



創興銀行有限公司
Chong Hing Bank Limited
(Incorporated in Hong Kong with limited liability)

REGULATORY DISCLOSURES

30 June 2021

(Unaudited)

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Regulatory disclosures (unaudited)

Introduction

The information contained in this document is for Chong Hing Bank Limited ("the Bank") and its subsidiaries ("the Group") to comply with the Banking (Disclosure) Rules ("BDR") made under section 60A of the Banking Ordinance. It should be read in conjunction with the Group's consolidated financial statements. The banking disclosures are prepared in accordance with the BDR and disclosure templates issued by the Hong Kong Monetary Authority ("HKMA"). It has been prepared on a consolidated basis for regulatory purposes which is different from the consolidated basis for accounting purposes. Information regarding subsidiaries that are not included in the consolidation for regulatory purpose is set out in the "Basis of Consolidation section" of the Group's consolidated financial statements.

The approaches used in calculating the Group's regulatory capital and risk-weighted assets are in accordance with the Banking (Capital) Rules. The Group uses the standardised (credit risk) approach to calculate its credit risk. For counterparty credit risk, the Group uses the standardised approach (counterparty credit risk) to calculate its default risk exposures starting from 30 June 2021. For market risk, the Group uses the standardised (market risk) approach to calculate its market risk. For operational risk, the Group uses the basic indicator approach to calculate its operational risk.

A disclosure policy has been put in place for the disclosure of material information (including inside information) relating to the businesses, state of affairs, profit or loss and capital adequacy ratio to the stakeholders and the public in compliance with the disclosure obligations required by the Listing Rules, the Banking Ordinance, the Securities and Futures Ordinance and other applicable laws, rules and regulations. The banking disclosures are governed by the Group's disclosure policy, which have been approved by the Board. The disclosure policy sets out the governance, control and assurance requirements for publication of the document. The banking disclosures are reviewed by independent party in accordance with the Group's disclosure policy.

The Group's Banking Disclosure Statement at 30 June 2021 comprises Pillar 3 information required under the framework of the Basel committee on Banking Supervision ("BCBS"). The disclosures are made in accordance with the latest BDR issued by the HKMA.

According to the BDR, disclosure of comparative information is not required unless otherwise specified in the standard disclosure templates. Prior period disclosures can be found in the Regulatory Disclosures section of our website, www.chbank.com.

Part I : Key prudential ratios and overview of RWA (unaudited)
KM1: Key prudential ratios

		(a)	(b)	(c)	(d)	(e)
		As at 30 June 2021	As at 31 March 2021	As at 31 December 2020	As at 30 September 2020	As at 30 June 2020
In HK\$'000						
	Regulatory capital (amount)					
1	Common Equity Tier 1 (CET1)	20,466,063	20,304,706	19,801,977	19,270,109	18,607,137
2	Tier 1	25,894,059	25,732,702	25,229,973	24,702,085	21,718,452
3	Total Capital	30,258,589	30,074,871	29,500,484	29,243,686	26,178,291
	RWA (amount)					
4	Total RWA	182,464,542	178,286,936	175,701,930	167,505,763	159,611,389
	Risk-based regulatory capital ratios (as a percentage of RWA)					
5	CET1 ratio (%)	11.22%	11.39%	11.27%	11.50%	11.66%
6	Tier 1 ratio (%)	14.19%	14.43%	14.36%	14.75%	13.61%
7	Total capital ratio (%)	16.58%	16.87%	16.79%	17.46%	16.40%
	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 (%)	0.625%	0.651%	0.667%	0.672%	0.686%
10	Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	-	-	-	-	-
11	Total AI-specific CET1 buffer requirements (%)	3.125%	3.151%	3.167%	3.172%	3.186%
12	CET1 available after meeting the AI's minimum capital requirements (%)	6.72%	6.89%	6.77%	7.00%	7.16%
	Basel III leverage ratio					
13	Total leverage ratio (LR) exposure measure	251,347,508	252,208,811	243,075,559	232,051,128	226,868,092
14	LR (%)	10.30%	10.20%	10.38%	10.65%	9.57%
	Liquidity Maintenance Ratio (LMR)					
17a	LMR (%)	46.88%	44.56%	46.01%	45.01%	44.71%
	Core Funding Ratio (CFR)					
20a	CFR (%)	181.89%	175.37%	174.32%	163.42%	160.39%

Part I : Key prudential ratios and overview of RWA (unaudited)
OV1: Overview of RWA

The following table sets out the RWA by risk types and the corresponding minimum capital requirements (i.e. 8% of RWA), as required by the HKMA.

