

KDB Asia Limited

Pillar 3 Regulatory Disclosures
(Unaudited)
30 June 2018

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KDB Asia Limited
Disclosure on key prudential ratios
30-Jun-18

	(a)	(b)	(c)	(d)	(e)
	30-Jun-18	31-Mar-18	31-Dec-17	30-Sep-17	30-Jun-17
	US\$	US\$	US\$	US\$	US\$
Regulatory capital (amount)					
1 Common Equity Tier 1 (CET1)	291,130,240	288,015,682	284,119,720	278,526,655	274,236,531
2 Tier 1	291,130,240	288,015,682	284,119,720	278,526,655	274,236,531
3 Total capital	295,924,484	292,797,818	289,432,177	283,545,656	279,255,532
RWA (amount)					
4 Total RWA	1,042,977,712	1,044,408,564	1,001,860,517	960,566,156	959,449,342
Risk-based regulatory capital ratios (as a percentage of RWA)					
5 CET1 ratio (%)	27.91%	27.58%	28.36%	29.00%	28.58%
6 Tier 1 ratio (%)	27.91%	27.58%	28.36%	29.00%	28.58%
7 Total capital ratio (%)	28.37%	28.03%	28.89%	29.52%	29.11%
Additional CET1 buffer requirements (as a percentage of RWA)					
8 Capital conservation buffer requirement (%)	1.88%	1.88%	1.25%	1.25%	1.25%
9 Countercyclical capital buffer requirement (%)	0.67%	0.67%	0.45%	0.46%	0.47%
10 Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	-	-	-	-	-
11 Total AI-specific CET1 buffer requirements (%)	2.55%	2.55%	1.70%	1.71%	1.72%
12 CET1 available after meeting the AI's minimum capital requirements (%)	23.41%	23.08%	23.86%	24.50%	24.08%
Basel III leverage ratio					
13 Total leverage ratio (LR) exposure measure	1,355,927,645	1,401,333,883	1,417,954,732	1,321,885,506	1,424,918,296
14 LR (%)	21.47%	20.55%	20.04%	21.07%	19.25%
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					
17 LCR (%)					
Applicable to category 2 institution only:					
17a LMR (%)	169.78%	95.56%	139.99%	152.53%	181.88%
Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)					
Applicable to category 1 institution only:					
18 Total available stable funding					
19 Total required stable funding					
20 NSFR (%)					
Applicable to category 2A institution only:					
20a CFR (%)	NA	NA	NA	NA	NA

KDB Asia Limited
Disclosure on composition of regulatory capital
30-Jun-18

	Amount	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	
	At 30-Jun-2018		
	US\$		
CET1 capital: instruments and reserves			
1	Directly issued qualifying CET1 capital instruments plus any related share premium	140,000,000	3
2	Retained earnings	154,022,656	5+6+7
3	Disclosed reserves	1,885,165	8
4	Directly issued capital subject to phase-out arrangements from CET1 (only applicable to non-joint stock companies)	Not applicable	Not applicable
5	Minority interests arising from CET1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in CET1 capital of the consolidation group)	0	
6	CET1 capital before regulatory adjustments	295,907,821	
CET1 capital: regulatory deductions			
7	Valuation adjustments	0	
8	Goodwill (net of associated deferred tax liability)	0	
9	Other intangible assets (net of associated deferred tax liability)	0	
10	Deferred tax assets (net of associated deferred tax liabilities)	554,971	2
11	Cash flow hedge reserve	0	
12	Excess of total EL amount over total eligible provisions under the IRB approach	0	
13	Credit-enhancing interest-only strip, and any gain-on-sale and other increase in the CET1 capital arising from securitization transactions	0	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	0	
15	Defined benefit pension fund net assets (net of associated deferred tax liabilities)	0	
16	Investments in own CET1 capital instruments (if not already netted off paid-in capital on reported balance sheet)	0	
17	Reciprocal cross-holdings in CET1 capital instruments	0	
18	Insignificant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0	
19	Significant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0	
20	Mortgage servicing rights (net of associated deferred tax liabilities)	Not applicable	Not applicable
21	Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities)	Not applicable	Not applicable
22	Amount exceeding the 15% threshold	Not applicable	Not applicable
23	of which: significant investments in the ordinary share of financial sector entities	Not applicable	Not applicable
24	of which: mortgage servicing rights	Not applicable	Not applicable
25	of which: deferred tax assets arising from temporary differences	Not applicable	Not applicable
26	National specific regulatory adjustments applied to CET1 capital	4,222,610	
26a	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	0	
26b	Regulatory reserve for general banking risks	4,222,610	6
26c	Securitization exposures specified in a notice given by the MA	0	
26d	Cumulative losses below depreciated cost arising from the institution's holdings of land and buildings	0	
26e	Capital shortfall of regulated non-bank subsidiaries	0	
26f	Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	0	
27	Regulatory deductions applied to CET1 capital due to insufficient AT1 capital and Tier 2 capital to cover deductions	0	
28	Total regulatory deductions to CET1 capital	4,777,581	
29	CET1 capital	291,130,240	
AT1 capital: instruments			
30	Qualifying AT1 capital instruments plus any related share premium	0	
31	of which: classified as equity under applicable accounting standards	0	
32	of which: classified as liabilities under applicable accounting standards	0	
33	Capital instruments subject to phase-out arrangements from AT1 capital	0	
34	AT1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in AT1 capital of the consolidation group)	0	
35	of which: AT1 capital instruments issued by subsidiaries subject to phase-out arrangements	0	
36	AT1 capital before regulatory deductions	0	

