

# Bank of Dongguan International Limited

## REGULATORY DISCLOSURE STATEMENT

For the period ended 31 March 2026

(Unaudited)

**Bank of Dongguan International Limited**  
**REGULATORY DISCLOSURE STATEMENT (Unaudited)**

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**Bank of Dongguan International Limited**  
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**1. INTRODUCTION**

**Purpose**

The information contained in this document is for Bank of Dongguan International 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. 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 Bank's Regulatory Disclosure Statement at 31 March 2026 comprises Pillar 3 information required under the framework of the Basel Committee on Banking Supervision. The disclosures are made in accordance with the latest BDR, including those under the Basel III final reform package which took effect on 1 January 2025, issued by the HKMA.

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 and uses the standardized CVA approach to calculate the credit valuation adjustment ("CVA") risk capital charge. 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 method set out in S324(1) of the BCR for calculating its operational risk capital charge.

According to the BDR, disclosure of comparative information is not required unless otherwise specified in the standard disclosure templates. Relevant information can be found in the Regulatory Disclosures section of our website, <https://www.bodintl.com>.

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**2. TEMPLATE KM1: KEY PRUDENTIAL RATIOS**

The key prudential ratios and the comparative figures as at each reporting date are set out as below:

HK\$'000		(a)	(b)	(c)
		2026 31 Mar	2025 31 Dec	2025 30 Sep
<b>Regulatory capital (amount)</b>				
1 & 1a	Common Equity Tier 1 (CET1)	586,466	619,119	718,112
2 & 2a	Tier 1	586,466	619,119	718,112
3 & 3a	Total capital	588,101	619,186	718,121
<b>RWA (amount)</b>				
4	Total RWA	990,062	803,767	572,950
4a	Total RWA (pre-floor)	990,062	803,767	572,950
<b>Risk-based regulatory capital ratios (as a percentage of RWA)</b>				
5 & 5a	CET1 ratio (%)	59.24%	77.03%	125.34%
5b	CET1 ratio (%) (pre-floor ratio)	59.24%	77.03%	125.34%
6 & 6a	Tier 1 ratio (%)	59.24%	77.03%	125.34%
6b	Tier 1 ratio (%) (pre-floor ratio)	59.24%	77.03%	125.34%
7 & 7a	Total capital ratio (%)	59.40%	77.04%	125.34%
7b	Total capital ratio (%) (pre-floor ratio)	59.40%	77.04%	125.34%
<b>Additional CET1 buffer requirements (as a percentage of RWA)</b>				
8	Capital conservation buffer requirement (%)	2.50%	2.50%	2.50%
9	Countercyclical capital buffer requirement (%)	0.311%	0.387%	0.5%
10	Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	N/A	N/A	N/A
11	Total AI-specific CET1 buffer requirements (%)	2.811%	2.887%	3.0%
12	CET1 available after meeting the AI's minimum capital requirements (%)	48.90%	66.54%	114.84%
<b>Basel III leverage ratio</b>				
13	Total leverage ratio (LR) exposure measure	2,580,904	2,069,459	1,294,497
13a	LR exposure measure based on mean values of gross assets of SFTs	2,580,904	2,069,459	1,294,497
14, 14a & 14b	LR (%)	22.72%	29.92%	55.47%
14c & 14d	LR (%) based on mean values of gross assets of SFTs	22.72%	29.92%	55.47%
<b>Liquidity Coverage Ratio (LCR) / Liquidity Maintenance Ratio (LMR)</b>				
Applicable to category 1 institution only:				
15	Total high quality liquid assets (HQLA)	N/A	N/A	N/A
16	Total net cash outflows	N/A	N/A	N/A
17	LCR (%)	N/A	N/A	N/A
Applicable to category 2 institution only:				
17a	LMR (%) <sup>1</sup>	623.50%	1,145.27%	11,218.25%
<b>Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)</b>				
Applicable to category 1 institution only:				
18	Total available stable funding	N/A	N/A	N/A
19	Total required stable funding	N/A	N/A	N/A
20	NSFR (%)	N/A	N/A	N/A
Applicable to category 2A institution only:				
20a	CFR (%)	N/A	N/A	N/A

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. The movement of customer deposits were the major drivers of the movement of average LMR across the reporting periods.

