	(2)
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	2,101	(3)
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)	-	
20	Mortgage servicing rights (net of associated deferred tax liabilities)	Not applicable	Not applicable
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	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	1,250,088	
26a	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	157,969	(7)+(10)
26b	Regulatory reserve for general banking risks	1,092,119	(9)
26c	Securitization exposures specified in a notice given by the Monetary Authority	-	
26d	Cumulative losses below depreciated cost arising from the institution's holdings of land and buildings	-	
26e	Capital shortfall of regulated non-bank subsidiaries	-	

Regulatory Disclosure Statements (continued)

PART IIA: COMPOSITION OF REGULATORY CAPITAL

CC1: Composition of regulatory capital (continued)

		(a)	(b)
		Amount	Source based on reference number of the balance sheet under the regulatory scope of consolidation
At 30 June 2019		HK\$'000	
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	2,090,376	
29	CET1 capital	35,484,890	
AT1 capital: instruments			
30	Qualifying AT1 capital instruments plus any related share premium	7,772,060	(12)+ (13)
31	of which: classified as equity under applicable accounting standards	7,772,060	
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	7,772,060	
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	7,772,060	
45	Tier 1 capital (Tier 1 = CET1 + AT1)	43,256,950	
Tier 2 capital: instruments and provisions			
46	Qualifying Tier 2 capital instruments plus any related share premium	3,903,231	(15)
47	<i>Capital instruments subject to phase out arrangements from Tier 2 capital</i>	474,996	(14)
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	2,949,853	[(1) + (9)] x 99.7054992%
51	Tier 2 capital before regulatory deductions	7,328,080	

Regulatory Disclosure Statements (continued)

PART IIA: COMPOSITION OF REGULATORY CAPITAL

CC1: Composition of regulatory capital (continued)

		(a)	(b)
		Amount	Source based on reference number of the balance sheet under the regulatory scope of consolidation
At 30 June 2019		HK\$'000	
Tier 2 capital: regulatory deductions			
52	Investments in own Tier 2 capital instruments	-	
53	Reciprocal cross-holdings in Tier 2 capital instruments	-	
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	(71,085)	
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	(71,085)	[(7) + (10)] x 45%
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	(71,085)	
58	Tier 2 capital (T2)	7,399,165	
59	Total regulatory capital (TC = T1 + T2)	50,656,115	
60	Total RWA	266,263,985	
Capital ratios (as a percentage of RWA)			
61	CET1 capital ratio	13.3%	
62	Tier 1 capital ratio	16.2%	
63	Total capital ratio	19.0%	
64	Institution specific buffer requirement (capital conservation buffer plus countercyclical capital buffer plus higher loss absorbency requirements)	3.893%	
65	<i>of which: capital conservation buffer requirement</i>	2.500%	
66	<i>of which: bank specific countercyclical buffer requirement</i>	1.393%	
67	<i>of which: higher loss absorbency requirement</i>	0.00%	
68	CET1 (as a percentage of RWA) available after meeting minimum capital requirements	8.8%	

Regulatory Disclosure Statements (continued)

PART IIA: COMPOSITION OF REGULATORY CAPITAL

CC1: Composition of regulatory capital (continued)

		(a)	(b)
		Amount	Source based on reference number of the balance sheet under the regulatory scope of consolidation
At 30 June 2019		HK\$'000	
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 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation	129,034	
73	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	511,015	
74	Mortgage servicing rights (net of related tax liability)	Not applicable	Not applicable
75	Deferred tax assets arising from temporary differences (net of related tax liability)	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)	2,958,566	
77	Cap on inclusion of provisions in Tier 2 under the BSC approach, or the STC approach, an SEC-ERBA, SEC-SA and SEC-FBA	2,949,853	
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	Current cap on CET1 capital instruments subject to phase out arrangements	Not applicable	Not applicable
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	Not applicable	Not applicable
82	Current cap on AT1 capital instruments subject to phase out arrangements	-	
83	Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)	-	
84	Current cap on Tier 2 capital instruments subject to phase out arrangements	474,996	
85	Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)	1,415,076	

Regulatory Disclosure Statements (continued)

PART IIA: COMPOSITION OF REGULATORY CAPITAL

CC1: Composition of regulatory capital (continued)

Row No.	Description	Hong Kong basis	Basel III basis
9	Other intangible assets (net of associated deferred tax liability)	609,884	609,884
	<p><u>Explanation</u></p> <p>As set out in paragraph 87 of the Basel III text issued by the Basel Committee (December 2010), mortgage servicing rights (“MSRs”) 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 follow the accounting treatment of including MSRs as part of intangible assets reported in the AI’s financial statements and to deduct MSRs in full from CET1 capital. Therefore, the amount to be deducted as reported in row 9 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 9 (i.e. the amount reported under the “Hong Kong basis”) adjusted by reducing the amount of MSRs to be deducted to the extent not in excess of the 10% threshold set for MSRs and the aggregate 15% threshold set for 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.</p>		
10	Deferred tax assets (net of associated deferred tax liabilities)	220,646	220,646
	<p><u>Explanation</u></p> <p>As set out in paragraphs 69 and 87 of the Basel III text issued by the Basel Committee (December 2010), 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 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.</p>		
18	Insignificant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	–	–
	<p><u>Explanation</u></p> <p>For the purpose of determining the total amount of insignificant LAC investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the MA that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI’s business. Therefore, the amount to be deducted as reported in row 18 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 18 (i.e. the amount reported under the “Hong Kong basis”) adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI’s connected companies which were subject to deduction under the Hong Kong approach.</p>		

Regulatory Disclosure Statements (continued)

PART IIA: COMPOSITION OF REGULATORY CAPITAL

CC1: Composition of regulatory capital (continued)

Row No.	Description	Hong Kong basis	Basel III basis
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)	-	-
	<p><u>Explanation</u></p> <p>For the purpose of determining the total amount of significant LAC investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the MA that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business. Therefore, the amount to be deducted as reported in row 19 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 19 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.</p>		
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)	-	-
	<p><u>Explanation</u></p> <p>The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant LAC investments in AT1 capital instruments may be smaller. Therefore, the amount to be deducted as reported in row 39 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 39 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.</p>		
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)	-	-
	<p><u>Explanation</u></p> <p>The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant LAC investments in Tier 2 capital instruments and non-capital LAC liabilities may be smaller. Therefore, the amount to be deducted as reported in row 54 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 54 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.</p>		
<p>Remarks:</p> <p>The amount of the 10% threshold and 5% threshold mentioned above 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.</p>			

