

Public Finance Limited

Regulatory Disclosure Statement

**For the position date of 31 March 2026
(Unaudited)**

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Template KM1: Key prudential ratios

The table below provides key prudential ratios.

| | | (a) | (b) | (c) | (d) | (e) |
|--------|---|------------------------|------------------------|------------------------|------------------------|------------------------|
| | | 31 March 2026 | 31 December 2025 | 30 September 2025 | 30 June 2025 | 31 March 2025 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | Regulatory capital (amount) | | | | | |
| 1 & 1a | Common Equity Tier 1 (CET1) | 1,464,849 | 1,455,778 | 1,465,383 | 1,454,285 | 1,452,785 |
| 2 & 2a | Tier 1 | 1,464,849 | 1,455,778 | 1,465,383 | 1,454,285 | 1,452,785 |
| 3 & 3a | Total capital | 1,512,817 | 1,503,251 | 1,512,457 | 1,501,329 | 1,501,057 |
| | RWA (amount) | | | | | |
| 4 | Total RWA | 4,090,214 | 4,063,499 | 3,995,926 | 3,991,437 | 4,053,040 |
| 4a | Total RWA (pre-floor) | 4,090,214 | 4,063,499 | 3,995,926 | 3,991,437 | 4,053,040 |
| | Risk-based regulatory capital ratios (as a percentage of RWA) | | | | | |
| 5 & 5a | CET1 ratio (%) | 35.81% | 35.83% | 36.67% | 36.44% | 35.84% |
| 5b | CET1 ratio (%) (pre-floor ratio) | 35.81% | 35.83% | 36.67% | 36.44% | 35.84% |
| 6 & 6a | Tier 1 ratio (%) | 35.81% | 35.83% | 36.67% | 36.44% | 35.84% |
| 6b | Tier 1 ratio (%) (pre-floor ratio) | 35.81% | 35.83% | 36.67% | 36.44% | 35.84% |
| 7 & 7a | Total capital ratio (%) | 36.99% | 36.99% | 37.85% | 37.61% | 37.04% |
| 7b | Total capital ratio (%) (pre-floor ratio) | 36.99% | 36.99% | 37.85% | 37.61% | 37.04% |
| | Additional CET1 buffer requirements (as a percentage of RWA) | | | | | |
| 8 | Capital conservation buffer requirement (%) | 2.500% | 2.500% | 2.500% | 2.500% | 2.500% |
| 9 | Countercyclical capital buffer requirement (%) | 0.500% | 0.500% | 0.500% | 0.500% | 0.500% |
| 10 | Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs) | 0% (Not applicable) | 0% (Not applicable) | 0% (Not applicable) | 0% (Not applicable) | 0% (Not applicable) |
| 11 | Total AI-specific CET1 buffer requirements (%) | 3.000% | 3.000% | 3.000% | 3.000% | 3.000% |
| 12 | CET1 available after meeting the AI's minimum capital requirements (%) | 28.99% | 28.99% | 29.85% | 29.61% | 29.04% |

| | | (a) | (b) | (c) | (d) | (e) |
|---|--|------------------|---------------------|----------------------|-----------------|------------------|
| | | 31 March 2026 | 31 December 2025 | 30 September 2025 | 30 June 2025 | 31 March 2025 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| Basel III leverage ratio | | | | | | |
| 13 | Total leverage ratio (LR) exposure measure | 6,205,995 | 6,087,210 | 5,877,237 | 5,872,421 | 6,075,555 |
| 13a | LR exposure measure based on mean values of gross assets of SFTs | Not applicable | Not applicable | Not applicable | Not applicable | Not applicable |
| 14, 14a & 14b | LR (%) | 23.60% | 23.92% | 24.93% | 24.76% | 23.91% |
| 14c & 14d | LR (%) based on mean values of gross assets of SFTs | Not applicable | Not applicable | Not applicable | Not applicable | Not applicable |
| Liquidity Coverage Ratio (LCR) / Liquidity Maintenance Ratio (LMR) | | | | | | |
| Applicable to category 1 institutions only: | | | | | | |
| 15 | Total high quality liquid assets (HQLA) | Not applicable | Not applicable | Not applicable | Not applicable | Not applicable |
| 16 | Total net cash outflows | Not applicable | Not applicable | Not applicable | Not applicable | Not applicable |
| 17 | LCR (%) | Not applicable | Not applicable | Not applicable | Not applicable | Not applicable |
| Applicable to category 2 institutions only: | | | | | | |
| 17a | LMR (%) | 57.29% | 77.93% | 56.49% | 70.33% | 67.80% |
| Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR) | | | | | | |
| Applicable to category 1 institutions only: | | | | | | |
| 18 | Total available stable funding | Not applicable | Not applicable | Not applicable | Not applicable | Not applicable |
| 19 | Total required stable funding | Not applicable | Not applicable | Not applicable | Not applicable | Not applicable |
| 20 | NSFR (%) | Not applicable | Not applicable | Not applicable | Not applicable | Not applicable |
| Applicable to category 2A institutions only: | | | | | | |
| 20a | CFR (%) | Not Applicable | Not applicable | Not applicable | Not applicable | Not applicable |

