

**ALLIED BANKING CORPORATION (HONG KONG) LIMITED**

Quarterly Pillar 3 Regulatory Disclosures

30 September 2022

(Unaudited)

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**REGULATORY DISCLOSURES**
**Template KM1 : Key Prudential Ratios**
**30 September 2022**

(HK\$ '000)		30-Sep-22	30-Jun-22	31-Mar-22	31-Dec-21	30-Sep-21
	<b>Regulatory capital (amount)</b>					
1	Common equity Tier 1 (CET1)	481,283	476,094	472,214	468,133	463,996
2	Tier 1	481,283	476,094	472,214	470,203	466,066
3	Total capital	510,014	504,825	500,938	498,927	495,015
	<b>RWA (amount)</b>					
4	Total RWA	1,273,990	1,300,093	1,314,093	1,320,431	1,406,253
	<b>Risk-based regulatory capital ratios (as a percentage of RWA)</b>					
5	CET1 ratio (%)	37.78%	36.62%	35.93%	35.45%	33.00%
6	Tier 1 ratio (%)	37.78%	36.62%	35.93%	35.61%	33.14%
7	Total capital ratio (%)	40.03%	38.83%	38.12%	37.79%	35.20%
	<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 (%)	1.000%	1.000%	1.000%	1.000%	1.000%
10	Higher loss absorbency requirements (%) (applicable only to G-SIBS or D-SIBs)	0.00%	0.00%	0.00%	0.00%	0.00%
11	Total AI-specific CET1 buffer requirements (%)	3.50%	3.50%	3.50%	3.50%	3.50%
12	CET1 available after meeting the AI's minimum capital requirements (%)	37.53%	26.33%	25.62%	25.29%	22.70%
	<b>Basel III leverage ratio</b>					
13	Total leverage ratio (LR) exposure measure	1,584,455	1,609,138	1,555,931	1,606,260	1,699,464
14	LR (%)	30.38%	29.59%	30.35%	29.27%	27.42%
	<b>Liquidity Coverage Ratio (LCR) / Liquidity Maintenance Ratio (LMR)</b>					
	Applicable to category 1 institution only:					
15	Total high quality liquid assets (HQLA)	NA	NA	NA	NA	NA
16	total net cash outflows	NA	NA	NA	NA	NA
17	LCR (%)	NA	NA	NA	NA	NA
	Applicable to category 2 institution only:					
17a	LMR (%)	117.20%	120.11%	116.99%	98.55%	81.26%
	<b>Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)</b>					
	Applicable to category 1 institution only:					
18	Total available stable funding	NA	NA	NA	NA	NA
19	Total required stable funding	NA	NA	NA	NA	NA
20	NSFR (%)	NA	NA	NA	NA	NA
	Applicable to category 2A institution only:					
20a	CFR (%)	NA	NA	NA	NA	NA



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## Template OV1: Overview of Risk-Weighted Assets (RWA)

The table below provides an overview of capital requirements in terms of a detailed breakdown of RWAs for various risks as at 30 September 2022 and 30 June 2022 respectively:

		(HK\$ '000)		
		(a)	(b)	(c)
		RWA		Minimum capital requirements
		September 2022	June 2022	September 2022
1	<b>Credit risk for non-securitization exposures</b>	<b>1,179,539</b>	<b>1,204,374</b>	<b>147,442</b>
2	Of which STC approach	0	0	0
2a	Of which BSC approach	1,179,539	1,204,374	147,442
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
6	Counterparty default risk and default fund contributions	<b>3,793</b>	<b>3,836</b>	<b>474</b>
7	Of which SA-CCR	NA	NA	NA
7a	Of which CEM	3,793	3,836	474
8	Of which IMM(CCR) approach	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	0	0	0
12	Collective investment scheme ("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	0	0	0
16	<b>Securitization exposures in banking book</b>	<b>0</b>	<b>0</b>	<b>0</b>
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
20	<b>Market risk</b>	<b>15,725</b>	<b>15,813</b>	<b>1,966</b>
21	Of which STM approach	15,725	15,813	1,966
22	Of which IMM approach	0	0	0
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	103,288	104,425	12,911
24a	Sovereign concentration risk	0	0	0
25	Amounts below the thresholds for deduction (subject to 250% RW)	0	0	0
26	Capital floor adjustment	0	0	0
26a	<b>Deduction to RWA</b>	<b>28,355</b>	<b>28,355</b>	<b>3,544</b>
26b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	0	0	0
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	28,355	28,355	3,544
27	<b>Total</b>	<b>1,273,990</b>	<b>1,300,093</b>	<b>159,249</b>

**Template LR2 : Leverage ratio ("LR")**
**30 September 2022**

		<b>Leverage Ratio framework (HK\$ '000)</b>	
		<b>As at 30 Sep 2022</b>	<b>As at 30 Jun 2022</b>
<b>On-balance sheet exposures</b>			
1	On-balance sheet exposures (excluding those arising from derivatives contracts and SFTs, but including collateral)	1,607,499	1,633,813
2	Less: Asset amounts deducted in determining Tier 1 capital	(51,555)	(51,555)
3	<b>Total on-balance sheet exposures (excluding derivatives contracts and SFTs)</b>	<b>1,555,944</b>	<b>1,582,258</b>
<b>Exposures arising from derivative contracts</b>			
4	Replacement cost associated with all derivatives contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	993	1,299
5	Add-on amounts for PFE associated with all derivatives contracts	17,974	17,879
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	0	0
7	Less: Deductions of receivables assets for cash variation margin provided under derivatives contracts	0	0
8	Less: Exempted CCP leg of client-cleared trade exposures	0	0
9	Adjusted effective notional amount of written credit derivatives contracts	0	0
10	Less: Adjusted effective notional offsets and add-on deductions for written credit derivatives contracts	0	0
11	<b>Total exposures arising from derivative contracts</b>	<b>18,967</b>	<b>19,178</b>
<b>Exposures arising from securities financing transactions (SFTs)</b>			
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	0	0
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	0	0
14	CCR exposure for SFT assets	0	0
15	Agent transaction exposures	0	0
16	<b>Total exposures arising from SFTs</b>	<b>0</b>	<b>0</b>
<b>Other off-balance sheet exposures</b>			
17	Off-balance sheet exposure at gross notional amount	92,678	74,321
18	Less: Adjustments for conversion to credit equivalent amounts	(83,134)	(66,619)
19	<b>Off-balance sheet items</b>	<b>9,544</b>	<b>7,702</b>
<b>Capital and total exposures</b>			
20	<b>Tier 1 capital</b>	<b>481,283</b>	<b>476,094</b>
20a	<b>Total exposures before adjustments for specific and collective provisions</b>	<b>1,584,455</b>	<b>1,609,138</b>
20b	<b>Adjustments for specific and collective provisions</b>	<b>0</b>	<b>0</b>
21	<b>Total exposures after adjustments for specific and collective provision</b>	<b>1,584,455</b>	<b>1,609,138</b>
<b>Leverage ratio</b>			
22	<b>Leverage ratio</b>	<b>30.38%</b>	<b>29.59%</b>