KDB Asia Limited
Disclosure on composition of regulatory capital
30-Jun-18

	Amount	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation	
	At 30-Jun-2018		
	US\$		
AT1 capital: regulatory deductions			
37	Investments in own AT1 capital instruments	0	
38	Reciprocal cross-holdings in AT1 capital instruments	0	
39	Insignificant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0	
40	Significant capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	
41	National specific regulatory adjustments applied to AT1 capital	0	
42	Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions	0	
43	Total regulatory deductions to AT1 capital	0	
44	AT1 capital	0	
45	Tier 1 capital (T1 = CET1 + AT1)	291,130,240	
Tier 2 capital: instruments and provisions			
46	Qualifying Tier 2 capital instruments plus any related share premium	0	
47	<i>Capital instruments subject to phase-out arrangements from Tier 2 capital</i>	0	
48	Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group)	0	
49	<i>of which: capital instruments issued by subsidiaries subject to phase-out arrangements</i>	0	
50	Collective provisions and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	4,794,244	1+6
51	Tier 2 capital before regulatory deductions	4,794,244	
Tier 2 capital: regulatory deductions			
52	Investments in own Tier 2 capital instruments	0	
53	Reciprocal cross-holdings in Tier 2 capital instruments	0	
54	Insignificant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	0	
55	Significant capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	
56	National specific regulatory adjustments applied to Tier 2 capital	0	
56a	Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	0	
57	Total regulatory deductions to Tier 2 capital	0	
58	Tier 2 capital (T2)	4,794,244	
59	Total capital (TC = T1 + T2)	295,924,484	
60	Total RWA	1,042,977,712	
Capital ratios (as a percentage of RWA)			
61	CET1 capital ratio	27.91%	
62	Tier 1 capital ratio	27.91%	
63	Total capital ratio	28.37%	
64	Institution-specific buffer requirement (capital conservation buffer plus countercyclical capital buffer plus higher loss absorbency requirements)	2.55%	
65	<i>of which: capital conservation buffer requirement</i>	1.875%	
66	<i>of which: bank specific countercyclical capital buffer requirement</i>	0.673%	
67	<i>of which: higher loss absorbency requirement</i>	0.00%	
68	CET1 (as a percentage of RWA) available after meeting minimum capital requirements	23.41%	
National minima (if different from Basel 3 minimum)			
69	National CET1 minimum ratio	Not applicable	Not applicable
70	National Tier 1 minimum ratio	Not applicable	Not applicable
71	National Total capital minimum ratio	Not applicable	Not applicable

