ALLIED BANKING CORPORATION (HONG KONG) LIMITED

Quarterly Pillar 3 Regulatory Disclosures

30 September 2023

(Unaudited)

Table of contents

ALLIED BANKING CORPORATION (HONG KONG) LIMITED

REGULATORY DISCLOSURES

Template KM1 : Key Prudential Ratios

30 September 2023

(HK$ '000)		30-Sep-23	30-Jun-23	31-Mar-23	31-Dec-22	30-Sep-22
	Regulatory capital (amount)					
1	Common equity Tier 1 (CET1)	501,755	496,075	490,887	487,286	481,283
2	Tier 1	501,755	496,075	490,887	487,286	481,283
3	Total capital	529,137	523,457	518,257	514,649	510,014
	RWA (amount)					
4	Total RWA	1,353,038	1,300,171	1,295,657	1,254,128	1,273,990
	Risk-based regulatory capital ratios (as a percentage of RWA)					
5	CET1 ratio (%)	37.08%	38.15%	37.89%	38.85%	37.78%
6	Tier 1 ratio (%)	37.08%	38.15%	37.89%	38.85%	37.78%
7	Total capital ratio (%)	39.11%	40.26%	40.00%	41.04%	40.03%
	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 (%)	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 (%)	26.62%	29.82%	29.82%	29.47%	37.53%
	Basel III leverage ratio					
13	Total leverage ratio (LR) exposure measure	1,695,175	1,502,846	1,514,197	1,567,109	1,584,455
14	LR (%)	29.60%	33.01%	32.42%	31.09%	30.38%
	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	NA	NA	NA	NA	NA
17	LCR (%)	NA	NA	NA	NA	NA
	Applicable to category 2 institution only:					
17a	LMR (%)	113.74%	132.79%	140.62%	116.15%	117.20%
	Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)					
	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

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 2023 and 30 June 2023 respectively:

		(HK$ '000)		
		(a)	(b)	(c)
		RWA		Minimum capital requirements
		September 2023	June 2023	September 2023
1	**Credit risk for non-securitization exposures**	**1,253,492**	**1,202,394**	**156,687**
2	Of which STC approach	0	0	0
2a	Of which BSC approach	1,253,492	1,202,394	156,687
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	**4,375**	**4,000**	**547**
7	Of which SA-CCR	NA	NA	NA
7a	Of which CEM	4,375	4,000	547
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	**Securitization 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
20	**Market risk**	**16,038**	**15,800**	**2,005**
21	Of which STM approach	16,038	15,800	2,005
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	105,838	104,025	13,230
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	**Deduction to RWA**	**26,705**	**26,705**	**3,338**
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	26,705	26,705	3,338
27	**Total**	**1,353,038**	**1,299,514**	**169,130**

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Template LR2 : Leverage ratio ("LR")

30-Sep-23

		Leverage Ratio framework (HK$ '000)	
		As at 30 Sep 2023	**As at 30 Jun 2023**
On-balance sheet exposures			
1	On-balance sheet exposures (excluding those arising from derivatives contracts and SFTs, but including collateral)	1,713,486	1,518,351
2	Less: Asset amounts deducted in determining Tier 1 capital	-48,555	-48,555
3	**Total on-balance sheet exposures (excluding derivatives contracts and SFTs)**	1,664,931	1,469,796
Exposures arising from derivative contracts			
4	Replacement cost associated with all derivatives contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	1,274	1,575
5	Add-on amounts for PFE associated with all derivatives contracts	20,604	18,428
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	**Total exposures arising from derivative contracts**	21,878	20,003
Exposures arising from securities financing transactions (SFTs)			
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	**Total exposures arising from SFTs**	0	0
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	80,963	89,348
18	Less: Adjustments for conversion to credit equivalent amounts	(72,897)	-80,143
19	**Off-balance sheet items**	8,066	9,205
Capital and total exposures			
20	**Tier 1 capital**	501,755	496,075
20a	**Total exposures before adjustments for specific and collective provisions**	1,694,875	1,499,004
20b	**Adjustments for specific and collective povisions**	0	0
21	**Total exposures after adjustments for specific and collective provision**	1,694,875	1,499,004
Leverage ratio			
22	**Leverage ratio**	**29.60%**	**33.09%**