

ELE BANK LIMITED

REGULATORY DISCLOSURE STATEMENT

31 March 2026

(Unaudited)

**ELE BANK LIMITED
REGULATORY DISCLOSURE STATEMENT (Unaudited)**

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1. INTRODUCTION

Purpose

The information contained in this document is for Ele Bank Limited ("the Bank") and is prepared in accordance with the Banking (Disclosure) Rules ("BDR") made under section 60A of the Banking Ordinance and disclosure templates issued by the Hong Kong Monetary Authority ("HKMA").

These banking disclosures are governed by the Bank's disclosure policy, which has been approved by the Board of Directors. The disclosure policy sets out the governance, control and assurance requirements for publication of the document. While the Regulatory Disclosure Statement is not required to be externally audited, the document has been subject to independent review in accordance with the Bank's disclosure policies.

Basis of preparation

The approaches used in calculating the Bank's regulatory capital and risk-weighted assets ("RWA") are in accordance with the Banking (Capital) Rules ("BCR"). The Bank uses the standardized (credit risk) approach to calculate its credit risk for its non-securitization exposures. For counterparty credit risk, the Bank uses the standardized (counterparty credit risk) approach to calculate its default risk exposures. For market risk, the Bank uses the simplified standardized approach to calculate its market risk capital charge. For operational risk, the Bank uses the standardized approach to calculate its operational risk capital charge.

According to the BDR, disclosure of comparative information is not required unless otherwise specified in the standard disclosure templates. Prior period disclosures can be found in the Regulatory Disclosures section of our website, www.elebank.com.

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2. TEMPLATE KM1: KEY PRUDENTIAL RATIOS

		As at 31 Mar 2026 HK\$'000	As at 31 Dec 2025 HK\$'000	As at 30 Sep 2025 HK\$'000	As at 30 Jun 2025 HK\$'000	As at 31 Mar 2025 HK\$'000
	Regulatory capital (amount)					
1 & 1a	Common Equity Tier 1 (CET1)	861,449	922,273	971,565	534,963	594,554
2 & 2a	Tier 1	861,449	922,273	971,565	534,963	594,554
3 & 3a	Total capital	880,295	934,005	985,506	549,213	609,435
	RWA (amount)					
4	Total RWA	3,221,257	2,528,524	2,034,702	1,370,972	1,277,674
4a	Total RWA (pre-floor)	3,221,257	2,528,524	2,034,702	1,370,972	1,277,674
	Risk-based regulatory capital ratios (as a percentage of RWA)					
5 & 5a	CET1 ratio (%)	26.74%	36.47%	47.75%	39.02%	46.53%
5b	CET1 ratio (%) (pre-floor ratio)	26.74%	36.47%	47.75%	39.02%	46.53%
6 & 6a	Tier 1 ratio (%)	26.74%	36.47%	47.75%	39.02%	46.53%
6b	Tier 1 ratio (%) (pre-floor ratio)	26.74%	36.47%	47.75%	39.02%	46.53%
7 & 7a	Total capital ratio (%)	27.33%	36.94%	48.43%	40.06%	47.70%
7b	Total capital ratio (%) (pre-floor ratio)	27.33%	36.94%	48.43%	40.06%	47.70%
	Additional CET1 buffer requirements (as a percentage of RWA)					
8	Capital conservation buffer requirement (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical capital buffer requirement (%)	0.29%	0.30%	0.31%	0.32%	0.35%
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 (%)	2.79%	2.80%	2.81%	2.82%	2.85%
12	CET1 available after meeting the AI's minimum capital requirements (%)	14.74%	24.47%	35.75%	27.02%	34.53%
	Basel III leverage ratio					
13	Total leverage ratio (LR) exposure measure	6,144,867	4,845,337	4,215,638	3,034,554	3,136,283
13a	LR exposure measure based on mean values of gross assets of SFTs	6,082,192	4,845,321	4,216,188	3,034,554	3,136,283
14, 14a & 14b	LR (%)	14.02%	19.03%	23.05%	17.63%	18.96%
14c & 14d	LR (%) based on mean values of gross assets of SFTs	14.16%	19.03%	23.04%	17.63%	18.96%
	Liquidity Coverage Ratio (LCR) / Liquidity Maintenance Ratio (LMR)					
	Applicable to category 1 institution only:					
15	Total high quality liquid assets (HQLA)	N/A	N/A	N/A	N/A	N/A
16	Total net cash outflows	N/A	N/A	N/A	N/A	N/A
17	LCR (%)	N/A	N/A	N/A	N/A	N/A
	Applicable to category 2 institution only:					
17a	LMR (%) ¹	146.55%	163.18%	136.01%	131.98%	147.59%
	Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)					
	Applicable to category 1 institution only:					
18	Total available stable funding	N/A	N/A	N/A	N/A	N/A
19	Total required stable funding	N/A	N/A	N/A	N/A	N/A
20	NSFR (%)	N/A	N/A	N/A	N/A	N/A
	Applicable to category 2A institution only:					
20a	CFR (%)	N/A	N/A	N/A	N/A	N/A

