ORIX Asia Limited

Regulatory Disclosure Statement

For the quarter ended 30 June 2025

(unaudited)

Contents

A. Introduction

Purpose

The information contained in this document is for ORIX Asia Limited ("the Company") to comply with the Banking (Disclosure) Rules.

Principal activities

The Company primarily provides lease financing and instalment loans to industrial, commercial and personal customers. It also engages in debt and equity investment activities.

The Company is registered as a restricted licence bank under the Hong Kong Banking Ordinance and is an approved seller/servicer of HKMC Insurance Limited, a wholly-subsidiary of the Hong Kong Mortgage Corporation Limited.

Basis of preparation

The Company has adopted the "basic approach" for the calculation of the risk-weighted assets for credit risk, "standardised approach for counterparty credit risk" for the calculation of counterparty credit risk, "reduced basic CVA approach" to calculate its CVA risk and bucket 1 authorized institution under "Business Indicator Approach" for the calculation of operational risk

During the year ended 31 March 2025 and for the quarter ended 30 June 2025, market risk arising from the Company's trading book was minimal. The Company has been granted exemption by the HKMA as it can fulfil the exemption criteria set out in sections 22(1)(a) and (b) of the Banking (Capital) Rules. Hence, the Company was exempted from the calculation of market risk.

B. Key prudential ratios

Template KM1: Key prudential ratios

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

	(USD)	(a)	(b)	(c)	(d)	(e)
		30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024
	Regulatory capital (amount)					
1 & 1a	Common Equity Tier 1 (CET1)	285,389,346	286,120,988	286,019,268	292,853,948	295,199,781
2 & 2a	Tier 1	285,389,346	286,120,988	286,019,268	292,853,948	295,199,781
3 & 3a	Total capital	288,072,294	289,836,371	289,011,669	297,071,020	299,561,812
	RWA (amount)					
4	Total RWA	379,857,725	398,005,787	391,293,815	441,848,307	464,633,433
4a	Total RWA (pre-floor)	379,857,725	398,005,787	391,293,815	441,848,307	464,633,433
	Risk-based regulatory capital ratios (as a percentage of RWA)					
5 & 5a	CET1 ratio (%)	75.1306%	71.8887%	73.0956%	66.2793%	63.5339%
5b	CET1 ratio (%) (pre-floor ratio)	75.1306%	71.8887%	73.0956%	66.2793%	63.5339%
6 & 6a	Tier 1 ratio (%)	75.1306%	71.8887%	73.0956%	66.2793%	63.5339%
6b	Tier 1 ratio (%) (pre-floor ratio)	75.1306%	71.8887%	73.0956%	66.2793%	63.5339%
7 & 7a	Total capital ratio (%)	75.8369%	72.8222%	73.8604%	67.2337%	64.4727%
7b	Total capital ratio (%) (pre-floor ratio)	75.8369%	72.8222%	73.8604%	67.2337%	64.4727%
	Additional CET1 buffer requirements (as a percentage of RWA)					
8	Capital conservation buffer requirement (%)	2.5%	2.5%	2.5%	2.5%	2.5%
9	Countercyclical capital buffer requirement (%)	0.4818%	0.4887%	0.4929%	0.9900%	0.9907%
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 (%)	2.9818%	2.9887%	2.9929%	3.4900%	3.4907%
12	CET1 available after meeting the AI's minimum capital requirements (%)	65.8369%	62.8222%	63.8604%	57.2337%	54.4727%
	Basel III leverage ratio					
13	Total leverage ratio (LR) exposure measure	385,688,526	388,373,409	398,769,834	455,118,041	477,273,861
13a	LR exposure measure based on mean values of gross assets of SFTs	-	-	-	-	-
14, 14a & 14b	LR (%)	73.99%	73.67%	71.73%	64.35%	61.85%
14c & 14d	LR (%) based on mean values of gross assets of SFTs	-	-	-	-	-
	Liquidity Maintenance Ratio (LMR)- applicable to category 2 institution only:					
17a	LMR (%)	424.81%	247.58%	169.08%	114.67%	93.87%

C. Leverage Ratio

Template LR2: Leverage Ratio

The detailed composition of the Company's leverage ratio as at 30 June 2025 and 31 March 2025 is set out below.

		(a)	(b)
		HK$'000	
		30 Jun 2025	31 Mar 2025
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivative contracts and SFTs, but including related on-balance sheet collateral)	2,970,513	2,986,896
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	-	-
6	Less: Asset amounts deducted in determining Tier 1 capital	(11,642)	(23,058)
7	**Total on-balance sheet exposures (excluding derivative contracts and SFTs) (sum of rows 1 to 6)**	2,958,871	2,963,838
Exposures arising from derivative contracts			
8	Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	12,198	142
9	Add-on amounts for PFE associated with all derivative contracts	44,621	44,035
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)**	56,819	44,177
Exposures arising from SFTs			
14	Gross amount of SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	-	-
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	**Total exposures arising from SFTs (sum of rows 14 to 17)**	-	-
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	131,234	132,980
20	Less: Adjustments for conversion to credit equivalent amounts	(118,111)	(119,682)
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)**	13,123	13,298

		(a)	(b)
		HK$'000	
		30 Jun 2025	31 Mar 2025
Capital and total exposures			
23	**Tier 1 capital**	2,241,163	2,225,849
24	**Total exposures (sum of rows 7, 13, 18 and 22)**	3,028,813	3,021,313
Leverage ratio			
25 & 25a	**Leverage ratio**	73.99%	73.67%
26	**Minimum leverage ratio requirement**	3%	3%
27	**Applicable leverage buffers**	Not applicable	Not applicable
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	-	-
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)	-	-
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)	-	-

Point to note:

(i) a row shaded yellow represents an item that is not applicable to Hong Kong.

D. Risk-Weighted Amount ("RWA")

Template OV1: Overview of RWA

The following table provides an overview of capital requirements in terms of a detailed breakdown of RWAs for various risks as at 30 June 2025 and 31 March 2025 respectively:

		(a)	(b)	(c)
		RWA		Minimum capital requirements
		30 Jun 2025 (USD)	31 Mar 2025 (USD)	30 Jun 2025 (USD)
1	Credit risk for non-securitization exposures	333,598,858	351,487,092	26,687,909
2	Of which STC approach	-	-	-
2a	Of which BSC approach	333,598,858	351,487,092	26,687,909
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	1,433,706	1,132,367	114,696
7	Of which SA-CCR approach	1,433,706	1,132,367	114,696
7a	Of which CEM	-	-	-
8	Of which IMM(CCR) approach	-	-	-
9	Of which others	-	-	-
10	CVA risk	1,441,648	1,149,415	115,332
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	N/A	N/A	N/A
13	CIS exposures – mandate-based approach	N/A	N/A	N/A
14	CIS exposures – fall-back approach	N/A	N/A	N/A
14a	CIS exposures – combination of approaches	N/A	N/A	N/A
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	-	-	-
21	Of which STM approach	-	-	-
22	Of which IMA	-	-	-
22a	Of which SSTM approach	-	-	-
23	Capital charge for moving exposures between trading book and banking book	N/A	N/A	N/A
24	Operational risk	43,383,513	44,236,913	3,470,681
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
28a	Deduction to RWA	-	-	-

		(a)	(b)	(c)
		RWA		Minimum capital requirements
		30 Jun 2025 (USD)	31 Mar 2025 (USD)	30 Jun 2025 (USD)
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	379,857,725	398,005,787	30,388,618
N/A: Not applicable in the case of Hong Kong				