Template OV1: Overview of RWA

The table below provides an overview of RWA and the related minimum capital requirements by risk type. The Company has adopted standardised approach for both credit risk and operational risk. During the first quarter of 2026, RWA increased by HK\$26.72 million to HK\$4.09 billion, mainly due to increase in credit risk for non-securitisation exposures related to loans and advances.

| | | (a) | (b) | (c) |
|-----------|--|------------------|------------------|------------------------------|
| | | RWA | | Minimum capital requirements |
| | | 31 March 2026 | 31 December 2025 | 31 March 2026 |
| | | HK\$'000 | HK\$'000 | HK\$'000 |
| 1 | Credit risk for non-securitisation exposures | 3,684,099 | 3,644,464 | 294,728 |
| 2 | Of which STC approach | 3,684,099 | 3,644,464 | 294,728 |
| 2a | Of which BSC approach | 0 | 0 | 0 |
| 3 | Of which foundation IRB approach | 0 | 0 | 0 |
| 4 | Of which supervisory slotting criteria approach | 0 | 0 | 0 |
| 5 | Of which advanced IRB approach | 0 | 0 | 0 |
| 5a | Of which retail IRB approach | 0 | 0 | 0 |
| 5b | Of which specific risk-weight approach | 0 | 0 | 0 |
| 5c | Of which cryptoasset exposures to credit risk calculated in accordance with section 376 and Divisions 5, 6 and 8 of Part 12 of the BCR | 0 | 0 | 0 |
| 6 | Counterparty credit risk and default fund contributions | 0 | 0 | 0 |
| 7 | Of which SA-CCR approach | 0 | 0 | 0 |
| 7a | Of which CEM | 0 | 0 | 0 |
| 8 | Of which IMM(CCR) approach | 0 | 0 | 0 |
| 8a | Of which method for group 2b cryptoasset derivative contracts | 0 | 0 | 0 |
| 9 | Of which others | 0 | 0 | 0 |
| 10 | CVA risk | 0 | 0 | 0 |
| 11 | Equity positions in banking book under the simple risk-weight method and internal models method | Not applicable | Not applicable | Not applicable |
| 12 | Collective investment scheme ("CIS") exposures – look-through approach / third-party approach | Not applicable | Not applicable | Not applicable |
| 13 | CIS exposures – mandate-based approach | Not applicable | Not applicable | Not applicable |
| 14 | CIS exposures – fall-back approach | Not applicable | Not applicable | Not applicable |
| 14a | CIS exposures – combination of approaches | Not applicable | Not applicable | Not applicable |
| 15 | Settlement risk | 0 | 0 | 0 |
| 16 | Securitisation exposures in banking book | 0 | 0 | 0 |
| 17 | Of which SEC-IRBA | 0 | 0 | 0 |
| 18 | Of which SEC-ERBA (including IAA) | 0 | 0 | 0 |
| 19 | Of which SEC-SA | 0 | 0 | 0 |
| 19a | Of which SEC-FBA | 0 | 0 | 0 |

| | | (a) | (b) | (c) |
|------------|--|------------------|------------------|------------------------------|
| | | RWA | | Minimum capital requirements |
| | | 31 March 2026 | 31 December 2025 | 31 March 2026 |
| | | HK\$'000 | HK\$'000 | HK\$'000 |
| 20 | Market risk | 0 | 0 | 0 |
| 21 | Of which STM approach | 0 | 0 | 0 |
| 22 | Of which IMA | 0 | 0 | 0 |
| 22a | Of which SSTM approach | 0 | 0 | 0 |
| 23 | Capital charge for moving exposures between trading book and banking book | Not applicable | Not applicable | Not applicable |
| 24 | Operational risk | 436,050 | 447,563 | 34,884 |
| 24a | Sovereign concentration risk | 0 | 0 | 0 |
| 25 | Amounts below the thresholds for deduction (subject to 250% RW) | 25,250 | 25,275 | 2,020 |
| 26 | Output floor level applied | Not applicable | Not applicable | Not applicable |
| 27 | Floor adjustment (before application of transitional cap) | Not applicable | Not applicable | Not applicable |
| 28 | Floor adjustment (after application of transitional cap) | Not applicable | Not applicable | Not applicable |
| 28a | Deduction to RWA | 55,185 | 53,803 | 4,415 |
| 28b | Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital | 53,228 | 51,846 | 4,258 |
| 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 | 1,957 | 1,957 | 157 |
| 29 | Total | 4,090,214 | 4,063,499 | 327,217 |

Template LR2: Leverage ratio

The table below provides a detailed breakdown of the components of the LR denominator as at 31 March 2026 and 31 December 2025, respectively. There was no material change to the LR at 31 March 2026 as compared with the position date of 31 December 2025.