		(a)	(b)	(c)
		RWA		Minimum capital requirements
In HK\$'000		As at 30 June 2021	As at 31 March 2021	As at 30 June 2021
1	Credit risk for non-securitization exposures	168,075,246	163,974,761	13,446,020
2	Of which STC approach	168,075,246	163,974,761	13,446,020
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	847,061	863,343	67,765
7	Of which SA-CCR approach	584,302	Not applicable	46,744
7a	Of which CEM	-	828,603	-
8	Of which IMM(CCR) approach	-	-	-
9	Of which others	262,759	34,740	21,021
10	CVA risk	179,588	318,713	14,367
11	Equity positions in banking book under the simple risk-weight method and internal models method	-	-	-
12	Collective investment scheme ("CIS") exposures – LTA	Not applicable	Not applicable	Not applicable
13	CIS exposures – MBA	Not applicable	Not applicable	Not applicable
14	CIS exposures – FBA	Not applicable	Not applicable	Not applicable
14a	CIS exposures – combination of approaches	Not applicable	Not applicable	Not applicable
15	Settlement risk	-	-	-
16	Securitization exposures in banking book	9,011	8,883	721
17	Of which SEC-IRBA	-	-	-
18	Of which SEC-ERBA (including IAA)	-	-	-
19	Of which SEC-SA	9,011	8,883	721
19a	Of which SEC-FBA	-	-	-
20	Market risk	5,861,688	5,672,775	468,935
21	Of which STM approach	5,861,688	5,672,775	468,935
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)	Not applicable	Not applicable	Not applicable
24	Operational risk	7,090,913	7,044,600	567,273
24a	Sovereign concentration risk	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% RW)	531,423	531,423	42,514
26	Capital floor adjustment	-	-	-
26a	Deduction to RWA	130,388	127,562	10,431
26b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	-	-	-
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	130,388	127,562	10,431
27	Total	182,464,542	178,286,936	14,597,164

Total RWA increased by HK\$4.2 billion as compared with last quarter. RWA for credit risk for non-securitization exposures was the main contributor and the key driver for the increase was the increase in corporate exposures.

Part IIA : Composition of regulatory capital (unaudited)
 CC1: Composition of regulatory capital

As at 30 June 2021

		(a)	(b)
		Amount	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
In HK\$'000			
CET1 capital: instruments and reserves			
1	Directly issued qualifying CET1 capital instruments plus any related share premium	9,980,884	(7)
2	Retained earnings	9,550,034	(9)
3	Disclosed reserves	2,760,936	(11)
4	Directly issued capital subject to phase-out arrangements from CET1 (only applicable to non-joint stock companies)	Not applicable	Not applicable
5	Minority interests arising from CET1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in CET1 capital of the consolidation group)	-	
6	CET1 capital before regulatory deductions	22,291,854	
CET1 capital: regulatory deductions			
7	Valuation adjustments	3,504	
8	Goodwill (net of associated deferred tax liabilities)	-	
9	Other intangible assets (net of associated deferred tax liabilities)	836,659	(4)
10	Deferred tax assets (net of associated deferred tax liabilities)	26,254	(3)
11	Cash flow hedge reserve	-	
12	Excess of total EL amount over total eligible provisions under the IRB approach	-	
13	Credit-enhancing interest-only strip, and any gain-on-sale and other increase in the CET1 capital arising from securitization transactions	-	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	
15	Defined benefit pension fund net assets (net of associated deferred tax liabilities)	32,305	(2) - (6)
16	Investments in own CET1 capital instruments (if not already netted off paid-in capital on reported balance sheet)	-	
17	Reciprocal cross-holdings in CET1 capital instruments	-	
18	Insignificant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
19	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
20	Mortgage servicing rights (net of associated deferred tax liabilities)	Not applicable	Not applicable
21	Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities)	Not applicable	Not applicable
22	Amount exceeding the 15% threshold	Not applicable	Not applicable
23	of which: significant investments in the ordinary share of financial sector entities	Not applicable	Not applicable
24	of which: mortgage servicing rights	Not applicable	Not applicable
25	of which: deferred tax assets arising from temporary differences	Not applicable	Not applicable
26	National specific regulatory adjustments applied to CET1 capital	927,069	
26a	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	237,069	(10) + (12)
26b	Regulatory reserve for general banking risks	690,000	(13)
26c	Securitization exposures specified in a notice given by the Monetary Authority	-	
26d	Cumulative losses below depreciated cost arising from the institution's holdings of land and buildings	-	
26e	Capital shortfall of regulated non-bank subsidiaries	-	
26f	Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	-	
27	Regulatory deductions applied to CET1 capital due to insufficient AT1 capital and Tier 2 capital to cover deductions	-	
28	Total regulatory deductions to CET1 capital	1,825,791	
29	CET1 capital	20,466,063	
AT1 capital: instruments			
30	Qualifying AT1 capital instruments plus any related share premium	5,427,996	(8)
31	of which: classified as equity under applicable accounting standards	5,427,996	
32	of which: classified as liabilities under applicable accounting standards	-	
33	Capital instruments subject to phase-out arrangements from AT1 capital	-	
34	AT1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in AT1 capital of the consolidation group)	-	
35	of which: AT1 capital instruments issued by subsidiaries subject to phase-out arrangements	-	
36	AT1 capital before regulatory deductions	5,427,996	
AT1 capital: regulatory deductions			
37	Investments in own AT1 capital instruments	-	
38	Reciprocal cross-holdings in AT1 capital instruments	-	
39	Insignificant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	
40	Significant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	-	
41	National specific regulatory adjustments applied to AT1 capital	-	
42	Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions	-	
43	Total regulatory deductions to AT1 capital	-	
44	AT1 capital	5,427,996	
45	Tier 1 capital (T1 = CET1 + AT1)	25,894,059	
Tier 2 capital: instruments and provisions			
46	Qualifying Tier 2 capital instruments plus any related share premium	2,968,954	
47	Capital instruments subject to phase-out arrangements from Tier 2 capital	-	(5)
48	Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group)	-	