Abbreviations:

CET1: Common Equity Tier 1

AT1: Additional Tier 1

Regulatory Disclosure Statements (continued)

PART IIA: COMPOSITION OF REGULATORY CAPITAL

CC2: Reconciliation of regulatory capital to balance sheet

	At 30 June 2019		
	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	HK\$'000	HK\$'000	
Assets			
Cash and balances with banks, central banks and other financial institutions	20,969,197	20,969,197	
Placements with and advances to banks, central banks and other financial institutions	52,621,210	52,621,210	
Financial assets at fair value through profit or loss	2,756,147	2,756,147	
Derivative financial instruments	4,582,402	4,582,402	
Loans and advances to customers and other accounts	200,726,694	200,741,908	
<i>of which: Expected credit losses allowances eligible for inclusion in Tier 2 capital</i>	–	1,866,447	(1)
Financial assets at fair value through other comprehensive income	66,568,136	66,568,136	
Property and equipment			
– Investment property	237,662	237,662	
– Other property and equipment	514,448	514,448	
Right-of-use assets	787,766	787,766	
Intangible assets	609,884	609,884	(16)
Tax recoverable	24,554	24,554	
Deferred tax assets	220,646	220,646	(2)
Total Assets	350,618,746	350,633,960	
Liabilities			
Deposits and balances of banks and other financial institutions	3,953,485	3,953,485	
Deposits from customers	273,588,030	273,588,030	
Derivative financial instruments	4,834,254	4,834,254	
<i>of which: Debit valuation adjustments in respect of derivative contracts</i>	–	2,101	(3)
Certificates of deposit issued	3,120,265	3,120,265	
Debt securities issued	3,402,991	3,402,991	
Current tax liabilities	411,759	411,759	
Deferred tax liabilities	6,269	6,269	
Other liabilities	9,711,502	9,711,502	
Loan capital	6,275,259	6,259,727	
<i>of which: Loan capital not eligible for inclusion in regulatory capital</i>	–	474,996	(14)
<i>Loan capital eligible for inclusion in regulatory capital</i>	–	3,903,231	(15)
Total Liabilities	305,303,814	305,288,282	
Equity			
Total equity attributable to equity shareholders of the Bank	37,544,520	37,575,266	
of which: Paid-in share capital	18,404,013	18,404,013	(4)
<i>of which: non-qualifying CET1 Capital</i>	–	–	(5)
Other Reserves	598,486	598,486	(6)
<i>of which: Regulatory reserve of properties</i>	76,245	76,245	(7)
Retained earnings	18,542,021	18,572,767	(8)
<i>of which: Regulatory reserve earmarked</i>	–	1,092,119	(9)
<i>of which: Cumulative retained earnings for investment properties</i>	–	81,724	(10)
<i>of which: Valuation Adjustments</i>	–	7,657	(11)
Additional equity instruments	7,770,412	7,770,412	(12)
<i>of which: Transaction costs for additional equity instruments</i>	–	1,648	(13)
Total Equity	45,314,932	45,345,678	
Total Equity and Liabilities	350,618,746	350,633,960	

Regulatory Disclosure Statements (continued)

PART IIA: COMPOSITION OF REGULATORY CAPITAL

CCA: Main features of regulatory capital instruments

		Share Capital	Subordinated notes (due 2020) with US\$500 million at 6.875% per annum
(1)	Issuer	China CITIC Bank International Limited	China CITIC bank International Limited
(2)	Unique identifier	N/A	XS0520490672
(3)	Governing law(s) of the instrument	Hong Kong laws	English laws (subordination governed by Hong Kong laws)
	<i>Regulatory treatment</i>		
(4)	– Transitional Basel III rules (1)	N/A	Tier 2
(5)	– Post-transitional Basel III rules (2)	Common Equity Tier 1	Ineligible
(6)	– Eligible at solo/group/group and solo	Group and solo	Group and solo
(7)	– Instrument type (types to be specified by each jurisdiction)	Ordinary Shares	Debt Instruments
(8)	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	HK\$18,404.01 million	HK\$1,679.58 million
(9)	Par value of instrument	N/A	US\$500.00 million
(10)	Accounting classification	Shareholders' equity	Liability – amortised cost
(11)	Original date of issuance	10 December 1954	24 June 2010
(12)	Perpetual or dated	Perpetual	Dated
(13)	– Original maturity date	No maturity	24 June 2020
(14)	Issuer call subject to prior supervisory approval	N/A	No
(15)	– Optional call date, contingent call dates and redemption amount	N/A	The notes were redeemed partially by the Bank with a face value of US\$195,616,000 during the period ended 30 June 2019.
(16)	– Subsequent call dates, if applicable	N/A	N/A
	<i>Coupons/dividends</i>		
(17)	– Fixed or floating dividend/coupon	N/A	Fixed
(18)	– Coupon rate and any related index	N/A	6.875% per annum
(19)	– Existence of a dividend stopper	N/A	No
(20)	– Fully discretionary, partially discretionary or mandatory	Fully discretionary	Mandatory
(21)	– Existence of step up or other incentive to redeem	No	No
(22)	– Non-cumulative or cumulative	Non-cumulative	Cumulative
(23)	<i>Convertible or non-convertible</i>	Non-convertible	Non-convertible
(24)	– If convertible, conversion trigger(s)	N/A	N/A
(25)	– If convertible, fully or partially	N/A	N/A
(26)	– If convertible, conversion rates	N/A	N/A
(27)	– If convertible, mandatory or optional conversion	N/A	N/A
(28)	– If convertible, specify instrument type convertible into	N/A	N/A
(29)	– If convertible, specify issuer of instrument if converts into	N/A	N/A
(30)	Write-down feature	No	No
(31)	– If write-down, write-down trigger(s)	N/A	N/A
(32)	– If write-down, full or partial	N/A	N/A
(33)	– If write-down, permanent or temporary	N/A	N/A
(34)	– If temporary write-down, description of write-up mechanise	N/A	N/A
(35)	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	N/A	Immediately subordinated to indebtedness/unsecured senior notes
(36)	Non-compliant transitioned features	No	Yes
(37)	If yes, specify non-compliant features	N/A	Absence of non-viability loss absorption criteria

N/A – Not-Applicable

Footnotes:

- Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules.
- Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules.