| | | (a) | (b) |
|--|---|------------------|---------------------|
| | | HK\$'000 | |
| | | 31 March 2026 | 31 December 2025 |
| On-balance sheet exposures | | | |
| 1 | On-balance sheet exposures (excluding derivative contracts and SFTs, but including related on-balance sheet collateral) | 6,214,080 | 6,095,961 |
| 2 | Gross-up for derivative contracts collateral provided where deducted from balance sheet assets pursuant to the applicable accounting standard | 0 | 0 |
| 3 | Less: Deductions of receivables assets for cash variation margin provided under derivative contracts | 0 | 0 |
| 4 | Less: Adjustment for assets other than money received under SFTs that are recognised as an asset | 0 | 0 |
| 5 | Less: Specific and collective provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital | (49) | (47) |
| 6 | Less: Asset amounts deducted in determining Tier 1 capital | (11,911) | (11,602) |
| 7 | Total on-balance sheet exposures (excluding derivative contracts and SFTs) (sum of rows 1 to 6) | 6,202,120 | 6,084,312 |
| 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) | 0 | 0 |
| 9 | Add-on amounts for PFE associated with all derivative contracts | 0 | 0 |
| 10 | Less: Exempted CCP leg of client-cleared trade exposures | 0 | 0 |
| 11 | Adjusted effective notional amount of written credit-related derivative contracts | 0 | 0 |
| 12 | Less: Permitted reductions in effective notional amount and permitted deductions from add-on amounts for PFE of written credit-related derivative contracts | 0 | 0 |
| 13 | Total exposures arising from derivative contracts (sum of rows 8 to 12) | 0 | 0 |
| Exposures arising from SFTs | | | |
| 14 | Gross amount of SFT assets (with no recognition of netting), after adjusting for sale accounting transactions | 0 | 0 |
| 15 | Less: Netted amounts of cash payables and cash receivables of gross SFT assets | 0 | 0 |
| 16 | CCR exposure for SFT assets | 0 | 0 |
| 17 | Agent transaction exposures | 0 | 0 |
| 18 | Total exposures arising from SFTs (sum of rows 14 to 17) | 0 | 0 |

| | | (a) | (b) |
|--|--|------------------|---------------------|
| | | HK\$'000 | |
| | | 31 March 2026 | 31 December 2025 |
| Other off-balance sheet exposures | | | |
| 19 | Off-balance sheet exposure at gross notional amount | 38,749 | 28,981 |
| 20 | Less: Adjustments for conversion to credit equivalent amounts | (34,874) | (26,083) |
| 21 | Less: Specific and collective provisions associated with off-balance sheet exposures that are deducted from Tier 1 capital | 0 | 0 |
| 22 | Off-balance sheet items (sum of rows 19 to 21) | 3,875 | 2,898 |
| Capital and total exposures | | | |
| 23 | Tier 1 capital | 1,464,849 | 1,455,778 |
| 24 | Total exposures (sum of rows 7, 13, 18 and 22) | 6,205,995 | 6,087,210 |
| Leverage ratio | | | |
| 25 & 25a | Leverage ratio | 23.60% | 23.92% |
| 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 | Not applicable | Not applicable |
| 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 | Not applicable | Not applicable |
| 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) | Not applicable | Not applicable |
| 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) | Not applicable | Not applicable |

Glossary

| <u>Abbreviations</u> | <u>Descriptions</u> |
|----------------------|---|
| AI | Authorised Institution |
| BSC Approach | Basic Approach |
| CCP | Central Counterparty |
| CCR | Counterparty Credit Risk |
| CEM | Current Exposure Method |
| CET1 | Common Equity Tier 1 |
| CFR | Core Funding Ratio |
| CIS | Collective Investment Scheme |
| CVA | Credit Valuation Adjustment |
| D-SIBs | Domestic Systemically Important Banks |
| FBA | Fall-Back Approach |
| G-SIBs | Global Systemically Important Banks |
| HQLA | High Quality Liquid Assets |
| IAA | Internal Assessment Approach |
| IMA | Internal Models Approach |
| IMM(CCR) Approach | Internal Models (Counterparty Credit Risk) Approach |
| IRB Approach | Internal Ratings-Based Approach |
| LCR | Liquidity Coverage Ratio |
| LMR | Liquidity Maintenance Ratio |
| LR | Leverage Ratio |
| NSFR | Net Stable Funding Ratio |
| PFE | Potential Future Exposure |
| RW | Risk-Weight |
| RWA | Risk Weighted Asset/Risk-Weighted Amount |
| SA-CCR | Standardised Approach (Counterparty Credit Risk) |
| SEC-ERBA | Securitisation External Ratings-Based Approach |
| SEC-FBA | Securitisation Fall-Back Approach |
| SEC-IRBA | Securitisation Internal Ratings-Based Approach |
| SEC-SA | Securitisation Standardised Approach |

Glossary

Abbreviations

Descriptions

| | |
|---------------|--|
| SFT | Securities Financing Transaction |
| SSTM Approach | Simplified Standardised (Market Risk) Approach |
| STC Approach | Standardised (Credit Risk) Approach |
| STM Approach | Standardised (Market Risk) Approach |