

# Regulatory Disclosures

## 31 March 2026



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## KM1: Key prudential ratios

	(a)	(b)	(c)	(d)	(e)	
	At 31 March 2026	At 31 December 2025	At 30 September 2025	At 30 June 2025	At 31 March 2025	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
<b>Regulatory capital (amount)</b>						
1 & 1a	Common Equity Tier 1 ("CET1")	57,603,129	56,493,955	55,206,228	54,778,220	53,493,861
2 & 2a	Tier 1	65,025,155	63,915,981	62,628,254	62,200,246	60,915,887
3 & 3a	Total capital	76,755,373	75,420,583	74,379,331	73,956,700	72,862,011
<b>RWA (amount)</b>						
4	Total RWA	364,775,312	353,326,434	357,267,148	351,307,335	355,712,305
4a	Total RWA (pre-floor)	364,775,312	353,326,434	357,267,148	351,307,335	355,712,305
<b>Risk-based regulatory capital ratios (as a percentage of RWA)</b>						
5 & 5a	CET1 ratio (%)	15.79%	15.99%	15.45%	15.59%	15.04%
5b	CET1 ratio (%) (pre-floor ratio)	15.79%	15.99%	15.45%	15.59%	15.04%
6 & 6a	Tier 1 ratio (%)	17.83%	18.09%	17.53%	17.71%	17.13%
6b	Tier 1 ratio (%) (pre-floor ratio)	17.83%	18.09%	17.53%	17.71%	17.13%
7 & 7a	Total capital ratio (%)	21.04%	21.35%	20.82%	21.05%	20.48%
7b	Total capital ratio (%) (pre-floor ratio)	21.04%	21.35%	20.82%	21.05%	20.48%
<b>Additional CET1 buffer requirements (as a percentage of RWA)</b>						
8	Capital conservation buffer requirement (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical capital buffer requirement (%)	0.31%	0.31%	0.30%	0.31%	0.30%
10	Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	-	-	-	-	-
11	Total AI-specific CET1 buffer requirements (%)	2.81%	2.81%	2.80%	2.81%	2.80%
12	CET1 available after meeting the AI's minimum capital requirements (%)	11.29%	11.49%	10.95%	11.09%	10.54%
<b>Basel III leverage ratio</b>						
13	Total leverage ratio ("LR") exposure measure	601,525,927	599,726,511	585,126,715	583,104,589	590,972,515
13a	LR exposure measure based on mean values of gross assets of SFTs	598,238,612	596,241,183	585,192,605	583,230,224	590,720,247
14, 14a & 14b	LR (%)	10.81%	10.66%	10.70%	10.67%	10.31%
14c & 14d	LR (%) based on mean values of gross assets of SFTs	10.87%	10.72%	10.70%	10.66%	10.31%
<b>Liquidity Coverage Ratio ("LCR") / Liquidity Maintenance Ratio ("LMR")</b>						
Applicable to category 1 institutions only:						
15	Total high quality liquid assets ("HQLA")	103,310,072	103,704,000	98,795,168	89,069,399	89,333,007
16	Total net cash outflows	58,512,682	55,582,673	51,684,996	49,681,461	34,795,301
17	LCR (%)	177.91%	188.43%	194.13%	181.32%	261.91%
Applicable to category 2 institutions only:						
17a	LMR (%)	N/A	N/A	N/A	N/A	N/A
<b>Net Stable Funding Ratio ("NSFR") / Core Funding Ratio ("CFR")</b>						
Applicable to category 1 institutions only:						
18	Total available stable funding	387,569,121	387,571,085	383,859,483	381,320,474	389,981,281
19	Total required stable funding	276,892,297	269,699,188	270,326,066	270,057,079	274,896,171
20	NSFR (%)	139.97%	143.70%	142.00%	141.20%	141.86%
Applicable to category 2A institutions only:						
20a	CFR (%)	N/A	N/A	N/A	N/A	N/A