Part IIA : Composition of regulatory capital (unaudited)
CC1: Composition of regulatory capital

As at 30 June 2021

		(a)	(b)
		Amount	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
In HK\$'000			
49	<i>of which: capital instruments issued by subsidiaries subject to phase-out arrangements</i>	-	
50	Collective provisions and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	1,288,895	-(1) + (13)
51	Tier 2 capital before regulatory deductions	4,257,849	
	Tier 2 capital: regulatory deductions		
52	Investments in own Tier 2 capital instruments	-	
53	Reciprocal cross-holdings in Tier 2 capital instruments and non-capital LAC liabilities	-	
54	Insignificant LAC investments in Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold and, where applicable, 5% threshold)	-	
54a	Insignificant LAC investments in non-capital LAC liabilities of financial sector entities that are outside the scope of regulatory consolidation (amount formerly designated for the 5% threshold but no longer meets the conditions) (for institutions defined as "section 2 institution" under §2(1) of Schedule 4F to BCR only)	-	
55	Significant LAC investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
55a	Significant LAC investments in non-capital LAC liabilities of financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
56	National specific regulatory adjustments applied to Tier 2 capital	(106,681)	
56a	Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	(106,681)	- [(10) + (12)] x 45%
56b	Regulatory deductions applied to Tier 2 capital to cover the required deductions falling within §48(1)(g) of BCR	-	
57	Total regulatory adjustments to Tier 2 capital	(106,681)	
58	Tier 2 capital (T2)	4,364,530	
59	Total regulatory capital (TC = T1 + T2)	30,258,589	
60	Total RWA	182,464,542	
	Capital ratios (as a percentage of RWA)		
61	CET1 capital ratio	11.22%	
62	Tier 1 capital ratio	14.19%	
63	Total capital ratio	16.58%	
64	Institution-specific buffer requirement (capital conservation buffer plus countercyclical capital buffer plus higher loss absorbency requirements)	3.125%	
65	<i>of which: capital conservation buffer requirement</i>	2.500%	
66	<i>of which: bank specific countercyclical capital buffer requirement</i>	0.625%	
67	<i>of which: higher loss absorbency requirement</i>	0.000%	
68	CET1 (as a percentage of RWA) available after meeting minimum capital requirements	6.72%	
	National minima (if different from Basel 3 minimum)		
69	National CET1 minimum ratio	Not applicable	Not applicable
70	National Tier 1 minimum ratio	Not applicable	Not applicable
71	National Total capital minimum ratio	Not applicable	Not applicable
	Amounts below the thresholds for deduction (before risk weighting)		
72	Insignificant LAC investments in CET1, AT1 and Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation	1,267,748	
73	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	212,569	
74	Mortgage servicing rights (net of associated deferred tax liabilities)	Not applicable	Not applicable
75	Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities)	Not applicable	Not applicable
	Applicable caps on the inclusion of provisions in Tier 2 capital		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the BSC approach, or the STC approach and SEC-ERBA, SEC-SA and SEC-FBA (prior to application of cap)	1,288,895	
77	Cap on inclusion of provisions in Tier 2 under the BSC approach, or the STC approach, and SEC-ERBA, SEC-SA and SEC-FBA	2,118,261	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the IRB approach and SEC-IRBA (prior to application of cap)	-	
79	Cap for inclusion of provisions in Tier 2 under the IRB approach and SEC-IRBA	-	
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)		
80	Current cap on CET1 capital instruments subject to phase-out arrangements	Not applicable	Not applicable
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	Not applicable	Not applicable
82	Current cap on AT1 capital instruments subject to phase-out arrangements	-	
83	Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)	-	
84	Current cap on Tier 2 capital instruments subject to phase-out arrangements	-	
85	Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)	51,746	

Part IIA : Composition of regulatory capital (unaudited)

CC1: Composition of regulatory capital

As at 30 June 2021

Notes to the template:

In HK\$'000

Row No.	Description	Hong Kong basis	Basel III basis
9	Other intangible assets (net of associated deferred tax liabilities)	836,659	836,659
	<p><u>Explanation</u></p> <p>As set out in paragraph 87 of the Basel III text issued by the Basel Committee (December 2010), mortgage servicing rights ("MSRs") may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to follow the accounting treatment of including MSRs as part of intangible assets reported in the AI's financial statements and to deduct MSRs in full from CET1 capital. Therefore, the amount to be deducted as reported in row 9 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 9 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of MSRs to be deducted to the extent not in excess of the 10% threshold set for MSRs and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities or other credit exposures to connected companies) under Basel III.</p>		
10	Deferred tax assets (net of associated deferred tax liabilities)	26,254	-
	<p><u>Explanation</u></p> <p>As set out in paragraphs 69 and 87 of the Basel III text issued by the Basel Committee (December 2010), DTAs of the bank to be realized are to be deducted, whereas DTAs which relate to temporary differences may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to deduct all DTAs in full, irrespective of their origin, from CET1 capital. Therefore, the amount to be deducted as reported in row 10 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 10 (i.e. the amount reported under the "Hong Kong basis") adjusted by reducing the amount of DTAs to be deducted which relate to temporary differences to the extent not in excess of the 10% threshold set for DTAs arising from temporary differences and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities or other credit exposures to connected companies) under Basel III.</p>		
18	Insignificant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-
	<p><u>Explanation</u></p> <p>For the purpose of determining the total amount of insignificant LAC investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the MA that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business. Therefore, the amount to be deducted as reported in row 18 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 18 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.</p>		
19	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-
	<p><u>Explanation</u></p> <p>For the purpose of determining the total amount of significant LAC investments in CET1 capital instruments issued by financial sector entities, an AI is required to aggregate any amount of loans, facilities or other credit exposures provided by it to any of its connected companies, where the connected company is a financial sector entity, as if such loans, facilities or other credit exposures were direct holdings, indirect holdings or synthetic holdings of the AI in the capital instruments of the financial sector entity, except where the AI demonstrates to the satisfaction of the MA that any such loan was made, any such facility was granted, or any such other credit exposure was incurred, in the ordinary course of the AI's business. Therefore, the amount to be deducted as reported in row 19 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 19 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.</p>		
39	Insignificant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-
	<p><u>Explanation</u></p> <p>The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant LAC investments in AT1 capital instruments may be smaller. Therefore, the amount to be deducted as reported in row 39 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 39 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.</p>		
54	Insignificant LAC investments in Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold and, where applicable, 5% threshold)	-	-
	<p><u>Explanation</u></p> <p>The effect of treating loans, facilities or other credit exposures to connected companies which are financial sector entities as CET1 capital instruments for the purpose of considering deductions to be made in calculating the capital base (see note re row 18 to the template above) will mean the headroom within the threshold available for the exemption from capital deduction of other insignificant LAC investments in Tier 2 capital instruments and non-capital LAC liabilities may be smaller. Therefore, the amount to be deducted as reported in row 54 may be greater than that required under Basel III. The amount reported under the column "Basel III basis" in this box represents the amount reported in row 54 (i.e. the amount reported under the "Hong Kong basis") adjusted by excluding the aggregate amount of loans, facilities or other credit exposures to the AI's connected companies which were subject to deduction under the Hong Kong approach.</p>		
Remarks:			
The amount of the 10% threshold and 5% threshold mentioned above is calculated based on the amount of CET1 capital determined in accordance with the deduction methods set out in BCR Schedule 4F. The 15% threshold is referring to paragraph 88 of the Basel III text issued by the Basel Committee (December 2010) and has no effect to the Hong Kong regime.			

Part IIA : Composition of regulatory capital (unaudited)

CC2: Reconciliation of regulatory capital to balance sheet

	(a)	(b)	(c)
	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
In HK\$'000	As at 30 June 2021	As at 30 June 2021	
Assets			
Cash and short-term funds	18,124,957	18,117,453	
Placements with banks maturing between one to twelve months	967,851	967,851	
Derivative financial instruments	433,806	433,806	
Investments in securities	59,567,695	59,513,495	
Advances and other accounts	160,598,476	160,262,568	
of which: Impairment allowances eligible for inclusion in Tier 2 capital	-	(598,895)	(1)
Defined benefit pension fund net assets	-	38,415	(2)
Tax recoverable	187,203	187,203	
Investments in subsidiaries	-	192,569	
Amounts due from subsidiaries	-	917	
Interests in associates	458,763	20,000	
Investment properties	311,956	311,956	
Property and equipment	1,053,567	1,046,201	
Deferred tax assets	26,254	26,254	(3)
Intangible assets	876,265	836,659	(4)
of which: Internally developed software	-	822,584	
Total assets	242,606,793	241,916,932	
Liabilities			
Deposits and balances of banks	5,369,467	5,369,467	
Financial assets sold under repurchase agreements	2,502,402	2,502,402	
Deposits from customers	195,656,842	195,761,720	
Amounts due to subsidiaries	-	694,819	
Derivative financial instruments	1,633,989	1,633,989	
Other accounts and accruals	2,908,710	2,559,299	
Current tax liabilities	67,864	49,022	
Certificates of deposit	2,427,767	2,427,767	
Loan capital	3,020,700	3,020,700	
of which: Portion eligible for Tier 2 capital subject to phase out arrangement	-	-	(5)
Deferred tax liabilities	179,717	177,897	
of which: Deferred tax liabilities related to defined benefit pension fund	-	6,110	(6)
Total liabilities	213,767,458	214,197,082	
Equity attributable to owners of the Bank			
Share capital	9,980,884	9,980,884	(7)
Additional equity instruments	5,427,996	5,427,996	(8)
Reserves	13,430,455	12,310,970	
of which: Retained profits	-	9,550,034	(9)
of which: Cumulative fair value gains arising from revaluation of investment properties	-	57,436	(10)
of which: Disclosed reserves	-	2,760,936	(11)
of which: Land and building revaluation reserve	-	179,633	(12)
of which: Regulatory reserve	-	690,000	(13)
Total equity	28,839,335	27,719,850	
Total liabilities and equity	242,606,793	241,916,932	