KDB Asia Limited
Disclosure on composition of regulatory capital
30-Jun-18

		Amount	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
		At 30-Jun-2018	
		US\$	
Amounts below the thresholds for deduction (before risk weighting)			
72	Insignificant capital investments in CET1, AT1 and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	
73	Significant capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	0	
74	Mortgage servicing rights (net of associated deferred tax liability)	Not applicable	Not applicable
75	Deferred tax assets arising from temporary differences (net of associated deferred tax liability)	Not applicable	Not applicable
Applicable caps on the inclusion of provisions in Tier 2 capital			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the BSC approach, or the STC approach and SEC-ERBA, SEC-SA and SEC-FBA (prior to application of cap)	4,794,244	
77	Cap on inclusion of provisions in Tier 2 under the BSC approach, or the STC approach, and SEC-ERBA, SEC-SA and SEC-FBA	4,794,244	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the IRB approach and SEC-IRBA (prior to application of cap)	0	
79	Cap for inclusion of provisions in Tier 2 under the IRB approach and SEC-IRBA	0	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)			
80	Current cap on CET1 capital instruments subject to phase-out arrangements	Not applicable	Not applicable
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	Not applicable	Not applicable
82	Current cap on AT1 capital instruments subject to phase-out arrangements	0	
83	Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)	0	
84	Current cap on Tier 2 capital instruments subject to phase-out arrangements	0	
85	Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)	0	

Notes:

Row No.	Description	Hong Kong basis (US\$)	Basel III basis (US\$)
	Deferred tax assets net of associated deferred tax liabilities	554,971	0
10	<p><u>Explanation</u></p> <p>As set out in paragraphs 69 and 87 of the Basel III text issued by the Basel Committee (December 2010), DTAs of the bank to be realized are to be deducted, whereas DTAs which relate to temporary differences may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to deduct all DTAs in full, irrespective of their origin, from CET1 capital. Therefore, the amount to be deducted as reported in row 10 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 10 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amounts of DTAs to be deducted which relate to temporary differences to the extent not in excess of the 10% threshold set for DTAs arising from temporary differences and the aggregate 15% threshold set for MSR, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities or other credit exposures to connected companies) under Basel III.</p>		

Abbreviations:

CET1: Common Equity Tier 1

AT1: Additional Tier 1

KDB Asia Limited
Disclosure on reconciliation of regulatory capital to balance sheet
30-Jun-18

	Balance sheet as in published financial statements At 30-Jun-2018 US\$	Reference to the composition of regulatory capital
ASSETS		
Cash and balances with banks and other financial institutions	22,346,272	
Placements with banks and other financial institutions	129,976,460	
<i>of which: collective impairment allowances reflected in regulatory capital</i>	23,540	1
Trade bills	127,489,820	
<i>of which: collective impairment allowances reflected in regulatory capital</i>	29,462	1
Financial assets at fair value through profit or loss	54,961,130	
Loans and advances	613,581,145	
<i>of which: collective impairment allowances reflected in regulatory capital</i>	454,612	1
Debt instruments at fair value through other comprehensive income	357,248,810	
Property and equipment	982,394	
Interest receivable and other assets	17,179,025	
<i>of which: collective impairment allowances reflected in regulatory capital</i>	64,020	1
Deferred tax assets	178,052	
<i>of which: Deferred tax assets related to property and equipment and collective impairment allowances</i>	554,971	2
TOTAL ASSETS	1,323,943,108	
EQUITY AND LIABILITIES		
LIABILITIES		
Deposits and balances of banks and other financial institutions	375,352,829	
Deposits from customers	2,067,473	
Financial liabilities at fair value through profit or loss	405,501	
Certificates of deposit issued	610,281,942	
Tax payable	391,602	
Interest payable and other liabilities	39,535,940	
TOTAL LIABILITIES	1,028,035,287	
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	140,000,000	3
Reserves	155,907,821	4
<i>of which: Retained profits</i>	142,496,161	5
<i>: Regulatory reserve</i>	4,222,610	6
<i>: Current profit/(loss)</i>	7,303,885	7
<i>: accumulated other comprehensive income</i>	1,885,165	8
TOTAL EQUITY	295,907,821	
TOTAL EQUITY AND LIABILITIES	1,323,943,108	