Full terms and conditions of regulatory capital instruments can be viewed in the Regulatory Disclosure section of the Bank's Corporate website www.cncbinternational.com.

Regulatory Disclosure Statements (continued)

PART IIA: COMPOSITION OF REGULATORY CAPITAL

CCA: Main features of regulatory capital instruments (continued)

		Subordinated notes (due 2029) with US\$500 million at 4.625% per annum
(1)	Issuer	China CITIC bank International Limited
(2)	Unique identifier	XS1897158892
(3)	Governing law(s) of the instrument	English laws (subordination governed by Hong Kong laws)
<i>Regulatory treatment</i>		
(4)	– Transitional Basel III rules (1)	N/A
(5)	– Post-transitional Basel III rules (2)	Tier 2
(6)	– Eligible at solo/group/group and solo	Group and solo
(7)	– Instrument type (types to be specified by each jurisdiction)	Debt instruments
(8)	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	HK\$3,886.94 million
(9)	Par value of instrument	US\$500.00 million
(10)	Accounting classification	Liability – amortised cost
(11)	Original date of issuance	28 February 2019
(12)	Perpetual or dated	Dated
(13)	– Original maturity date	28 February 2029
(14)	Issuer call subject to prior supervisory approval	Yes
(15)	– Optional call date, contingent call dates and redemption amount	– 28 February 2024 (Call Date). Included tax and regulatory call options. – Redemption at par, subject to adjustment following the occurrence of a Non-Viability Event.
(16)	– Subsequent call dates, if applicable	N/A
<i>Coupons/dividends</i>		
(17)	– Fixed or floating dividend/coupon	Fixed
(18)	– Coupon rate and any related index	At a fixed rate of 4.625% per annum until (but excluding) 28 February 2024 and thereafter reset at then prevailing five-year U.S. Treasury rate plus the initial spread of 2.25% per annum.
(19)	– Existence of a dividend stopper	No
(20)	– Fully discretionary, partially discretionary or mandatory	Mandatory
(21)	– Existence of step up or other incentive to redeem	No
(22)	– Non-cumulative or cumulative	Cumulative
(23)	<i>Convertible or non-convertible</i>	Non-convertible
(24)	– If convertible, conversion trigger(s)	N/A
(25)	– If convertible, fully or partially	N/A
(26)	– If convertible, conversion rates	N/A
(27)	– If convertible, mandatory or optional conversion	N/A
(28)	– If convertible, specify instrument type convertible into	N/A
(29)	– If convertible, specify issuer of instrument if converts into	N/A
(30)	Write-down feature	Yes
(31)	– If write-down, write-down trigger(s)	Upon the occurrence of a Non-Viability Event, the Issuer shall, upon the provision of a Non-Viability Event Notice, irrevocably reduce the then prevailing principal amount and cancel any accrued but unpaid interest of each Note in whole or in part. “Non-Viability Event” means the earlier of: (a) the Hong Kong Monetary Authority (the “HKMA”) notifying the Issuer in writing that the HKMA is of the opinion that a write-off or conversion is necessary, without which the Issuer would become non-viable; and (b) the HKMA notifying the Issuer in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable.
(32)	– If write-down, full or partial	Full or partial
(33)	– If write-down, permanent or temporary	Permanent
(34)	– If temporary write-down, description of write-up mechanism	N/A
(35)	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	Immediately subordinated to indebtedness/unsecured senior notes
(36)	Non-compliant transitioned features	No
(37)	If yes, specify non-compliant features	N/A

N/A – Non-Applicable

Footnotes:

- Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules.
- Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules.

Regulatory Disclosure Statements (continued)

PART IIA: COMPOSITION OF REGULATORY CAPITAL

CCA: Main features of regulatory capital instruments (continued)

		Undated Non-Cumulative Subordinated Additional Tier 1 Capital Securities with US\$500 million at 4.25% per annum
(1)	Issuer	China CITIC Bank International Limited
(2)	Unique identifier	XS1499209861
(3)	Governing law(s) of the instrument	English laws (subordination governed by Hong Kong laws)
		<i>Regulatory treatment</i>
(4)	– Transitional Basel III rules (1)	N/A
(5)	– Post-transitional Basel III rules (2)	Additional Tier 1
(6)	– Eligible at solo/group/group and solo	Group and solo
(7)	– Instrument type (types to be specified by each jurisdiction)	Undated Non-Cumulative Subordinated Capital Securities
(8)	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	HK\$3,863.55 million
(9)	Par value of instrument	US\$500.00 million
(10)	Accounting classification	Equity – par value
(11)	Original date of issuance	11 October 2016
(12)	Perpetual or dated	Perpetual
(13)	– Original maturity date	No maturity
(14)	Issuer call subject to prior supervisory approval	Yes
(15)	– Optional call date, contingent call dates and redemption amount	<ul style="list-style-type: none"> – 11 October 2021 (First Call Date) – No fixed redemption date. – Optional Redemption (on a designated date in 2021 or on any Distribution Payment Date thereafter), Tax or Regulatory Redemption are all subject to prior written consent of the HKMA and satisfying any conditions that the HKMA may impose at that time. Redemption amount will be the outstanding principal amount together with distributions accrued to the date of redemption.
(16)	– Subsequent call dates, if applicable	N/A
		<i>Coupons/dividends</i>
(17)	– Fixed or floating dividend/coupon	Fixed
(18)	– Coupon rate and any related index	<ul style="list-style-type: none"> – At a fixed rate of 4.25% per annum until (but excluding) 11 October 2021. – On the First Call Date and each anniversary falling five years thereafter, the Distribution Rate will reset by reference to the then-prevailing five year U.S. Treasury Rate plus 3.107% per annum. – Any distributions are subject to there being no Mandatory Distribution Cancellation Event or Optional Distribution Cancellation Event.
(19)	– Existence of a dividend stopper	Yes
(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)	<i>Convertible or non-convertible</i>	Non-convertible
(24)	– If convertible, conversion trigger(s)	N/A
(25)	– If convertible, fully or partially	N/A
(26)	– If convertible, conversion rates	N/A
(27)	– If convertible, mandatory or optional conversion	N/A
(28)	– If convertible, specify instrument type convertible into	N/A
(29)	– If convertible, specify issuer of instrument if converts into	N/A
(30)	Write-down feature	Yes