	Ordinary shares	USD400 million 5.7% Undated Non-Cumulative Subordinated Additional Tier 1 Capital Securities	USD382.903 million 3.876% Tier 2 Subordinated Notes due 2027	USD300 million 5.5% Undated Non-Cumulative Subordinated Additional Tier 1 Capital Securities
1 Issuer	Chong Hing Bank Limited	Chong Hing Bank Limited	Chong Hing Bank Limited	Chong Hing Bank Limited
2 Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	The Stock Exchange of Hong Kong Limited's Stock Code : 01111	ISIN : XS2020061326	ISIN : XS1649885974	ISIN : XS2209966386
3 Governing law(s) of the instrument	Hong Kong law	English law / Hong Kong law	English law / Hong Kong law	English law / Hong Kong law
Regulatory treatment				
4 Transitional Basel III rules [#]	Common Equity Tier 1	NA	NA	NA
5 Post-transitional Basel III rules ⁺	Common Equity Tier 1	Additional Tier 1	Tier 2	Additional Tier 1
6 Eligible at solo ^{+/} /group/group & solo	Solo and Group	Solo and Group	Solo and Group	Solo and Group
7 Instrument type (types to be specified by each jurisdiction)	Ordinary shares	Undated Non-Cumulative Subordinated Capital Securities	Other Tier 2 instruments	Undated Non-Cumulative Subordinated Capital Securities
8 Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	(HKD million) 9,980.9	(HKD million) 3,111.3	(HKD million) 2,969.0	(HKD million) 2,316.7
9 Par value of instrument	NA	USD400 million	The subordinated notes with total face value of USD 382.903 million issued in registered form in denominations of USD200,000 each and integral multiples of USD1,000 in excess thereof	USD300 million
10 Accounting classification	Shareholders' equity	Equity	Liability - amortised cost	Equity
11 Original date of issuance	Various	15 July 2019	26 July 2017	03 Aug 2020
12 Perpetual or dated	Perpetual	Perpetual	Dated	Perpetual
13 Original maturity date	No maturity	No maturity	26 July 2027	No maturity
14 Issuer call subject to prior supervisory approval	No	Yes	Yes	Yes
15 Optional call date, contingent call dates and redemption amount	NA	The First Call Date is on 15 July 2024. The Capital Securities have no fixed redemption date. Optional Redemption (on a designated date in 2024 or on any Distribution Payment Date thereafter), Tax Redemption and Regulatory Redemption are all subject to prior written consent of the Hong Kong Monetary Authority. Redemption amount will be the then prevailing principal amount.	The bank may redeem all, but not some only, of the Notes then outstanding on 26 July 2022, at their outstanding principal amount together with interest accrued to (but excluding) the date of redemption, subject to adjustments following the occurrence of a Non-Viability Event and prior written consent of the Hong Kong Monetary Authority. The notes will be redeemable at the option of the Bank in whole but not in part, at a redemption price equal to their principal amount together with interest accrued to (but excluding) the date fixed for redemption, upon the occurrence of a Capital Event (Regulatory Redemption), a Tax Deduction Event (Tax Deduction Redemption) or upon the occurrence of certain changes in taxation in Hong Kong requiring the payment of additional amounts (Tax Redemption). Tax Redemption, Tax Deduction Redemption and Regulatory Redemption are all subject to prior written consent of the Hong Kong Monetary Authority.	The First Call Date is on 3 Aug 2025. The Capital Securities have no fixed redemption date. Optional Redemption (on a designated date in 2025 or on any Distribution Payment Date thereafter), Tax Redemption and Regulatory Redemption are all subject to prior written consent of the Hong Kong Monetary Authority. Redemption amount of each Perpetual Capital Security will be USD1,000 per calculation amount, subject to adjustment following the occurrence of a Non-Viability Event or the issue of a Resolution Notice.
16 Subsequent call dates, if applicable	NA	Any distribution payment dates thereafter first call date	NA	Any distribution payment dates thereafter first call date
Coupons / dividends				
17 Fixed or floating dividend/coupon	Floating	Fixed	Fixed	Fixed
18 Coupon rate and any related index	The final dividend is proposed by the board of directors of the Bank and is subject to approval by the shareholders of the Bank in the annual general meeting. The interim dividend is declared by the board of directors of the Bank.	At a fixed rate of 5.7% per annum until 15 July 2024. Thereafter and every 5 years thereafter reset at: 5-year U.S. Treasury Rate + 3.858%	At a fixed rate of 3.876% per annum until 25 July 2022. At a Reset Interest Rate from 26 July 2022 to (but excluding) 26 July 2027 (the "Maturity Date")	At a fixed rate of 5.5% per annum until 3 Aug 2025. Thereafter and every 5 years thereafter reset at: 5-year U.S. Treasury Rate + 5.237%
19 Existence of a dividend stopper	No	Yes	No	Yes
20 Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary	Mandatory	Fully discretionary
21 Existence of step up or other incentive to redeem	No	No	No	No
22 Noncumulative or cumulative	Noncumulative	Non-cumulative	Cumulative	Non-cumulative
23 Convertible or non-convertible	Non-convertible	Non-convertible	Convertible	Non-convertible
24 If convertible, conversion trigger (s)	NA	NA	Each Noteholder shall be subject to having the Notes being written off, cancelled, converted or modified, or to having the form of the Notes changed, in the exercise of any Hong Kong Resolution Authority Power by the relevant Hong Kong Resolution Authority without prior notice which may include (without limitation) the conversion of all or a part of the principal amount of, or interest on, the Notes into shares or other securities or other obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes.	NA
25 If convertible, fully or partially	NA	NA	Full or partial	NA
26 If convertible, conversion rate	NA	NA	NA	NA
27 If convertible, mandatory or optional conversion	NA	NA	Mandatory	NA
28 If convertible, specify instrument type convertible into	NA	NA	Shares or other securities or other obligations	NA