KDB Asia Limited
Disclosure on main features of regulatory capital instrument
30-Jun-18

		(a)
		Quantitative / qualitative information
1	Issuer	KDB Asia Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	Not Applicable
3	Governing law(s) of the instrument	Hong Kong Special Administrative Region of the People's Republic of China
	<i>Regulatory treatment</i>	
4	Transitional Basel III rules ¹	Not Applicable
5	Post-transitional Basel III rules ²	Common Equity Tier 1
6	Eligible at solo / group / solo and group	Solo
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares
8	Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	US\$ 140 Million
9	Par value of instrument	US\$ 1 each
10	Accounting classification	Shareholders' equity
11	Original date of issuance	23 Feb 2007 (US\$ 50 Million) 18 Mar 2005 (US\$ 20 Million) 24 Jul 2002 (US\$ 10 Million) 20 Sep 1999 (US\$ 25 Million) 29 Mar 1995 (US\$ 20 Million) 5 Mar 1990 (US\$ 5 Million) 20 Jan 1986 (US\$ 10 Million)
12	Perpetual or dated	Perpetual
13	Original maturity date	Not Applicable
14	Issuer call subject to prior supervisory approval	Not Applicable
15	Optional call date, contingent call dates and redemption amount	Not Applicable
16	Subsequent call dates, if applicable	Not Applicable
	<i>Coupons / dividends</i>	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	Not Applicable
19	Existence of a dividend stopper	Not Applicable
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step-up or other incentive to redeem	Not Applicable
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	Not Applicable
25	If convertible, fully or partially	Not Applicable
26	If convertible, conversion rate	Not Applicable
27	If convertible, mandatory or optional conversion	Not applicable
28	If convertible, specify instrument type convertible into	Not applicable
29	If convertible, specify issuer of instrument it converts into	Not Applicable
30	Write-down feature	No
31	If write-down, write-down trigger(s)	Not Applicable
32	If write-down, full or partial	Not Applicable
33	If write-down, permanent or temporary	Not applicable
34	If temporary write-down, description of write-up mechanism	Not Applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	Not Applicable
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	Not Applicable

Footnote:

¹ Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H to the BCR

² Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H to the BCR

KDB Asia Limited**Disclosure on geographical distribution of credit exposures used in countercyclical capital buffer ("CCyB")****30-Jun-18**

Countercyclical capital buffer ratio ("CCyB") were complied in accordance with the Banking (Capital) Rules. The Company's specific CCyB rate is calculated as the weighted average of the applicable jurisdictional CCyB rates, in respect of the jurisdictions (including Hong Kong) where the Company has private sector credit exposures. The weight to be attributed to a given jurisdiction's applicable CCyB rate is the ratio of the Company's aggregate risk-weighted amounts for its private sector credit exposures (in both the banking book and the trading book) in that jurisdiction (where the location of the exposures is determined as far as possible on an ultimate risk basis) to the sum of the Company's aggregate risk-weighted amounts across all jurisdictions in which the Company has private sector credit exposure. For a credit exposure guaranteed by a party situated in a country different from the counterparty, risk will be transferred to the country of the guarantor.

Geographical breakdown of risk-weighted amounts (RWA) in relation to private sector credit exposures, are shown as follows:

At 30 June 2018

Geographical breakdown by Jurisdiction (J)	Applicable JCCyB ratio in effect	RWA used in computation of CCyB ratio US\$	AI-specific CCyB ratio	CCyB amount US\$
Hong Kong SAR	1.875%	278,559,294		
China	-	195,578,400		
United Kingdom	0.500%	1,509,871		
Sum	-	475,647,565		
Total		777,607,057	0.673%	5,233,295

KDB Asia Limited**Disclosure on summary comparison of accounting assets against leverage ratio ("LR")
exposure measure**

30-Jun-18

	Item	Value under the LR framework US\$
1	Total consolidated assets as per published financial statements	1,323,943,108
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting standard but excluded from the LR exposure measure	-
4	Adjustments for derivative contracts	3,490,361
5	Adjustment for SFTs (i.e. repos and similar secured lending)	-
6	Adjustment for off-balance sheet ("OBS") items (i.e. conversion to credit equivalent amounts of OBS exposures)	30,249,181
6a	Adjustment for specific and collective provisions that are allowed to be excluded from exposure measure	(59,167)
7	Other adjustments	(1,695,838)
8	Leverage ratio exposure measure	1,355,927,645

