

**BANK OF CHINA INTERNATIONAL LIMITED**  
**(A RESTRICTED LICENCE BANK WHOLLY-OWNED BY BANK OF CHINA LIMITED)**

**中銀國際有限公司**  
**(中國銀行股份有限公司全資附屬之有限牌照銀行)**

**REPORT FOR THE QUARTER ENDED 31 MARCH 2023**

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**1 Key prudential ratios (unaudited)**

		31/3/2023	31/12/2022	30/09/2022	30/06/2022	31/03/2022
	<b>Regulatory capital (amount)</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
1	Common Equity Tier 1 (CET1)	1,767,559	1,763,757	1,770,852	1,758,138	1,737,969
2	Tier 1	1,767,559	1,763,757	1,770,852	1,758,138	1,737,969
3	Total capital	1,789,105	1,788,109	1,795,318	1,792,105	1,774,718
	<b>RWA (amount)</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
4	Total RWA	2,320,703	2,553,756	2,556,538	3,351,809	3,571,322
	<b>Risk-based regulatory capital ratios (as a percentage of RWA)</b>					
5	CET1 ratio (%)	76.16%	69.07%	69.27%	52.45%	48.66%
6	Tier 1 ratio (%)	76.16%	69.07%	69.27%	52.45%	48.66%
7	Total capital ratio (%)	77.09%	70.02%	70.22%	53.47%	49.69%
	<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 (%) <sup>1</sup>	0.538%	0.496%	0.523%	0.532%	0.516%
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 (%)	3.038%	2.996%	3.023%	3.032%	3.016%
12	CET1 available after meeting the AI's minimum capital requirements (%)	69.09%	62.02%	62.22%	45.47%	41.69%
	<b>Basel III leverage ratio</b>					
13	Total leverage ratio (LR) exposure measure (HK\$'000)	6,300,659	7,217,747	7,082,599	9,404,576	8,648,081
14	LR (%)	28.05%	24.43%	25.00%	18.69%	20.1%

**1 Key prudential ratios (unaudited) (continued)**

		31/03/2023	31/12/2022	30/09/2022	30/06/2022	31/03/2022
	<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 (%)	70.20%	62.17%	59.03%	51.92%	52.21%
	<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

In accordance with the Banking (Capital) Rules effective from 1 January 2007, the Company adopts the standardised approach, standardised approach, basic indicator approach and solo basis to calculate its credit risk, market risk, operational risk and capital adequacy ratio respectively.

<sup>1</sup> The applicable jurisdictional countercyclical capital buffer (CCyB) ratio for Hong Kong used in the calculation of CCyB buffer requirement was 1.0% for 2022 Q1 to 2023 Q1.

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**2 Overview of RWA (unaudited)**

	(HK\$'000)	RWA		Minimum capital requirements
		As at 31 March 2023	As at 31 December 2022	As at 31 March 2023
1	Credit risk for non-securitization exposures	1,710,063	1,939,791	136,805
2	Of which STC approach	1,710,063	1,939,791	136,805
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	13,595	10,942	1,088
7	Of which SA-CCR approach	13,595	10,942	1,088
7a	Of which CEM	-	-	-
8	Of which IMM(CCR) approach	-	-	-
9	Of which others	-	-	-
10	CVA risk	2,663	1,963	213
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	41,650	37,488	3,332
21	Of which STM approach	41,650	37,488	3,332
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
24	Operational risk	557,925	568,800	44,634
24a	Sovereign concentration risk	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% RW)	-	-	-
26	Capital floor adjustment	-	-	-
26a	Deduction to RWA	5,193	5,228	415
26b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	5,193	5,228	415
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	<b>Total</b>	<b>2,320,703</b>	<b>2,553,756</b>	<b>185,657</b>

N/A: Not applicable

Items marked with asterisk (\*) will be applicable only after their respective policy frameworks take effect. Until then, "N/A" is reported in the rows.

### 3 Leverage ratio (unaudited)

		HK\$'000 equivalent	
		As at 31 March 2023	As at 31 December 2022
<b>On-balance sheet exposures</b>			
1	On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	5,552,102	6,404,124
2	Less: Asset amounts deducted in determining Tier 1 capital	(26,581)	(29,479)
3	<b>Total on-balance sheet exposures (excluding derivative contracts and SFTs)</b>	<b>5,525,521</b>	<b>6,374,645</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)	5,787	3,529
5	Add-on amounts for PFE associated with all derivative contracts	9,892	9,901
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>15,679</b>	<b>13,430</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	760,900	831,078
18	Less: Adjustments for conversion to credit equivalent amounts	-	-
19	<b>Off-balance sheet items</b>	<b>760,900</b>	<b>831,078</b>
<b>Capital and total exposures</b>			
20	<b>Tier 1 capital</b>	<b>1,767,559</b>	<b>1,763,757</b>
20a	<b>Total exposures before adjustments for specific and collective provisions</b>	<b>6,302,100</b>	<b>7,219,153</b>
20b	<b>Adjustments for specific and collective provisions</b>	<b>(1,441)</b>	<b>(1,406)</b>
21	<b>Total exposures after adjustments for specific and collective provisions</b>	<b>6,300,659</b>	<b>7,217,747</b>
<b>Leverage ratio</b>			
22	<b>Leverage ratio</b>	<b>28.05%</b>	<b>24.43%</b>

During the first quarter of 2023, the leverage ratio exposure measure decreased, resulting in increase in leverage ratio from 24.43% to 28.05%. The decrease in exposure measure was mainly attributable by the decrease in due from banks and loans and advances to customers.