Regulatory Disclosure Statements (continued)

PART IIA: COMPOSITION OF REGULATORY CAPITAL

CCA: Main features of regulatory capital instruments (continued)

		Undated Non-Cumulative Subordinated Additional Tier 1 Capital Securities with US\$500 million at 4.25% per annum
(31)	– If write-down, write-down trigger(s)	<p>Upon the occurrence of a Non-Viability Event, the Issuer shall, upon the provision of a Non-Viability Event Notice, irrevocably reduce the then prevailing principal amount and cancel any accrued but unpaid distribution of each Capital Security in whole or in part.</p> <p>“Non-Viability Event” means the earlier of:</p> <p>(a) the HKMA notifying the Issuer in writing that the HKMA is of the opinion that a write-off or conversion is necessary, without which the Issuer would become non-viable; and</p> <p>(b) the HKMA notifying the Issuer in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable.</p> <p>At the sole discretion of the relevant Hong Kong resolution authority following a non-viability event, the outstanding amount of AT1 Capital Securities can be adjusted upon the exercise of Hong Kong resolution authority power in accordance with the Hong Kong Financial Institutions (Resolution) Ordinance (Cap.628).</p>
(32)	– If write-down, full or partial	Full or partial
(33)	– If write-down, permanent or temporary	Permanent
(34)	– If temporary write-down, description of write-up mechanism	N/A
(35)	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	<p>Subordinated to the claims of:</p> <p>(i) all unsubordinated creditors (including depositors),</p> <p>(ii) creditors in respect of Tier 2 Capital Securities, and</p> <p>(iii) all other Subordinated Creditors whose claims are stated to rank senior to the Capital Securities or rank senior to the Capital Securities by operations of law or contract.</p>
(36)	Non-compliant transitioned features	No
(37)	If yes, specify non-compliant features	N/A

N/A – Non-Applicable

Footnotes:

- 1 Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules.
- 2 Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules.

Regulatory Disclosure Statements (continued)

PART IIA: COMPOSITION OF REGULATORY CAPITAL

CCA: Main features of regulatory capital instruments (continued)

		Undated Non-Cumulative Subordinated Additional Tier 1 Capital Securities with US\$500 million at 7.10% per annum
(1)	Issuer	China CITIC Bank International Limited
(2)	Unique identifier	XS1897158546
(3)	Governing law(s) of the instrument	English laws (subordination governed by Hong Kong laws)
<i>Regulatory treatment</i>		
(4)	– Transitional Basel III rules (1)	N/A
(5)	– Post-transitional Basel III rules (2)	Additional Tier 1
(6)	– Eligible at solo/group/group and solo	Group and solo
(7)	– Instrument type (types to be specified by each jurisdiction)	Undated Non-Cumulative Subordinated Capital Securities
(8)	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	HK\$3,908.51 million
(9)	Par value of instrument	US\$500.00 million
(10)	Accounting classification	Equity – par value
(11)	Original date of issuance	6 November 2018
(12)	Perpetual or dated	Perpetual
(13)	– Original maturity date	No maturity
(14)	Issuer call subject to prior supervisory approval	Yes
(15)	– Optional call date, contingent call dates and redemption amount	<ul style="list-style-type: none"> – 6 November 2023 (First Call Date) – No fixed redemption date. – Optional Redemption (on a designated date in 2023 or on any Distribution Payment Date thereafter), Tax or Regulatory Redemption are all subject to prior written consent of the HKMA and satisfying any conditions that the HKMA may impose at that time. Redemption amount will be the outstanding principal amount together with distributions accrued to the date of redemption.
(16)	– Subsequent call dates, if applicable	N/A
<i>Coupons/dividends</i>		
(17)	– Fixed or floating dividend/coupon	Fixed
(18)	– Coupon rate and any related index	<ul style="list-style-type: none"> – At a fixed rate of 7.10% per annum until (but excluding) 6 November 2023. – On the First Call Date and each anniversary falling five years thereafter, the Distribution Rate will reset by reference to the then-prevailing five year U.S. Treasury Rate plus 4.151% per annum. – Any distributions are subject to there being no Mandatory Distribution Cancellation Event or Optional Distribution Cancellation Event.
(19)	– Existence of a dividend stopper	Yes
(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)	<i>Convertible or non-convertible</i>	Non-convertible
(24)	– If convertible, conversion trigger(s)	N/A
(25)	– If convertible, fully or partially	N/A
(26)	– If convertible, conversion rates	N/A
(27)	– If convertible, mandatory or optional conversion	N/A
(28)	– If convertible, specify instrument type convertible into	N/A
(29)	– If convertible, specify issuer of instrument if converts into	N/A
(30)	Write-down feature	Yes

Regulatory Disclosure Statements (continued)

PART IIA: COMPOSITION OF REGULATORY CAPITAL

CCA: Main features of regulatory capital instruments (continued)

		Undated Non-Cumulative Subordinated Additional Tier 1 Capital Securities with US\$500 million at 7.10% per annum
(31)	- If write-down, write-down trigger(s)	<p>Upon the occurrence of a Non-Viability Event, the Issuer shall, upon the provision of a Non-Viability Event Notice, irrevocably reduce the then prevailing principal amount and cancel any accrued but unpaid distribution of each Capital Security in whole or in part.</p> <p>“Non-Viability Event” means the earlier of:</p> <p>(a) the HKMA notifying the Issuer in writing that the HKMA is of the opinion that a write-off or conversion is necessary, without which the Issuer would become non-viable; and</p> <p>(b) the HKMA notifying the Issuer in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable.</p> <p>At the sole discretion of the relevant Hong Kong resolution authority following a non-viability event, the outstanding amount of AT1 Capital Securities can be adjusted upon the exercise of Hong Kong resolution authority power in accordance with the Hong Kong Financial Institutions (Resolution) Ordinance (Cap.628).</p>
(32)	- If write-down, full or partial	Full or partial
(33)	- If write-down, permanent or temporary	Permanent
(34)	- If temporary write-down, description of write-up mechanism	N/A
(35)	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	<p>Subordinated to the claims of:</p> <p>(i) all unsubordinated creditors (including depositors),</p> <p>(ii) creditors in respect of Tier 2 Capital Securities, and</p> <p>(iii) all other Subordinated Creditors whose claims are stated to rank senior to the Capital Securities or rank senior to the Capital Securities by operations of law or contract.</p>
(36)	Non-compliant transitioned features	No
(37)	If yes, specify non-compliant features	N/A

N/A – Non-Applicable

Footnotes:

- 1 Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules.
- 2 Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules.