<sup>1</sup> 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 provides an overview of capital requirements in terms of a detailed breakdown of RWAs for various risks as at 31 March 2026 and 31 December 2025 respectively:

		(a)	(b)	(c)
		RWA		Minimum capital requirements
		31 Mar 2026 HK\$'000	31 Dec 2025 HK\$'000	31 Mar 2026 HK\$'000
<b>1</b>	<b>Credit risk for non-securitization exposures</b>	<b>886,674</b>	<b>699,204</b>	<b>70,934</b>
2	Of which STC approach	886,674	699,204	70,934
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	-	-	-
<b>6</b>	<b>Counterparty credit risk and default fund contributions</b>	-	-	-
7	Of which SA-CCR approach	-	-	-
7a	Of which CEM	-	-	-
8	Of which IMM(CCR) approach	-	-	-
9	Of which others	-	-	-
10	CVA risk	-	-	-
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	-	-	-
<b>16</b>	<b>Securitization exposures in banking book</b>	-	-	-
17	Of which SEC – IRBA	-	-	-
18	Of which SEC – ERBA (including IAA)	-	-	-
19	Of which SEC – SA	-	-	-
19a	Of which SEC – FBA	-	-	-
<b>20</b>	<b>Market risk</b>	<b>2,300</b>	<b>3,475</b>	<b>184</b>
21	Of which STM approach	-	-	-
22	Of which IMA	-	-	-
22a	Of which SSTM approach	2,300	3,475	184
23	Capital charge for moving exposures between trading book and banking book	N/A	N/A	N/A
24	Operational risk	101,088	101,088	8,087
24a	Sovereign concentration risk	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% RW)	-	-	-
26	Output floor level applied	-	-	-
27	Floor adjustment (before application of transitional cap)	-	-	-
28	Floor adjustment (after application of transitional cap)	N/A	N/A	N/A
<b>28a</b>	<b>Deduction to RWA</b>	-	-	-
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	-	-	-
<b>29</b>	<b>Total</b>	<b>990,062</b>	<b>803,767</b>	<b>79,205</b>

Total RWA increased by HK\$186 million in the last quarter was mainly driven by increase in marketable debt securities held, interbank placement and loans and advances to customers.

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**4. TEMPLATE LR2: LEVERAGE RATIO**

The detailed composition of the Bank's leverage ratio as at 31 March 2026 and 31 December 2025 is set out below:

		(a)	(b)
		HK\$'000	
		31 Mar 2026	31 Dec 2025
<b>On-balance sheet exposures</b>			
1	On-balance sheet exposures (excluding derivative contracts and SFTs, but including related on-balance sheet collateral)	2,666,308	2,157,742
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 recognized as an asset	-	-
5	Less: Specific and collective provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital	(1,634)	(66)
6	Less: Asset amounts deducted in determining Tier 1 capital	(83,870)	(88,267)
7	<b>Total on-balance sheet exposures (excluding derivative contracts and SFTs) (sum of rows 1 to 6)</b>	<b>2,580,804</b>	<b>2,069,409</b>
<b>Exposures arising from derivative contracts</b>			
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	-	-
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	<b>Total exposures arising from derivative contracts (sum of rows 8 to 12)</b>	<b>-</b>	<b>-</b>
<b>Exposures arising from SFTs</b>			
15	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
16	CCR exposure for SFT assets	-	-
17	Agent transaction exposures	-	-
18	<b>Total exposures arising from SFTs (sum of rows 14 to 17)</b>	<b>-</b>	<b>-</b>
<b>Other off-balance sheet exposures</b>			
19	Off-balance sheet exposure at gross notional amount	1,000	500
20	Less: Adjustments for conversion to credit equivalent amounts	(900)	(450)
21	Less: Specific and collective provisions associated with off-balance sheet exposures that are deducted from Tier 1 capital	-	-
22	<b>Off-balance sheet items (sum of rows 19 to 21)</b>	<b>100</b>	<b>50</b>
<b>Capital and total exposures</b>			
23	<b>Tier 1 capital</b>	<b>586,466</b>	<b>619,119</b>
24	<b>Total exposures (sum of rows 7, 13, 18 and 22)</b>	<b>2,580,904</b>	<b>2,069,459</b>
<b>Leverage ratio</b>			
25 & 25a	<b>Leverage ratio</b>	<b>22.72%</b>	<b>29.92%</b>
26	<b>Minimum leverage ratio requirement</b>	<b>3.00%</b>	<b>3.00%</b>
27	<b>Applicable leverage buffers</b>	<b>Not applicable</b>	<b>Not applicable</b>

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**4. TEMPLATE LR2: LEVERAGE RATIO (continued)**

		(a)	(b)
		HK\$'000	
		31 Mar 2026	31 Dec 2025
<b>Disclosure of mean values</b>			
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	-	-
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	-	-
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)	2,580,904	2,069,459
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)	22.72%	29.92%

The decrease in leverage ratio in the last quarter was mainly contributed by the increase in marketable debt securities held, interbank placement and loans and advances to customers during the reporting period.