



Banc of America Securities Asia Limited

Regulatory Disclosure Statement

For the quarter ended Sep 30, 2021

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BANC OF AMERICA SECURITIES ASIA LIMITED
(Unaudited information)

1. Key Prudential Ratios:

The following table provides an overview of the Bank's key prudential ratios.

		as at 30 Sep 2021	as at 30 Jun 2021	as at 31 Mar 2021	as at 31 Dec 2020	as at 30 Sep 2020
	Regulatory capital (amount US\$'000)					
1	Common Equity Tier 1 (CET1)	540,323	541,611	541,705	539,504	538,256
2	Tier 1	540,323	541,611	541,705	539,504	538,256
3	Total capital	540,323	541,611	541,705	539,504	538,256
	RWA (amount US\$'000)					
4	Total RWA	266,000	130,106	104,234	79,988	113,666
	Risk-based regulatory capital ratios (as a percentage of RWA)					
5	CET1 ratio (%)	203.13	416.29	519.70	674.48	473.54
6	Tier 1 ratio (%)	203.13	416.29	519.70	674.48	473.54
7	Total capital ratio (%)	203.13	416.29	519.70	674.48	473.54
	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 (%)	-	-	-	-	0.02
10	Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	NA	NA	NA	NA	NA
11	Total AI-specific CET1 buffer requirements (%)	2.50	2.50	2.50	2.50	2.52
12	CET1 available after meeting the AI's minimum capital requirements (%)	192.63	405.79	509.20	663.98	463.02
	Basel III leverage ratio					
13	Total leverage ratio (LR) exposure measure (amount USD'000)	581,690	543,633	543,802	562,848	551,690
14	LR (%)	92.89	99.63	99.61	95.85	97.57
	Liquidity Coverage Ratio (LCR) / Liquidity Maintenance Ratio (LMR)					
	Applicable to category 1 institution only:					
15	Total high quality liquid assets (HQLA)	NA	NA	NA	NA	NA
16	Total net cash outflows	NA	NA	NA	NA	NA
17	LCR (%)	NA	NA	NA	NA	NA
	Applicable to category 2 institution only:					
17a	LMR (%)	14,001.85	28,952.88	484,275.17	13,958.79	22,652.19
	Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)					
	Applicable to category 1 institution only:					
18	Total available stable funding	NA	NA	NA	NA	NA
19	Total required stable funding	NA	NA	NA	NA	NA
20	NSFR (%)	NA	NA	NA	NA	NA
	Applicable to category 2A institution only:					
20a	CFR (%)	NA	NA	NA	NA	NA

As of September 30, 2021, the LMR was 14,001.85%, decreased by 14,951.03% when compared to June 30, 2021. This is mainly driven by decrease in the average liquefiable assets during the quarter.

As of September 30, 2021, the CAR was 203.13%, decreased by 213.16% when compared to June 30, 2021. This is majorly driven by higher market risk exposures as compared to previous quarter.

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The above key regulatory ratios were calculated in accordance with the following Rules, where relevant, issued by the HKMA.

- Banking (Capital) Rules (“BCR”)
- Leverage Ratio Framework
- Banking (Liquidity) Rules (“BLR”)

2. Overview of Risk Weighted Assets

The following table sets out the Banks’s risk-weighted assets (“RWA”) and the corresponding minimum capital requirements by risk types.

		RWA US\$’000		Minimum capital requirements US\$’000
		As at 30 Sep 2021	As at 30 Jun 2021	As at 30 Sep 2021
1	Credit risk for non-securitization exposures	56,566	104,975	4,525
2	Of which STC approach	56,566	104,975	4,525
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	1,179	67	94
7	Of which SA-CCR approach	728	32	58
7a	Of which CEM	-	-	-
8	Of which IMM(CCR) approach	-	-	-
9	Of which other	-	-	-
10	CVA Risk	451	35	36
11	Equity positions in banking book under the simple risk-weight method and internal models method	-	-	-
12	Collective investment scheme (“CIS”) exposures – LTA	-	-	-
13	CIS exposures – MBA	-	-	-
14	CIS exposures – FBA	-	-	-
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	189,246	2,997	15,140
21	Of which STM approach	189,246	2,997	15,140
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)*	-	-	-

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		RWA US\$'000		Minimum capital requirements US\$'000
		As at 30 Sep 2021	As at 30 Jun 2021	As at 30 Sep 2021
24	Operational risk	19,009	22,067	1,521
24a	Sovereign concentration risk	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% RW)	-	-	-
26	Capital floor adjustment	-	-	-
26a	Deduction to RWA	-	-	-
26b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	-	-	-
26c	Of which portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in Tier 2 Capital	-	-	-
27	Total	266,000	130,106	21,280

3. Leverage Ratio

Item		Leverage ratio framework US\$'000 30 Sep 2021	Leverage ratio framework US\$'000 30 Jun 2021
On-balance sheet exposures			
1	On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	580,738	544,202
2	Less: Asset amounts deducted in determining Tier 1 capital	(784)	(682)
3	Total on-balance sheet exposures (excluding derivative contracts and SFTs)	579,954	543,520
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)	758	-
5	Add-on amounts for PFE associated with all derivative transactions	978	113
6	Gross-up for collateral provided in respect of derivative contracts 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	1,736	113

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Exposures arising from SFTs			
		Leverage ratio framework US\$'000 30 Sep 2021	Leverage ratio framework US\$'000 30 Jun 2021
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	-	-
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
14	CCR exposure for SFT assets	-	-
15	Agent transaction exposures	-	-
16	Total exposures arising from SFTs	-	-
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	-	-
18	Less: Adjustments for conversion to credit equivalent amounts	-	-
19	Off-balance sheet items	-	-
Capital and total exposures			
20	Tier 1 capital	540,323	541,611
20a	Total exposures before adjustments for specific and collective provisions	581,690	543,633
20b	Adjustments for specific and collective provisions	-	-
21	Total exposures after adjustments for specific and collective provisions	581,690	543,633
Leverage ratio			
22	Leverage ratio	92.89%	99.63%

4. Statement of Compliance

Upon consultation with the HKMA under section 16(2)(a) of the Banking (Disclosure) Rules ("BDR"), BASAL had sought consent from the HKMA to continue uploading the required financial disclosure information to the website of its ultimate parent entity, Bank of America Corporation.

It is not practicable for BASAL to disclose under section 16(FE)(1)(b) of the BDR the full terms and conditions of all of its relevant regulatory capital instruments on its internet website, since BASAL does not currently maintain its own internet website. This is the reason that led BASAL to seek the aforementioned consent from HKMA.

Herein included below is the direct link to Bank of America Corporation's internet website, whereby the full terms and conditions of all of BASAL's relevant regulatory capital instruments and financial disclosure information can be accessed.

<https://investor.bankofamerica.com/regulatory-and-other-filings/subsidiary-and-country-disclosures>

This information is also the closest available alternative to the information which have been the subject of the required disclosures.