Regulatory Disclosure Statements (continued)

PART IIB: MACROPRUDENTIAL SUPERVISORY MEASURES

CCyB1: Geographical distribution of credit exposures used in countercyclical capital buffer

		At 30 June 2019			
		a	b	c	d
	Geographical breakdown by Jurisdiction (J)	Applicable JCCyB ratio in effect	RWA used in computation of CCyB ratio	AI-specific CCyB ratio	CCyB amount
			HK\$'000		HK\$'000
1	Hong Kong SAR	2.5000%	109,213,625		
2	Norway	2.0000%	1,098		
3	Sweden	2.0000%	2		
4	United Kingdom	1.0000%	1,283,018		
	Sum (Remark 1)		110,497,743		
	Total (Remark 2)		196,873,805	1.393%	3,710,059

Remark:

- (1) This represents the sum of RWAs for the private sector credit exposures in jurisdictions with a non-zero countercyclical buffer rate.
- (2) The total RWAs used in the computation of the CCyB ratio in column (b) represents the total RWAs for the private sector credit exposures in all jurisdictions to which the banks is exposed, including jurisdictions with no countercyclical buffer rate or with a countercyclical buffer rate set at zero. The CCyB amount in column (d) represents the Group's total RWAs multiplied by the Group specific CCyB ratio in column (c).

PART IIC: LEVERAGE RATIO

LR1: Summary comparison of accounting assets against leverage ratio exposure measure

	Item	Value under the LR framework At 30 June 2019
		HK\$'000
1	Total consolidated assets as per published financial statements	350,618,746
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	15,214
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting standard but excluded from the LR exposure measure	–
4	Adjustments for derivative contracts	7,185,784
5	Adjustment for SFTs (i.e. repos and similar secured lending)	–
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	22,566,654
6a	Adjustment for specific and collective provisions that are allowed to be excluded from exposure measure	(43,711)
7	Other adjustments	(6,669,109)
8	Leverage ratio exposure measure	373,673,578

Regulatory Disclosure Statements (continued)

PART IIC: LEVERAGE RATIO

LR2: Leverage ratio

		(a)	(b)
		At 30 June 2019	At 31 March 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)	343,930,036	346,049,895
2	Less: Asset amounts deducted in determining Tier 1 capital	(2,080,618)	(1,944,536)
3	Total on-balance sheet exposures (excluding derivative contracts and SFTs)	341,849,418	344,105,359
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)	2,115,433	1,879,769
5	Add-on amounts for PFE associated with all derivative contracts	7,185,784	8,070,941
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	–	–
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	9,301,217	9,950,710
Exposures arising from SFTs			
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	–	–
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	–	–
14	CCR exposure for SFT assets	–	–
15	Agent transactions exposures	–	–
16	Total exposures arising from SFTs	–	–
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	99,623,681	93,266,379
18	Less: Adjustments for conversion to credit equivalent amounts	(77,057,027)	(77,901,890)
19	Off-balance sheet items	22,566,654	15,364,489
Capital and total exposures			
20	Tier 1 capital	43,256,950	44,904,222
20a	Total exposures before adjustments for specific and collective provisions	373,717,289	369,420,558
20b	Adjustments for specific and collective provisions	(43,711)	(47,619)
21	Total exposures after adjustments for specific and collective provisions	373,673,578	369,372,939
Leverage ratio			
22	Leverage ratio	11.58%	12.16%

The decrease in leverage ratio during the period is mainly due to the decrease in Tier 1 capital for the quarter ended 30 June 2019.

Regulatory Disclosure Statements (continued)

PART IID: 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 30 June 2019: (72 data points)		For the quarter ended 31 March 2019: (74 data points)	
Basis of disclosure: Consolidated		UNWEIGHTED AMOUNT (Average)	WEIGHTED AMOUNT (Average)	UNWEIGHTED AMOUNT (Average)	WEIGHTED AMOUNT (Average)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
A. High Quality Liquid Assets (HQLA)					
1	Total HQLA		34,551,660		37,754,487
B. Cash outflows					
2	Retail deposits and small business funding, of which	149,097,498	9,985,522	146,442,210	9,960,706
3	<i>Stable retail deposits and stable small business funding</i>	10,307,167	515,358	10,300,265	515,013
4	<i>Less stable retail deposits and less stable small business funding</i>	50,612,951	5,061,295	52,771,923	5,277,192
4a	<i>Retail term deposits and small business term funding</i>	88,177,380	4,408,869	83,370,022	4,168,501
5	Unsecured wholesale funding (other than small business funding), and debt securities and prescribed instruments issued by the AI, of which:	79,551,506	43,429,519	78,830,453	42,991,922
6	<i>Operational deposits</i>	–	–	–	–
7	<i>Unsecured wholesale funding (other than small business funding) not covered in Row 6</i>	78,319,267	42,197,280	78,220,096	42,381,565
8	<i>Debt securities and prescribed instruments issued by the AI and redeemable within the LCR period</i>	1,232,239	1,232,239	610,357	610,357
9	Secured funding transactions (including securities swap transactions)		–		–
10	Additional requirements, of which	8,634,041	3,329,817	9,063,994	3,289,458
11	<i>Cash outflows arising from derivative contracts and other transactions, and additional liquidity needs arising from related collateral requirements</i>	2,222,652	2,222,652	2,280,958	2,280,958
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>	6,411,389	1,107,165	6,783,036	1,008,500
14	Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows	4,792,978	4,792,978	4,599,108	4,599,108
15	Other contingent funding obligations (without contractual or non-contractual)	84,173,179	359,461	82,963,978	322,632
16	Total cash outflows		61,897,297		61,163,826
C. Cash Inflows					
17	Secured lending transactions (including securities swap transactions)	34,581	–	79,254	–
18	Secured and unsecured loans (other than secured lending transactions covered in row 17) and operational deposits placed at other financial institutions	87,214,976	66,883,725	82,625,572	63,087,556
19	Other cash inflows	4,002,068	3,984,988	4,829,625	4,802,275
20	Total cash inflows	91,251,625	70,868,713	87,534,451	67,889,831
D. Liquidity Coverage Ratio				Adjusted value	
21	Total HQLA		34,551,660		37,754,487
22	Total Net Cash Outflows		15,470,046		15,290,956
23	LCR (%)		224.0%		249.4%

