

**J.P. MORGAN SECURITIES (ASIA PACIFIC) LIMITED**

**QUARTERLY REGULATORY DISCLOSURE PREPARED UNDER THE BANKING  
(DISCLOSURE) RULES**

**30TH SEPTEMBER 2022**

## J.P. MORGAN SECURITIES (ASIA PACIFIC) LIMITED (UNAUDITED)

### 1. Key prudential ratios

Key prudential ratios disclosures as required by section 16AB of the Banking (Disclosure) Rules (expressed in US\$'000 unless otherwise stated).

		30th September 2022	30th June 2022	31st March 2022	31st December 2021	30th September 2021
	<b>Regulatory capital (amount)</b>					
1	Common Equity Tier 1 (CET1)	1,672,988	1,622,959	1,602,685	1,565,689	1,585,241
2	Tier 1	1,672,988	1,622,959	1,602,685	1,565,689	1,585,241
3	Total capital	1,672,988	1,622,959	1,602,685	1,565,689	1,585,241
	<b>RWA (amount)</b>					
4	Total RWA	3,098,483	3,075,451	3,010,278	3,007,603	2,771,641
	<b>Risk-based regulatory capital ratios (as a percentage of RWA)</b>					
5	CET1 ratio (%)	54.0%	52.3%	53.2%	51.9%	57.2%
6	Tier 1 ratio (%)	54.0%	52.3%	53.2%	51.9%	57.2%
7	Total capital ratio (%)	54.0%	52.3%	53.2%	51.9%	57.2%
	<b>Additional CET1 buffer requirements (as a percentage of RWA)</b>					
8	Capital conservation buffer requirement (%)	2.500%	2.500%	2.500%	2.500%	2.500%
9	Countercyclical capital buffer requirement (%)	0.378%	0.332%	0.416%	0.056%	0.105%
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 (%)	2.878%	2.832%	2.916%	2.556%	2.605%
12	CET1 available after meeting the AI's minimum capital requirements (%)	46.0%	44.3%	45.2%	43.9%	49.2%
	<b>Basel III leverage ratio</b>					
13	Total leverage ratio (LR) exposure measure	2,306,726	2,465,378	2,357,991	2,483,439	2,550,510
14	LR (%)	72.5%	65.2%	68.0%	62.8%	62.2%
	<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	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 (%)	436.7 %	432.1%	270.5%	407.6%	389.9%
	<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	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

The increase in leverage ratio when compared to 30th June 2022 was due to increased capital contributed by profit for the quarter and decrease in balance sheet exposure.

## J.P. MORGAN SECURITIES (ASIA PACIFIC) LIMITED (UNAUDITED)

### 2. Overview of RWA

Overview of RWA disclosures as required by section 16C of the Banking (Disclosure) Rules (expressed in US\$'000 unless otherwise stated).

		RWA		Minimum capital requirements
		30th September 2022	30th June 2022	30th September 2022
1	Credit risk for non-securitization exposures	911,057	953,444	72,885
2	Of which STC approach	911,057	953,444	72,885
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	-	-	-
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	-	-	-
12	Collective investment scheme ("CIS") exposures – LTA	N/A	N/A	N/A
13	CIS exposures – MBA	N/A	N/A	N/A
14	CIS exposures – FBA	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	12,613	13,823	1,009
21	Of which STM approach	12,613	13,823	1,009
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)	N/A	N/A	N/A

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### 2. Overview of RWA (continued)

		RWA		Minimum capital requirements
		30th September 2022	30th June 2022	30th September 2022
24	Operational risk	2,174,813	2,108,184	173,985
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	-	-	-
<b>27</b>	<b>Total</b>	<b>3,098,483</b>	<b>3,075,451</b>	<b>247,879</b>
N/A: Not applicable in the case of Hong Kong				

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### 3. Leverage ratio (“LR”)

Leverage ratio as required by section 16FI of the Banking (Disclosure) Rules (expressed in US\$'000 unless otherwise stated).

		30th September 2022	30th June 2022
<b>On-balance sheet exposures</b>			
1	On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	2,328,415	2487,290
2	Less: Asset amounts deducted in determining Tier 1 capital	(21,689)	(21,912)
3	<b>Total on-balance sheet exposures (excluding derivative contracts and SFTs)</b>	<b>2,306,726</b>	<b>2,465,378</b>
<b>Exposures arising from derivative contracts</b>			
4	Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	-	-
5	Add-on amounts for PFE associated with all derivative contracts	-	-
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-related derivative contracts	-	-
10	Less: Adjusted effective notional offsets and add-on deductions for written credit-related derivative contracts	-	-
11	<b>Total exposures arising from derivative contracts</b>	<b>-</b>	<b>-</b>
<b>Exposures arising from SFTs</b>			
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	<b>Total exposures arising from SFTs</b>	<b>-</b>	<b>-</b>
<b>Other off-balance sheet exposures</b>			
17	Off-balance sheet exposure at gross notional amount	-	-
18	Less: Adjustments for conversion to credit equivalent amounts	-	-
19	<b>Off-balance sheet items</b>	<b>-</b>	<b>-</b>
<b>Capital and total exposures</b>			
20	<b>Tier 1 capital</b>	<b>1,672,988</b>	<b>1,622,959</b>
20a	<b>Total exposures before adjustments for specific and collective provisions</b>	<b>2,306,726</b>	<b>2,465,378</b>
20b	<b>Adjustments for specific and collective provisions</b>	<b>-</b>	<b>-</b>
21	<b>Total exposures after adjustments for specific and collective provisions</b>	<b>2,306,726</b>	<b>2,465,378</b>
<b>Leverage ratio</b>			
22	<b>Leverage ratio</b>	<b>72.5%</b>	<b>65.2%</b>

As of 30th September 2022, the leverage ratio was 72.5%, increased by 7.3% when compared to 30th June 2022. This is mainly driven by increased capital contributed by profit for the quarter and decrease in balance sheet exposure.