KDB Asia Limited
Disclosure on Leverage Ratio ("LR")
30-Jun-18

		(a)	(b)
		US\$	
		30-Jun-2018	31-Mar-2018
On-balance sheet exposures			
1	On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	1,310,101,524	1,347,406,165
2	Less: Asset amounts deducted in determining Tier 1 capital	(554,971)	(921,224)
3	Total on-balance sheet exposures (excluding derivative contracts and SFTs)	1,309,546,553	1,346,484,941
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)	7,525,417	6,623,046
5	Add-on amounts for PFE associated with all derivative contracts	3,490,361	5,094,098
6	Gross-up for derivatives collateral provided 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	11,015,778	11,717,144
Exposures arising from SFTs			
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	5,175,300	10,188,950
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	5,175,300	10,188,950
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	104,691,609	111,797,241
18	Less: Adjustments for conversion to credit equivalent amounts	(74,442,428)	(78,485,721)
19	Off-balance sheet items	30,249,181	33,311,520
Capital and total exposures			
20	Tier 1 capital	291,130,240	288,015,683
20a	Total exposures before adjustments for specific and collective provisions	1,355,986,812	1,401,702,555
20b	Adjustments for specific and collective provisions	(59,167)	(103,281)
21	Total exposures after adjustments for specific and collective provisions	1,355,927,645	1,401,599,274
Leverage ratio			
22	Leverage ratio	21.47%	20.55%

KDB Asia Limited
Disclosure on overview of RWA
30-Jun-18

		(a)	(b)	(c)
		RWA		Minimum capital requirements
		30-Jun-18	31-Mar-18	30-Jun-18
		US\$	US\$	US\$
1	Credit risk for non-securitization exposures	968,198,940	967,431,776	77,455,915
2	Of which STC approach	-	-	-
2a	Of which BSC approach	968,198,940	967,431,776	77,455,915
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	2,536,721	2,894,993	202,938
7	Of which SA-CCR*	NA	NA	NA
7a	Of which CEM	2,474,542	2,839,608	197,963
8	Of which IMM(CCR) approach	-	-	-
9	Of which others	-	-	-
10	CVA risk	4,304,487	4,314,103	344,359
11	Equity positions in banking book under the simple risk-weight method and internal models method	-	-	-
12	Collective investment schemes ("CIS") exposures - LTA*	NA	NA	NA
13	CIS exposures – MBA*	NA	NA	NA
14	CIS exposures – FBA*	NA	NA	NA
14a	CIS exposures - combination of approaches*	NA	NA	NA
15	Settlement risk	-	-	-
16	Securitization exposures in banking book	-	-	-
17	Of which SEC - IRBA	-	-	-
18	Of which SEC - ERBA	-	-	-
19	Of which SEC - SA	-	-	-
19a	Of which SEC - FBA	-	-	-
20	Market risk	14,798,077	16,110,641	1,183,846
21	Of which STM approach	14,798,077	16,110,641	1,183,846
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)*	NA	NA	NA
24	Operational risk	53,139,487	53,657,051	4,251,159
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	1,042,977,712	1,044,408,564	83,438,217

KDB Asia Limited**Disclosure on credit quality of exposures****30-Jun-18**

		(a)	(b)	(c)	(d)
		Gross carrying amounts of		Allowances/ impairment	Net values
		Defaulted exposures	Non-defaulted exposures		
		US\$	US\$	US\$	US\$
1	Loans	-	619,135,757	5,554,612	613,581,145
2	Debt securities	1,409,142	390,711,772	1,409,142	390,711,772
3	Off-balance sheet exposures	-	78,160,964	40,116	78,120,848
4	Total	1,409,142	1,088,008,493	7,003,870	1,082,413,765

KDB Asia Limited**Disclosure on changes in defaulted loans and debt securities****30-Jun-18**