Regulatory Disclosure Statements (continued)

PART IID: LIQUIDITY

LIQ2: Net Stable Funding Ratio – for category 1 institution

Basis of disclosure: Consolidated		For the quarter ended 30 June 2019				
		Unweighted value by residual maturity				Weighted amount
		No specified term to maturity	<6 months or repayable on demand	6 months to < 12 months	12 months or more	
A.	Available stable funding (“ASF”) item					
1	Capital	46,931,414	–	2,374,980	3,886,937	52,005,841
2	<i>Regulatory capital</i>	46,931,414	–	2,374,980	3,886,937	52,005,841
2a	<i>Minority interests not covered by row 2</i>	–	–	–	–	–
3	<i>Other capital instruments</i>	–	–	–	–	–
4	Retail deposits and small business funding:	–	124,431,491	24,324,056	132,549	134,529,900
5	Stable deposits		9,293,067	1,054,110	–	9,829,818
6	Less stable deposits		115,138,424	23,269,946	132,549	124,700,082
7	Wholesale funding:	–	125,408,078	5,227,791	23,185	50,579,461
8	Operational deposits		–	–	–	–
9	Other wholesale funding	–	125,408,078	5,227,791	23,185	50,579,461
10	Liabilities with matching interdependent assets	–	–	–	–	–
11	Other liabilities:	4,545,443	848,228	6,582,755	–	3,291,378
12	Net derivative liabilities	681,822				
13	All other funding and liabilities not included in the above categories	3,863,621	848,228	6,582,755	–	3,291,378
14	Total ASF					240,406,580
B.	Required stable funding (“RSF”) item					
15	Total HQLA for NSFR purposes		40,309,969			6,391,366
16	Deposits held at other financial institutions for operational purposes	–	–	–	–	–
17	Performing loans and securities:	763,327	149,536,439	49,672,201	106,754,055	156,746,074
18	<i>Performing loans to financial institutions secured by Level 1 HQLA</i>	–	–	–	–	–
19	<i>Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions</i>	2	88,046,640	7,947,968	6,128,287	23,309,269
20	<i>Performing loans, other than performing residential mortgage, to non-financial corporate clients, retail and small business customers, sovereigns, the Monetary Authority for the account of the Exchange Fund, central banks and PSEs, of which:</i>	763,325	55,496,562	35,854,095	59,074,629	96,301,788
21	<i>With a risk-weight of less than or equal to 35% under the STC approach</i>	–	1,330,255	363,620	1,179,004	1,613,290
22	<i>Performing residential mortgages, of which:</i>	–	615,141	571,701	20,563,392	13,981,316
23	<i>With a risk-weight of less than or equal to 35% under the STC approach</i>	–	611,982	568,752	20,454,942	13,886,079
24	<i>Securities that are not in default and do not qualify as HQLA, including exchange-traded equities</i>	–	5,378,096	5,298,437	20,987,747	23,153,701
25	Assets with matching interdependent liabilities	–	–	–	–	–
26	Other assets	4,353,928	1,057,147	36,541	–	4,641,933
27	<i>Physical traded commodities, including gold</i>	–				–
28	<i>Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs</i>	50,251				50,251
29	<i>Net derivative assets</i>	–				–
30	<i>Total derivative liabilities before deduction of variation margin posted</i>	–				–
31	<i>All other assets not included in the above categories</i>	4,303,677	1,057,147	36,541	–	4,591,682
32	Off-balance sheet items			91,857,544		265,209
33	Total RSF					168,044,582
34	Net Stable Funding Ratio (%)					143.1%

Regulatory Disclosure Statements (continued)

PART IID: LIQUIDITY

LIQ2: Net Stable Funding Ratio – for category 1 institution (continued)