Capital injection of HK\$500 million contributed to the increase in CET1 capital, Tier 1 capital and total regulatory capital as of 30 Sep 2025. Other than this, the movement in marketable debt securities held, interbank placements and loans and advances to customers were the major drivers leading to the changes in CET1 ratio, Tier 1 ratio, total capital ratio and leverage ratio across the reporting periods. Combined with the movement of due from Exchange Fund and customer deposits were the major drivers of the movement of average LMR across the reporting periods.

¹ The LMR disclosed above represent the arithmetic mean of the average value of its LMR for each calendar month within the quarter.

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3. TEMPLATE OV1: OVERVIEW OF RISK-WEIGHTED ASSETS

The following table sets out the Bank's RWA and the corresponding minimum capital requirements by risk types.

		RWA		Minimum capital requirements
		As at 31 Mar 2026	As at 31 Dec 2025	As at 31 Mar 2026
		HK\$'000	HK\$'000	HK\$'000
1	Credit risk for non-securitization exposures	3,101,117	2,427,293	248,089
2	Of which STC approach	3,101,117	2,427,293	248,089
2a	Of which BSC approach	-	-	-
3	Of which foundation IRB approach	-	-	-
4	Of which supervisory slotting criteria approach	-	-	-
5	Of which advanced IRB approach	-	-	-
5a	Of which retail IRB approach	-	-	-
5b	Of which specific risk-weight approach	-	-	-
6	Counterparty credit risk and default fund contributions	3,879	128	310
7	Of which SA-CCR approach	3,879	128	310
7a	Of which CEM	-	-	-
8	Of which IMM(CCR) approach	-	-	-
9	Of which others	-	-	-
10	CVA risk	848	115	68
11	Equity positions in banking book under the simple risk-weight method and internal models method	N/A	N/A	N/A
12	Collective investment scheme ("CIS") exposures – look-through approach / third-party approach	-	-	-
13	CIS exposures – mandate-based approach	-	-	-
14	CIS exposures – fall-back approach	-	-	-
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	3,950	1,425	316
21	Of which STM approach	-	-	-
22	Of which IMA	-	-	-
22a	Of which SSTM approach	3,950	1,425	316
23	Capital charge for moving exposures between trading book and banking book	-	-	-
24	Operational risk	111,463	99,563	8,917
24a	Sovereign concentration risk	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% RW)	-	-	-
26	Output floor level applied	N/A	N/A	N/A
27	Floor adjustment (before application of transitional cap)	N/A	N/A	N/A
28	Floor adjustment (after application of transitional cap)	N/A	N/A	N/A
28a	Deduction to RWA	-	-	-
28b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	-	-	-
28c	Of which portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in Tier 2 Capital	-	-	-
29	Total	3,221,257	2,528,524	257,700

Total RWA increased by HK\$693 million since last quarter was mainly driven by RWA increase in due from banks and loans and advances to customers.

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4. TEMPLATE LR2: LEVERAGE RATIO