		(a)
		US\$
1	Defaulted loans and debt securities at end of the previous reporting period	3,795,879
2	Loans and debt securities that have defaulted since the last reporting period	-
3	Returned to non-defaulted status	-
4	Amounts written off	(2,386,737)
5	Other changes	-
6	Defaulted loans and debt securities at end of the current reporting period	1,409,142

KDB Asia Limited

Disclosure on overview of recognized credit risk mitigation

30-Jun-18

		(a)	(b1)	(b)	(d)	(f)
		Exposures unsecured: carrying amount	Exposures to be secured	Exposures secured by recognized collateral	Exposures secured by recognized guarantees	Exposures secured by recognized credit derivative contracts
		US\$	US\$	US\$	US\$	US\$
1	Loans	552,588,645	60,992,500	-	60,992,500	-
2	Debt securities	364,878,022	25,833,750	-	25,833,750	-
3	Total	917,466,667	86,826,250	-	86,826,250	-
4	Of which defaulted	1,409,142	-	-	-	-

KDB Asia Limited**Disclosure on credit risk exposures and effects of recognized credit risk mitigations - BSC approach**

30-Jun-18

		(a)	(b)	(c)	(d)	(e)	(f)
		Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
Exposure classes		US\$	US\$	US\$	US\$	US\$	Percentage
1	Sovereign exposures	8,507,126	-	13,546,597	-	13,546,597	100%
2	PSE exposures	-	-	-	-	-	0%
3	Multilateral development bank exposures	-	-	-	-	-	0%
4	Bank exposures	418,446,994	-	500,682,074	-	152,951,818	31%
5	Cash items	947	-	947	-	-	0%
6	Exposures in respect of failed delivery on transactions entered into on a basis other than a delivery-versus-payment basis	-	-	-	-	-	0%
7	Residential mortgage loans	-	-	-	-	-	0%
8	Other exposures	858,725,896	104,691,608	771,451,345	30,249,180	801,700,525	100%
9	Significant exposures to commercial entities	-	-	-	-	-	0%
10	Total	1,285,680,963	104,691,608	1,285,680,963	30,249,180	968,198,940	74%

KDB Asia Limited**Disclosure on credit risk exposures by asset classes and by risk weights - BSC approach****30-Jun-18**

		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
	Risk Weight	0%	10%	20%	35%	50%	100%	250%	Others	Total credit risk exposures amount (post CCF and post CRM)
	Exposure class	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
1	Sovereign exposures	-	-	-	-	-	13,546,597	-	-	13,546,597
2	PSE exposures	-	-	-	-	-	-	-	-	-
3	Multilateral development bank exposures	-	-	-	-	-	-	-	-	-
4	Bank exposures	-	-	434,662,819	-	-	66,019,255	-	-	500,682,074
5	Cash items	947	-	-	-	-	-	-	-	947
6	Exposures in respect of failed delivery on transactions entered into on a basis other than a delivery-versus-payment basis	-	-	-	-	-	-	-	-	-
7	Residential mortgage loans	-	-	-	-	-	-	-	-	-
8	Other exposures	-	-	14,731,083	-	15,518,097	771,451,345	-	-	801,700,525
9	Significant exposures to commercial entities	-	-	-	-	-	-	-	-	-
10	Total	947	-	449,393,902	-	15,518,097	851,017,197	-	-	1,315,930,143

KDB Asia Limited**Disclosure on analysis of counterparty default risk exposures (other than those to CCPs) by approaches**

30-Jun-18

		(a)	(b)	(c)	(d)	(e)	(f)
		Replacement cost (RC)	PFE	Effective EPE	Alpha (a) used for computing default risk exposure	Default risk exposure after CRM	RWA
		US\$	US\$	US\$		US\$	US\$
1	SA-CCR (for derivative contracts)	-	-		1.4	-	-
1a	CEM	6,026,415	1,877,696		N/A	7,904,111	2,474,542
2	IMM (CCR) approach			-	-	-	-
3	Simple Approach (for SFTs)					-	-
4	Comprehensive Approach (for SFTs)					-	-
5	VaR (for SFTs)					-	-
6	Total						2,474,542