29 If convertible, specify issuer of instrument it converts into	NA	NA	Chong Hing Bank Limited or another person	NA
30 Write-down feature	No	Yes	Yes	Yes
31 If write-down, write-down trigger(s)	NA	If a Non-Viability Event occurs and is continuing, the Bank shall, upon the provision of a Non-Viability Event Notice, irrevocably reduce the then prevailing principal amount of, and cancel any accrued but unpaid Distribution in respect of, each Capital Security (in each case in whole or in part) by an amount equal to the Non-Viability Event Write-off Amount per Perpetual Capital Security. "Non-Viability Event" means the earlier of: (i) the Hong Kong Monetary Authority notifying the Bank in writing that the Hong Kong Monetary Authority is of the opinion that a Write-off or conversion is necessary, without which the Bank would become non-viable; and (ii) the Hong Kong Monetary Authority notifying the Bank in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which the Bank would become non-viable.	If a Non-Viability Event occurs and is continuing, the Bank shall, upon the provision of a Non-Viability Event Notice, irrevocably reduce the then principal amount of, and cancel any accrued but unpaid interest in respect of, each Note (in each case in whole or in part) by an amount equal to the Non-Viability Event Write-off Amount per Note. "Non-Viability Event" means the earlier of: (i) the Hong Kong Monetary Authority notifying the Bank in writing that the Hong Kong Monetary Authority is of the opinion that a Write-off or conversion is necessary, without which the Bank would become non-viable; and (ii) the Hong Kong Monetary Authority notifying the Bank in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which the Bank would become non-viable.	If a Non-Viability Event occurs and is continuing, the Bank shall, upon the provision of a Non-Viability Event Notice, irrevocably reduce the then prevailing principal amount of, and cancel any accrued but unpaid Distribution in respect of, each Capital Security (in each case in whole or in part) by an amount equal to the Non-Viability Event Write-off Amount per Perpetual Capital Security. "Non-Viability Event" means the earlier of: (i) the Hong Kong Monetary Authority notifying the Bank in writing that the Hong Kong Monetary Authority is of the opinion that a Write-off or conversion is necessary, without which the Bank would become non-viable; and (ii) the Hong Kong Monetary Authority notifying the Bank in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which the Bank would become non-viable.
32 If write-down, full or partial	NA	Full or partial	Full or partial	Full or partial
33 If write-down, permanent or temporary	NA	Permanent	Permanent	Permanent
34 If temporary write-down, description of write-up mechanism	NA	NA	NA	NA
35 Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	Subordinated to additional tier 1 capital securities	In the event of a Winding-Up, the rights of the Security holders to payment of principal and Distributions on the Perpetual Capital Securities, and any other obligations in respect of the Perpetual Capital Securities, shall rank: (a) Subordinate and junior in right of payment to, and of all claims of: (i) all unsubordinated creditors of the Bank (including its depositors); (ii) any holders of Tier 2 Capital Instruments of the Bank; and (iii) the holders of other subordinated instruments or other obligations issued, entered into, or guaranteed by the Bank, and any other instrument or other obligation issued, entered into, or guaranteed by the Bank that ranks or is expressed to rank senior to the Perpetual Capital Securities by operation of law or contract; (b) Pari passu in right of payment to and of all claims of the holders of Parity Obligations; and (c) Senior in right of payment to, and of all claims of the holders of Junior Obligations of the Bank.	In the event of a winding-up, the rights of the Noteholders to payment of principal and interest, and any other obligations in respect of the Notes, shall rank : (a) Subordinate and junior in right of payment to, and of all claims of, (i) all unsubordinated creditors of the Bank (including depositors), and (ii) all other Subordinated Creditors of the Bank whose claims are stated to rank senior to the Notes or rank senior to the Notes by operations of law or contract (b) Pari passu in right of payment to and of all claims of the holders of Tier 2 Capital Instruments (or its equivalent) under applicable Capital Regulations or any instrument or other obligation issued, entered into, or guaranteed by the Bank that ranks or is expressed to rank pari passu with the Notes by operation of law or contract, excludes any Junior Obligations of the Bank. (c) Senior in right of payment to and of all claims of, (i) the holders of Junior Obligations, and (ii) the holders of Tier 1 Capital Instruments of the Bank, in each case in the manner provided in the Trust Deed.	In the event of a Winding-Up, the rights of the Security holders to payment of principal and Distributions on the Perpetual Capital Securities, shall rank: (a) Subordinate and junior in right of payment to, and of all claims of: (i) all unsubordinated creditors of the Bank (including its depositors); (ii) any holders of Tier 2 Capital Instruments of the Bank; and (iii) the holders of other subordinated instruments or other obligations issued, entered into, or guaranteed by the Bank, and any other instrument or other obligation issued, entered into, or guaranteed by the Bank that ranks or is expressed to rank senior to the Perpetual Capital Securities by operation of law or contract; (b) Pari passu in right of payment to and of all claims of the holders of Parity Obligations; and (c) Senior in right of payment to, and of all claims of the holders of Junior Obligations of the Bank.
36 Non-compliant transitioned features	No	No	No	No
37 If yes, specify non-compliant features	NA	NA	NA	NA