Basis of disclosure: Consolidated		For the quarter ended 31 March 2019				
		Unweighted value by residual maturity				Weighted amount
		No specified term to maturity	<6 months or repayable on demand	6 months to < 12 months	12 months or more	
A.	Available stable funding (“ASF”) item					
1	Capital	49,437,943	2,354,955	–	6,295,886	55,733,829
2	<i>Regulatory capital</i>	48,965,628	2,354,955	–	6,295,886	55,261,514
2a	<i>Minority interests not covered by row 2</i>	–	–	–	–	–
3	Other capital instruments	472,315	–	–	–	472,315
4	Retail deposits and small business funding:	–	119,477,338	27,077,969	73,099	132,489,975
5	Stable deposits	–	9,125,566	1,216,418	–	9,824,885
6	Less stable deposits	–	110,351,772	25,861,551	73,099	122,665,090
7	Wholesale funding:	–	120,830,477	7,835,072	188,961	48,410,449
8	Operational deposits	–	–	–	–	–
9	Other wholesale funding	–	120,830,477	7,835,072	188,961	48,410,449
10	Liabilities with matching interdependent assets	–	–	–	–	–
11	Other liabilities:	4,746,585	1,098,171	3,153,316	3,631,502	5,208,160
12	Net derivative liabilities	521,563	–	–	–	–
13	All other funding and liabilities not included in the above categories	4,225,022	1,098,171	3,153,316	3,631,502	5,208,160
14	Total ASF					241,842,413
B.	Required stable funding (“RSF”) item					
15	Total HQLA for NSFR purposes		41,842,017			7,181,242
16	Deposits held at other financial institutions for operational purposes	–	–	–	–	–
17	Performing loans and securities:	815,203	134,214,891	51,894,414	112,818,155	158,439,482
18	<i>Performing loans to financial institutions secured by Level 1 HQLA</i>	–	504,318	–	–	50,432
19	<i>Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions</i>	12,952	78,430,029	7,629,079	4,566,886	20,158,882
20	<i>Performing loans, other than performing residential mortgage, to non-financial corporate clients, retail and small business customers, sovereigns, the Monetary Authority for the account of the Exchange Fund, central banks and PSEs, of which:</i>	802,251	46,225,633	37,815,098	70,265,244	102,250,752
21	<i>With a risk-weight of less than or equal to 35% under the STC approach</i>	–	2,775,600	727,410	884,916	2,326,700
22	<i>Performing residential mortgages, of which:</i>	–	606,092	582,171	20,228,821	13,751,535
23	<i>With a risk-weight of less than or equal to 35% under the STC approach</i>	–	604,549	580,720	20,185,476	13,713,194
24	<i>Securities that are not in default and do not qualify as HQLA, including exchange-traded equities</i>	–	8,448,819	5,868,066	17,757,204	22,227,881
25	Assets with matching interdependent liabilities	–	–	–	–	–
26	Other assets	4,888,066	1,625,570	26,551	34	5,364,478
27	<i>Physical traded commodities, including gold</i>	–	–	–	–	–
28	<i>Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs</i>	50,251	–	–	–	50,251
29	<i>Net derivative assets</i>	–	–	–	–	–
30	<i>Total derivative liabilities before deduction of variation margin posted</i>	–	–	–	–	–
31	<i>All other assets not included in the above categories</i>	4,837,815	1,625,570	26,551	34	5,314,227
32	Off-balance sheet items	–	–	91,343,166	–	372,007
33	Total RSF					171,357,209
34	Net Stable Funding Ratio (%)					141.1%

Regulatory Disclosure Statements (continued)

PART III: CREDIT RISK FOR NON-SECURITISATION EXPOSURES

CR1: Credit quality of exposures

		(a)	(b)	(c)	(d)	(e)	(f)	(g)
		Gross carrying amounts of		Allowances/ impairments	Of which ECL accounting provisions for credit losses on STC approach exposures		Of which ECL accounting provisions for credit losses on IRB approach exposures	Net values (a+b-c)
		Defaulted exposures	Non- defaulted exposures		Allocated in regulatory category of specific provisions	Allocated in regulatory category of collective provisions		
At 30 June 2019		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
1	Loans	1,304,156	196,223,079	(2,945,008)	(1,135,591)	(1,809,417)	–	194,582,227
2	Debt securities	–	69,195,249	(128,455)	(89,891)	(38,564)	–	69,066,794
3	Off-balance sheet exposures	–	8,605,376	(43,711)	–	(43,711)	–	8,561,665
4	Total	1,304,156	274,023,704	(3,117,174)	(1,225,482)	(1,891,692)	–	272,210,686

CR2: Changes in defaulted loans and debt securities

		(a)
		Amount
At 30 June 2019		<i>HK\$'000</i>
1	Defaulted loans and debt securities at end of the previous reporting period	438,513
2	Loans and debt securities that have defaulted since the last reporting period	1,120,283
3	Returned to non-defaulted status	(1,689)
4	Amounts written off	(235,344)
5	Other changes (Note)	(17,607)
6	Defaulted loans and debt securities at end of the current reporting period	1,304,156

Note: Other changes mainly due to repayments from loan customers.

CR3: Overview of recognized credit risk mitigation

		(a)	(b1)	(b)	(d)	(f)
		Exposures unsecured: carrying amount	Exposures to be secured	Exposures secured by recognized collateral	Exposures secured by recognized guarantees	Exposures secured by recognized credit derivative contracts
At 30 June 2019		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
1	Loans	179,590,229	14,991,998	3,595,629	11,396,369	–
2	Debt securities	69,066,794	–	–	–	–
3	Total	248,657,023	14,991,998	3,595,629	11,396,369	–
4	Of which defaulted	507,299	715,546	711,788	3,758	–

Regulatory Disclosure Statements (continued)

PART III: CREDIT RISK FOR NON-SECURITISATION EXPOSURES

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

		(a)	(b)	(c)	(d)	(e)	(f)
		Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
At 30 June 2019		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	%
	Exposure classes						
1	Sovereign exposures	21,026,073	–	21,044,136	–	432,989	2%
2	PSE exposures	653,159	2,400,000	778,157	–	155,631	20%
2a	Of which: domestic PSEs	653,159	2,400,000	778,157	–	155,631	20%
2b	Of which: foreign PSEs	–	–	–	–	–	–
3	Multilateral development bank exposures	–	–	–	–	–	–
4	Bank exposures	88,589,972	7,766,139	98,470,988	7,767,182	30,973,395	29%
5	Securities firm exposures	1,531,236	8,237,630	2,231,717	105,002	1,168,360	50%
6	Corporate exposures	184,421,701	38,098,537	171,203,443	4,755,215	166,657,278	95%
7	CIS exposures	–	–	–	–	–	–
8	Cash items	223,941	–	3,177,891	473,583	98,697	3%
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	9,009,796	20,660,706	8,839,977	9,295	6,636,954	75%
11	Residential mortgage loans	21,778,455	–	21,704,188	–	7,669,155	35%
12	Other exposures which are not past due exposures	11,692,182	22,460,669	11,476,018	1,828,901	13,304,919	100%
13	Past due exposures	1,152,933	–	1,152,933	–	1,342,910	116%
14	Significant exposures to commercial entities	–	–	–	–	–	–
15	Total	340,079,448	99,623,681	340,079,448	14,939,178	228,440,288	64%

Regulatory Disclosure Statements (continued)