KDB Asia Limited**Disclosure on CVA capital charge****30-Jun-18**

		(a)	(b)
		EAD post CRM	RWA
		US\$	US\$
	Netting sets for which CVA capital charge is calculated by the advanced CVA method	-	-
1	(i) VaR (after application of multiplication factor if applicable)		-
2	(ii) Stressed VaR (after application of multiplication factor if applicable)		-
3	Netting sets for which CVA capital charge is calculated by the standardized CVA method	11,015,783	4,304,487
4	Total	11,015,783	4,304,487

KDB Asia Limited**Disclosure on counterparty default risk exposures (other than those to CCPs) by asset classes and by risk weights - BSC approach**

30-Jun-18

	Risk Weight	(a)	(b)	(c)	(ca)	(d)	(f)	(ga)	(h)	(i)
		0%	10%	20%	35%	50%	100%	250%	Others	Total default risk exposure after CRM
Exposure class		US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
1	Sovereign exposures	-	-	-	-	-	-	-	-	-
2	PSE exposures	-	-	-	-	-	-	-	-	-
3	Multilateral development bank exposures	-	-	-	-	-	-	-	-	-
4	Bank exposures	-	-	6,786,961	-	-	-	-	-	6,786,961
5	CIS exposures	-	-	-	-	-	-	-	-	-
6	Other exposures	-	-	-	-	-	1,117,150	-	-	1,117,150
7	Significant exposures to commercial entities	-	-	-	-	-	-	-	-	-
8	Total	-	-	6,786,961	-	-	1,117,150	-	-	7,904,111

KDB Asia Limited**Disclosure on composition of collateral for counterparty default risk exposures (including those for contracts or transactions cleared through CCPs)**

30-Jun-18

	(a)	(b)	(c)	(d)	(e)	(f)
	Derivative contracts				SFTs	
	Fair value of recognized collateral received		Fair value of posted collateral		Fair value of recognized collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
	US\$	US\$	US\$	US\$	US\$	US\$
Cash - domestic currency	-	-	-	-	5,352,829	-
Cash - other currencies	-	-	-	-	-	-
Domestic sovereign debt	-	-	-	-	-	-
Other sovereign debt	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-
Bank bonds	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	5,175,300
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	-	-	-	-	5,352,829	5,175,300

KDB Asia Limited

Disclosure on exposures to CCPs

30-Jun-18

		(a)	(b)
		Exposure after CRM	RWA
		US\$	US\$
1	Exposures of the AI as clearing member or client to qualifying CCPs (total)		62,179
2	Default risk exposures to qualifying CCPs (excluding items disclosed in rows 7 to 10), of which:	1,911,639	38,178
3	(i) OTC derivative transactions	1,911,639	38,178
4	(ii) Exchange-traded derivative contracts	-	-
5	(iii) Securities financing transactions	-	-
6	(iv) Netting sets subject to valid cross-product netting agreements	-	-
7	Segregated initial margin	-	
8	Unsegregated initial margin	1,200,033	24,001
9	Funded default fund contributions	-	-
10	Unfunded default fund contributions	-	-
11	Exposures of the AI as clearing member or client to non-qualifying CCPs (total)		-
12	Default risk exposures to non-qualifying CCPs (excluding items disclosed in rows 17 to 20), of which:	-	-
13	(i) OTC derivative transactions	-	-
14	(ii) Exchange-traded derivative contracts	-	-
15	(iii) Securities financing transactions	-	-
16	(iv) Netting sets subject to valid cross-product netting agreements	-	-
17	Segregated initial margin	-	
18	Unsegregated initial margin	-	-
19	Funded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

KDB Asia Limited**Disclosure on market risk under STM approach**

30-Jun-18

		(a)
		RWA
		US\$
	Outright product exposures	
1	Interest rate exposures (general and specific risk)	14,278,846
2	Equity exposures (general and specific risk)	-
3	Foreign exchange (including gold) exposures	519,231
4	Commodity exposures	-
	Option exposures	
5	Simplified approach	-
6	Delta-plus approach	-
7	Other approach	-
8	Securitization exposures	-
9	Total	14,798,077