Footnote:
[#] Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules
⁺ Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules
^{*} Include solo-consolidated

Part IIB : Macroprudential supervisory measures (unaudited)
CCyB1: Geographical distribution of credit exposures used in countercyclical capital buffer ("CCyB")

Geographical breakdown of risk-weighted amounts (RWA) in relation to private sector credit exposures with a non-zero applicable JCCyB ratio

In HK\$'000		As at 30 June 2021			
		(a)	(c)	(d)	(e)
	Geographical breakdown by Jurisdiction (J)	Applicable JCCyB ratio in effect (%)	RWA used in computation of CCyB ratio	AI-specific CCyB ratio (%)	CCyB amount
1	Hong Kong SAR	1.000%	97,735,015		
2	Luxembourg	0.500%	299,217		
	Sum		98,034,232		
	Total		156,672,150	0.625%	1,140,403

The jurisdiction in which the Group has private sector credit exposure is determined on an "ultimate risk basis". Exposures are allocated to the jurisdiction where the risk ultimately lies, defined as the location where the "ultimate obligor" resides.

Part IIC : Leverage ratio (unaudited)
LR1: Summary comparison of accounting assets against leverage ratio exposure measure

In HK\$'000		(a)
Item		As at 30 June 2021
		Value under the LR framework
1	Total consolidated assets as per published financial statements	242,606,793
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(689,861)
2a	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting standard but excluded from the LR exposure measure	-
3a	Adjustments for eligible cash pooling transactions	-
4	Adjustments for derivative contracts	(281,305)
5	Adjustment for SFTs (i.e. repos and similar secured lending)	119,795
6	Adjustment for off-balance sheet ("OBS") items (i.e. conversion to credit equivalent amounts of OBS exposures)	11,537,056
6a	Adjustments for prudent valuation adjustments and specific and collective provisions that are allowed to be excluded from exposure measure	(28,534)
7	Other adjustments	(1,916,436)
8	Leverage ratio exposure measure	251,347,508

Difference between the total balance sheet assets (net of on-balance sheet derivative exposures and securities financing transaction exposures) as reported in published financial statements and on-balance sheets exposures as stated in LR2 was due to investments in entities that are consolidated for accounting purpose but outside the scope of regulatory consolidation.