PART III: CREDIT RISK FOR NON-SECURITISATION EXPOSURES

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

At 30 June 2019		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(ha)	(i)	(j)
Exposure class	Risk Weight	0%	10%	20%	35%	50%	75%	100%	150%	250%	Others	Total credit risk exposures amount (post CCF and post CRM)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
1	Sovereign exposures	18,879,192	-	2,164,944	-	-	-	-	-	-	-	21,044,136
2	PSE exposures	-	-	778,157	-	-	-	-	-	-	-	778,157
2a	Of which: domestic PSEs	-	-	778,157	-	-	-	-	-	-	-	778,157
2b	Of which: foreign PSEs	-	-	-	-	-	-	-	-	-	-	-
3	Multilateral development bank exposures	-	-	-	-	-	-	-	-	-	-	-
4	Bank exposures	-	-	75,575,110	-	29,609,374	-	1,053,686	-	-	-	106,238,170
5	Securities firm exposures	-	-	-	-	2,336,719	-	-	-	-	-	2,336,719
6	Corporate exposures	-	-	938,832	-	20,265,406	-	151,589,643	3,164,777	-	-	175,958,658
7	CIS exposures	-	-	-	-	-	-	-	-	-	-	-
8	Cash items	3,158,394	-	492,979	-	-	-	101	-	-	-	3,651,474
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	-	-	-	-	-	8,849,272	-	-	-	-	8,849,272
11	Residential mortgage loans	-	-	-	21,560,092	-	83,891	60,205	-	-	-	21,704,188
12	Other exposures which are not past due exposures	-	-	-	-	-	-	13,304,919	-	-	-	13,304,919
13	Past due exposures	28,088	-	675	-	-	-	686,960	437,210	-	-	1,152,933
14	Significant exposures to commercial entities	-	-	-	-	-	-	-	-	-	-	-
15	Total	22,065,674	-	79,950,697	21,560,092	52,211,499	8,933,163	166,695,514	3,601,987	-	-	355,018,626

Regulatory Disclosure Statements (continued)

PART IV: COUNTERPARTY CREDIT RISK

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

		(a)	(b)	(c)	(d)	(e)	(f)
		Replacement cost (RC)	PFE	Effective EPE	Alpha (α) used for computing default risk exposure	Default risk exposure after CRM	RWA
At 30 June 2019		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>		<i>HK\$'000</i>	<i>HK\$'000</i>
1	SA-CCR (for derivative contracts)	–	–		–	–	–
1a	CEM	3,525,702	9,934,175		–	13,459,877	6,270,419
2	IMM (CCR) approach			–	–	–	–
3	Simple Approach (for SFTs)					–	–
4	Comprehensive Approach (for SFTs)					–	–
5	VaR (for SFTs)					–	–
6	Total						6,270,419

Remark:

Prior to the implementation of SA-CCR, exposures corresponding to the counterparty credit risk reported here are calculated using current exposure method.

CCR2: CVA capital charge

		(a)	(b)
		EAD post CRM	RWA
At 30 June 2019		<i>HK\$'000</i>	<i>HK\$'000</i>
	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	15,745,259	3,062,075
4	Total	15,745,259	3,062,075

Regulatory Disclosure Statements (continued)

PART IV: COUNTERPARTY CREDIT RISK

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

	Risk Weight	(a)	(b)	(c)	(ca)	(d)	(e)	(f)	(g)	(ga)	(h)	(i)
		0%	10%	20%	35%	50%	75%	100%	150%	250%	Others	Total default risk exposure after CRM
Exposure class		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 30 June 2019												
1	Sovereign exposures	-	-	77,866	-	-	-	-	-	-	-	77,866
2	PSE exposures	-	-	-	-	-	-	-	-	-	-	-
2a	Of which: domestic PSEs	-	-	-	-	-	-	-	-	-	-	-
2b	Of which: foreign PSEs	-	-	-	-	-	-	-	-	-	-	-
3	Multilateral development bank exposures	-	-	-	-	-	-	-	-	-	-	-
4	Bank exposures	-	-	3,412,253	-	8,202,469	-	22,584	-	-	-	11,637,306
5	Securities firm exposures	-	-	-	-	534,459	-	-	-	-	-	534,459
6	Corporate exposures	-	-	-	-	-	-	1,132,297	-	-	-	1,132,297
7	CIS exposures	-	-	-	-	-	-	-	-	-	-	-
8	Regulatory retail exposures	-	-	-	-	-	20	-	-	-	-	20
9	Residential mortgage loans	-	-	-	-	-	-	-	-	-	-	-
10	Other exposures which are not past due exposures	28,472	-	527	-	-	-	48,930	-	-	-	77,929
11	Significant exposures to commercial entities	-	-	-	-	-	-	-	-	-	-	-
12	Total	28,472	-	3,490,646	-	8,736,928	20	1,203,811	-	-	-	13,459,877

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

	(a)	(b)	(c)	(d)	(e)	(f)
	Derivative contracts				SFTs	
	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		
At 30 June 2019	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Cash – domestic currency	46,733	-	101,840	-	-	-
Cash – other currencies	-	832,100	234,958	165,113	-	-
Total	46,733	832,100	336,798	165,113	-	-

Regulatory Disclosure Statements (continued)

PART IV: COUNTERPARTY CREDIT RISK

CCR8: Exposures to CCPs

		(a)	(b)
		Exposure after CRM	RWA
At 30 June 2019		HK\$'000	HK\$'000
1	Exposures of the AI as clearing member or client to qualifying CCPs (total)		59,610
2	Default risk exposures to qualifying CCPs (excluding items disclosed in rows 7 to 10), of which:	2,767,348	55,347
3	(i) OTC derivative transactions	2,767,348	55,347
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	341	4,263
10	Unfunded default fund contributions	–	–
11	Exposures of the AI as clearing member or client to non-qualifying 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	–	–

Regulatory Disclosure Statements (continued)

PART V: MARKET RISK

MR1: Market risk under STM approach

		(a)
		RWA
At 30 June 2019		<i>HK\$'000</i>
	Outright product exposures	
1	Interest rate exposures (general and specific risk)	10,078,175
2	Equity exposures (general and specific risk)	–
3	Foreign exchange (including gold) exposures	2,081,850
4	Commodity exposures	–
	Option exposures	
5	Simplified approach	–
6	Delta-plus approach	34,613
7	Other approach	–
8	Securitization exposures	–
9	Total	12,194,638