		As at 31 Mar 2026 HK\$'000	As at 31 Dec 2025 HK\$'000
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivative contracts and SFTs, but including related on-balance sheet collateral)	6,096,816	4,884,067
2	Gross-up for derivative contracts collateral provided where deducted from balance sheet assets pursuant to the applicable accounting standard	-	-
3	Less: Deductions of receivables assets for cash variation margin provided under derivative contracts	-	-
4	Less: Adjustment for securities received under SFTs that are recognised as an asset	-	-
5	Less: Specific and collective provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital	(13,838)	(14,568)
6	Less: Asset amounts deducted in determining Tier 1 capital	(37,171)	(34,507)
7	Total on-balance sheet exposures (excluding derivative contracts and SFTs) (sum of rows 1 to 6)	6,045,807	4,834,992
Exposures arising from derivative contracts			
8	Replacement cost associated with all derivative contracts (whether applicable net of eligible cash variation margin and/or with bilateral netting)	-	-
9	Add-on amounts for PFE associated with all derivative contracts	4,509	789
10	Less: Exempted CCP leg of client-cleared trade exposures	-	-
11	Adjusted effective notional amount of written credit-related derivative contracts	-	-
12	Less: Permitted reductions in effective notional amount and permitted deductions from add-on amounts for PFE of written credit-related derivative contracts	-	-
13	Total exposures arising from derivative contracts (sum of rows 8 to 12)	4,509	789
Exposures arising from SFTs			
14	Gross amount of SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	75,906	-
15	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
16	CCR exposure for SFT assets	5,887	17
17	Agent transaction exposures	-	-
18	Total exposures arising from SFTs (sum of rows 14 to 17)	81,793	17
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	127,584	95,392
20	Less: Adjustments for conversion to credit equivalent amounts	(114,826)	(85,853)
21	Less: Specific and collective provisions associated with off-balance sheet exposures that are deducted from Tier 1 capital	-	-
22	Off-balance sheet items (sum of rows 19 to 21)	12,758	9,539
Capital and total exposures			
23	Tier 1 capital	861,449	922,273
24	Total exposures (sum of rows 7, 13, 18 and 22)	6,144,867	4,845,337
Leverage ratio			
25 & 25a	Leverage ratio	14.02%	19.03%
26	Minimum leverage ratio requirement	3.00%	3.00%
27	Applicable leverage buffers	N/A	N/A
Disclosure of mean values			
28	Mean value of gross assets of SFTs, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	13,231	1

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4. Template LR2: Leverage ratio (continued)

		As at 31 Mar 2026	As at 31 Dec 2025
		HK\$'000	HK\$'000
29	Quarter-end value of gross amount of SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	75,906	-
30 & 30a	Total exposures based on mean values from row 28 of gross assets of SFTs (after adjustment for sale accounting transactions and netted amounts of associated cash payables and cash receivables)	6,082,192	4,845,338
31 & 31a	Leverage ratio based on mean values from row 28 of gross assets of SFTs (after adjustment for sale accounting transactions and netted amounts of associated cash payables and cash receivables)	14.16%	19.03%

Leverage ratio decreased during the quarter, primarily driven by the decrease in Tier 1 capital due to operating loss and increased balance sheet size during the reporting period.

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5. ABBREVIATIONS

Abbreviations	Brief Description
AI	Authorized Institutions
Bank	Ele Bank Limited
BCR	Banking (Capital) Rules
BDR	Banking (Disclosure) Rules
BSC	Basic Approach
CCP	Central Counterparty
CCR	Counterparty Credit Risk
CEM	Current Exposure Method
CET1	Common Equity Tier 1
CFR	Core Funding Ratio
CIS	Collective Investment Scheme
CVA	Credit Valuation Adjustment
D-SIB	Domestic Systemically Important Authorized Institution
FBA	Fall-Back Approach
G-SIB	Global Systemically Important Authorized Institution
HKMA	Hong Kong Monetary Authority
HQLA	High Quality Liquid Assets
IAA	Internal Assessment Approach
IMA	Internal Models Approach
IMM (CCR)	Internal Models (Counterparty Credit Risk) Approach
IRB	Internal Ratings-Based Approach
LCR	Liquidity Coverage Ratio
LMR	Liquidity Maintenance Ratio
LR	Leverage Ratio
N/A	Not Applicable
NSFR	Net Stable Funding Ratio
PFE	Potential Future Exposure
RW	Risk Weight
RWA	Risk Weighted Assets
SA-CCR	Standardized (Counterparty Credit Risk) Approach
SEC-ERBA	Securitization External Ratings-Based Approach
SEC-FBA	Securitization Fall-back Approach
SEC-IRBA	Securitization Internal Ratings-Based Approach
SEC-SA	Securitization Standardized Approach
SFT	Securities Financing Transaction
STC	Standardized (Credit Risk) Approach
STM	Standardized (Market Risk) Approach
SSTM	Simplified Standardized Approach