## OV1: Overview of RWA

		(a)	(b)	(c)
		RWA		Minimum capital requirements
		At 31 March 2026	At 31 December 2025	At 31 March 2026
		HK\$'000	HK\$'000	HK\$'000
1	Credit risk for non-securitization exposures	349,287,180	337,556,170	27,942,975
2	Of which STC approach	349,287,180	337,556,170	27,942,975
2a	Of which BSC approach	-	-	-
3	Of which foundation IRB approach	-	-	-
4	Of which supervisory slotting criteria approach	-	-	-
5	Of which advanced IRB approach	-	-	-
5a	Of which retail IRB approach	-	-	-
5b	Of which specific risk-weight approach	-	-	-
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	-	N/A	-
6	Counterparty credit risk and default fund contributions	1,063,223	986,887	85,058
7	Of which SA-CCR approach	852,817	915,264	68,225
7a	Of which CEM	-	-	-
8	Of which IMM(CCR) approach	-	-	-
8a	Of which method for group 2b cryptoasset derivative contracts	-	N/A	-
9	Of which others	210,406	71,623	16,833
10	CVA risk	399,125	392,413	31,930
11	Equity positions in banking book under the simple risk-weight method and internal models method	N/A	N/A	N/A
12	Collective investment scheme ("CIS") exposures – look-through approach / third-party approach	-	-	-
13	CIS exposures – mandate-based approach	-	-	-
14	CIS exposures – fall-back approach	-	-	-
14a	CIS exposures – combination of approaches	-	-	-
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	2,827,825	3,453,725	226,226
21	Of which STM approach	2,827,825	3,453,725	226,226
22	Of which IMA	-	-	-
22a	Of which SSTM approach	-	-	-
23	Capital charge for moving exposures between trading book and banking book	-	-	-
24	Operational risk	9,559,250	9,373,313	764,740
24a	Sovereign concentration risk	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% RW)	4,480,828	4,403,066	358,466
26	Output floor level applied	N/A	N/A	N/A
27	Floor adjustment (before application of transitional cap)	-	-	-
28	Floor adjustment (after application of transitional cap)	N/A	N/A	N/A
28a	Deduction to RWA	2,842,119	2,839,140	227,370

**OV1: Overview of RWA (continued)**

		(a)	(b)	(c)
		RWA		Minimum capital requirements
		At 31 March 2026	At 31 December 2025	At 31 March 2026
		HK\$'000	HK\$'000	HK\$'000
28b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	-	-	-
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	2,842,119	2,839,140	227,370
29	<b>Total</b>	<b>364,775,312</b>	<b>353,326,434</b>	<b>29,182,025</b>

*N/A: Not applicable in the case of Hong Kong*

## LR2: Leverage ratio

		(a)	(b)
		At 31 March 2026	At 31 December 2025
		HK\$'000	HK\$'000
<b>On-balance sheet exposures</b>			
1	On-balance sheet exposures (excluding derivative contracts and SFTs, but including related on-balance sheet collateral)	562,903,281	564,878,840
2	Gross-up for derivative contracts collateral provided where deducted from balance sheet assets pursuant to the applicable accounting standard	-	-
3	Less: Deductions of receivables assets for cash variation margin provided under derivative contracts	(435,977)	(705,886)
4	Less: Adjustment for assets other than money received under SFTs that are recognised as an asset	-	-
5	Less: Specific and collective provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital	(4,407,322)	(4,086,681)
6	Less: Asset amounts deducted in determining Tier 1 capital	(9,650,837)	(9,603,013)
7	<b>Total on-balance sheet exposures (excluding derivative contracts and SFTs) (sum of rows 1 to 6)</b>	<b>548,409,145</b>	<b>550,483,260</b>
<b>Exposures arising from derivative contracts</b>			
8	Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	506,806	746,788
9	Add-on amounts for PFE associated with all derivative contracts	2,537,496	2,261,669
10	Less: Exempted CCP leg of client-cleared trade exposures	-	-
11	Adjusted effective notional amount of written credit-related derivative contracts	-	-
12	Less: Permitted reductions in effective notional amount and permitted deductions from add-on amounts for PFE of written credit-related derivative contracts	-	-
13	<b>Total exposures arising from derivative contracts (sum of rows 8 to 12)</b>	<b>3,044,302</b>	<b>3,008,457</b>
<b>Exposures arising from SFTs</b>			
14	Gross amount of SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	10,243,116	4,557,392
15	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
16	CCR exposure for SFT assets	387,507	188,617
17	Agent transaction exposures	-	-
18	<b>Total exposures arising from SFTs (sum of rows 14 to 17)</b>	<b>10,630,623</b>	<b>4,746,009</b>
<b>Other off-balance sheet exposures</b>			
19	Off-balance sheet exposure at gross notional amount	155,255,098	151,383,471
20	Less: Adjustments for conversion to credit equivalent amounts	(115,717,153)	(109,817,000)
21	Less: Specific and collective provisions associated with off-balance sheet exposures that are deducted from Tier 1 capital	(96,088)	(77,686)
22	<b>Off-balance sheet items (sum of rows 19 to 21)</b>	<b>39,441,857</b>	<b>41,488,785</b>
<b>Capital and total exposures</b>			
23	<b>Tier 1 capital</b>	<b>65,025,155</b>	<b>63,915,981</b>
24	<b>Total exposures (sum of rows 7, 13, 18 and 22)</b>	<b>601,525,927</b>	<b>599,726,511</b>
<b>Leverage ratio</b>			
25 & 25a	<b>Leverage ratio</b>	<b>10.81%</b>	<b>10.66%</b>
26	<b>Minimum leverage ratio requirement</b>	<b>3.00%</b>	<b>3.00%</b>
27	<b>Applicable leverage buffers</b>	<b>N/A</b>	<b>N/A</b>

