



Banc of America Securities Asia Limited

Regulatory Disclosure Statement

For the quarter ended Sep 30, 2023

Contents**Pages**

1. Key Prudential Ratios
2. Overview of Risk Weighted Assets
3. Leverage Ratio
4. Statement of Compliance

1 - 2
2 - 3
3 - 4
4

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 2023	as at 30 Jun 2023	as at 31 Mar 2023	as at 31 Dec 2022	as at 30 Sep 2022
	Regulatory capital (amount US\$'000)					
1	Common Equity Tier 1 (CET1)	614,420	602,828	587,613	570,752	563,926
2	Tier 1	614,420	602,828	587,613	570,752	563,926
3	Total capital	614,420	602,828	587,613	570,752	563,926
	RWA (amount US\$'000)					
4	Total RWA	1,002,143	941,973	785,955	899,451	780,776
	Risk-based regulatory capital ratios (as a percentage of RWA)					
5	CET1 ratio (%)	61.31	64.00	74.76	63.46	72.23
6	Tier 1 ratio (%)	61.31	64.00	74.76	63.46	72.23
7	Total capital ratio (%)	61.31	64.00	74.76	63.46	72.23
	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 (%)	1.97	1.00	0.99	1.00	-
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 (%)	4.47	3.50	3.49	3.50	2.50
12	CET1 available after meeting the AI's minimum capital requirements (%)	48.84	51.49	63.27	50.96	61.73
	Basel III leverage ratio					
13	Total leverage ratio (LR) exposure measure (amount USD'000)	2,639,299	3,165,050	3,361,222	3,218,709	2,817,311
14	LR (%)	23.28	19.05	17.48	17.76	20.02
	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 (%)	15,459.90	40,196.28	67,615.68	12,174.87	995.51
	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, 2023, the LMR was 15,459.90%, decreased by 24,736.38% when compared to June 30, 2023. This is mainly driven by increase in the average liquefiable liabilities and decrease in average liquidity assets during the quarter.

BANC OF AMERICA SECURITIES ASIA LIMITED
(Unaudited information)

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 2023	As at 30 Jun 2023	As at 30 Sep 2023
1	Credit risk for non-securitization exposures	69,591	30,920	5,567
	Of which STC approach	69,591	30,920	5,567
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	51,352	66,916	4,108
7	Of which SA-CCR approach	26,062	33,924	2,085
7a	Of which CEM	-	-	-
8	Of which IMM(CCR) approach	-	-	-
9	Of which other	-	-	-
10	CVA Risk	25,290	32,992	2,023
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	798,586	774,668	63,887
21	Of which STM approach	798,586	774,668	63,887
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)*	-	-	-
24	Operational risk	82,614	69,469	6,609

BANC OF AMERICA SECURITIES ASIA LIMITED
(Unaudited information)

		RWA US\$'000		Minimum capital requirements US\$'000
		As at 30 Sep 2023	As at 30 Jun 2023	As at 30 Sep 2023
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	1,002,143	941,973	80,171

3. Leverage Ratio

Item		Leverage ratio framework US\$'000 30 Sep 2023	Leverage ratio framework US\$'000 30 Jun 2023
On-balance sheet exposures			
1	On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	2,525,340	3,014,125
2	Less: Asset amounts deducted in determining Tier 1 capital	-3,455	-2,127
3	Total on-balance sheet exposures (excluding derivative contracts and SFTs)	2,521,885	3,011,998
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)	147	14,085
5	Add-on amounts for PFE associated with all derivative transactions	117,267	138,967
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	117,414	153,052
Exposures arising from SFTs			

BANC OF AMERICA SECURITIES ASIA LIMITED
(Unaudited information)

		Leverage ratio framework US\$'000 30 Sep 2023	Leverage ratio framework US\$'000 30 Jun 2023
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	614,420	602,832
20a	Total exposures before adjustments for specific and collective provisions	2,639,299	3,165,050
20b	Adjustments for specific and collective provisions	0	0
21	Total exposures after adjustments for specific and collective provisions	2,639,299	3,165,050
Leverage ratio			
22	Leverage ratio	23.28%	19.05%

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.