**LR2: Leverage ratio (continued)**

		(a)	(b)
		At 31 March 2026	At 31 December 2025
		HK\$'000	HK\$'000
<b>Disclosure of mean values</b>			
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	6,955,801	1,072,064
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	10,243,116	4,557,392
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)	598,238,612	596,241,183
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)	10.87%	10.72%
<i>N/A: Not applicable in the case of Hong Kong</i>			

## LIQ1: Liquidity Coverage Ratio – for category 1 institution

		(a)	(b)
Number of data points used in calculating the average value of the LCR and related components set out in this template: 73		Quarter ended 31 March 2026	
Basis of disclosure: consolidated		Unweighted value (average)	Weighted value (average)
		HK\$'000	HK\$'000
<b>A. HQLA</b>			
1	Total HQLA		103,310,072
<b>B. CASH OUTFLOWS</b>			
2	Retail deposits and small business funding, of which:	236,335,015	14,342,117
3	<i>Stable retail deposits and stable small business funding</i>	43,037,590	1,291,128
4	<i>Less stable retail deposits and less stable small business funding</i>	58,700,229	5,870,023
4a	<i>Retail term deposits and small business term funding</i>	134,597,196	7,180,966
5	Unsecured wholesale funding (other than small business funding), and debt securities and prescribed instruments issued by the AI, of which:	102,276,115	55,133,208
6	<i>Operational deposits</i>	12,742,164	2,904,178
7	<i>Unsecured wholesale funding (other than small business funding) not covered in Row 6</i>	87,157,881	49,852,960
8	<i>Debt securities and prescribed instruments issued by the AI and redeemable within the LCR period</i>	2,376,070	2,376,070
9	Secured funding transactions (including securities swap transactions)		741,042
10	Additional requirements, of which:	64,875,600	15,470,412
11	<i>Cash outflows arising from derivative contracts and other transactions, and additional liquidity needs arising from related collateral requirements</i>	4,556,264	4,556,264
12	<i>Cash outflows arising from obligations under structured financing transactions and repayment of funding obtained from such transactions</i>	-	-
13	<i>Potential drawdown of undrawn committed facilities (including committed credit facilities and committed liquidity facilities)</i>	60,319,336	10,914,148
14	Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows	6,174,964	6,174,964
15	Other contingent funding obligations (whether contractual or non-contractual)	201,235,856	2,592,127
16	<b>TOTAL CASH OUTFLOWS</b>		<b>94,453,870</b>
<b>C. CASH INFLOWS</b>			
17	Secured lending transactions (including securities swap transactions)	1,125,647	1,125,647
18	Secured and unsecured loans (other than secured lending transactions covered in Row 17) and operational deposits placed at other financial institutions	70,225,553	26,938,299
19	Other cash inflows	7,964,735	7,877,242
20	<b>TOTAL CASH INFLOWS</b>	<b>79,315,935</b>	<b>35,941,188</b>
<b>D. LIQUIDITY COVERAGE RATIO</b>			<b>Adjusted value</b>
21	<b>TOTAL HQLA</b>		<b>103,310,072</b>
22	<b>TOTAL NET CASH OUTFLOWS</b>		<b>58,512,682</b>
23	<b>LCR (%)</b>		<b>177.91%</b>

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## LIQ1: Liquidity Coverage Ratio – for category 1 institution (continued)

Notes:

The weighted amount of HQLA is to be calculated as the amount after applying the haircuts as required under the Banking (Liquidity) Rules.

The unweighted amounts of cash inflows and cash outflows are to be calculated as the principal amounts in the calculation of the LCR as required under the Banking (Liquidity) Rules.

The weighted amounts of cash inflows and cash outflows are to be calculated as the amounts after applying the inflow and outflow rates as required under the Banking (Liquidity) Rules.

The adjusted value of total HQLA and the total net cash outflows have taken into account any applicable ceiling as required under the Banking (Liquidity) Rules.

In the first quarter of 2026, the Group has maintained a healthy liquidity position. The LCR remained stable and there was no material change compared with the last quarter. The average LCR of the first quarter of 2026 was 177.91%. The average HKD level 1 HQLA to HKD net cash outflow ratio of the first quarter of 2026 was 219.25%, well above the regulatory requirement of 20%. The ratios have maintained at stable and healthy levels.

The HQLA consists of cash, balances at central banks and high quality marketable securities issued or guaranteed by sovereigns, central banks, public sector entities or multilateral development banks and non-financial corporate debt securities. In the first quarter of 2026, the majority of the HQLA was composed of Level 1 HQLA.

The net cash outflow was mainly from retail and corporate customer deposit which are the Group's primary source of funds, together with deposit and balance from bank and other financial institution. To ensure stable, sufficient and diversified source of funds, the Group actively attracts new deposits, keeps the core deposit and obtains supplementary funding from the interbank market. Other cash outflow, such as commitment, cash outflow under derivative contract and potential collateral requirement, were minimal to the LCR.