Part IIC : Leverage ratio (unaudited)
LR2: Leverage ratio

		(a)	(b)
		As at 30 June 2021	As at 31 March 2021
In HK\$'000			
On-balance sheet exposures			
1	On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	239,782,724	238,119,681
2	Less: Asset amounts deducted in determining Tier 1 capital	(1,831,901)	(1,781,966)
3	Total on-balance sheet exposures (excluding derivative contracts and SFTs)	237,950,823	236,337,715
Exposures arising from derivative contracts			
4	Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	349,293	803,828
5	Add-on amounts for PFE associated with all derivative contracts	1,208,130	1,841,076
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	(1,489,435)	-
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	-	-
11	Total exposures arising from derivative contracts	67,988	2,644,904
Exposures arising from SFTs			
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	2,855,562	4,101,885
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
14	CCR exposure for SFT assets	119,795	46,858
15	Agent transaction exposures	-	-
16	Total exposures arising from SFTs	2,975,357	4,148,743
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	56,319,291	49,937,556
18	Less: Adjustments for conversion to credit equivalent amounts	(44,782,235)	(39,837,794)
19	Off-balance sheet items	11,537,056	10,099,762
Capital and total exposures			
20	Tier 1 capital	25,894,059	25,732,702
20a	Total exposures before adjustments for specific and collective provisions	252,531,224	253,231,124
20b	Adjustments for specific and collective provisions	(1,183,716)	(1,022,313)
21	Total exposures after adjustments for specific and collective provisions	251,347,508	252,208,811
Leverage ratio			
22	Leverage ratio	10.30%	10.20%

Part III : Credit risk for non-securitization exposures (unaudited)
CR1: Credit quality of exposures

As at 30 June 2021							
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	Gross carrying amounts of		Allowances / impairments	Of which ECL accounting provisions for credit losses on STC approach exposures		Of which ECL accounting provisions for credit losses on IRB approach exposures	Net values (a+b-c)
	Defaulted exposures	Non-defaulted exposures		Allocated in regulatory category of specific provisions	Allocated in regulatory category of collective provisions		
In HK\$'000							
1 Loans	550,268	176,710,137	1,148,835	584,821	564,014	-	176,111,570
2 Debt securities	-	59,468,155	127,854	-	127,854	-	59,340,301
3 Off-balance sheet exposures	-	13,976,828	27,370	-	27,370	-	13,949,458
4 Total	550,268	250,155,120	1,304,059	584,821	719,238	-	249,401,329

The Group identifies the exposures as "default" if the exposure is past due for more than 90 days or has been rescheduled.

Loans included balances with banks, loans and advances to customers and balances with central banks.

Off-balance sheet exposures included direct credit substitutes, transaction-related contingencies, trade-related contingencies, forward asset purchases and irrevocable loans commitment.

Part III : Credit risk for non-securitization exposures (unaudited)

CR2: Changes in defaulted loans and debt securities

In HK\$'000		(a)
		Amount
1	Defaulted loans and debt securities at end of the previous reporting period (31 Dec 2020)	395,305
2	Loans and debt securities that have defaulted since the last reporting period	286,470
3	Returned to non-defaulted status	(5,979)
4	Amounts written off	(13,597)
5	Other changes	(111,931)
6	Defaulted loans and debt securities at end of the current reporting period (30 Jun 2021)	550,268

Part III : Credit risk for non-securitization exposures (unaudited)
CR3: Overview of recognized credit risk mitigation

		As at 30 June 2021				
		(a)	(b1)	(b)	(d)	(f)
		Exposures unsecured: carrying amount	Exposures to be secured	Exposures secured by recognized collateral	Exposures secured by recognized guarantees	Exposures secured by recognized credit derivative contracts
In HK\$'000						
1	Loans	165,013,976	11,097,594	9,867,820	1,229,774	-
2	Debt securities	59,340,301	-	-	-	-
3	Total	224,354,277	11,097,594	9,867,820	1,229,774	-
4	Of which defaulted	429,509	120,759	120,518	241	-

Part III : Credit risk for non-securitization exposures (unaudited)
CR4: Credit risk exposures and effects of recognized credit risk mitigation - for STC approach

In HK\$'000		As at 30 June 2021					
		(a)	(b)	(c)	(d)	(e)	(f)
		Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
Exposure classes		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Sovereign exposures	31,107,547	-	31,107,547	-	-	0.00%
2	PSE exposures	-	1,899,610	491,417	-	98,283	20.00%
2a	Of which: domestic PSEs	-	1,899,610	491,417	-	98,283	20.00%
2b	Of which: foreign PSEs	-	-	-	-	-	-
3	Multilateral development bank exposures	-	-	-	-	-	-
4	Bank exposures	31,098,860	-	31,114,601	-	10,108,987	32.48%
5	Securities firm exposures	2,932,501	4,569,809	2,932,501	7,354	1,469,928	50.00%
6	Corporate exposures	151,175,763	46,216,142	141,819,465	6,724,983	141,119,568	95.00%
7	CIS exposures	-	-	-	-	-	-
8	Cash items	473,432	-	10,193,870	542,070	975,605	9.08%
9	Exposures in respect of failed delivery on transactions entered into on a basis other than a delivery-versus-payment basis	-	-	-	-	-	-
10	Regulatory retail exposures	254,019	597,185	246,014	19,140	198,866	75.00%
11	Residential mortgage loans	12,277,693	-	11,760,086	-	4,868,376	41.39%
12	Other exposures which are not past due exposures	9,409,933	3,023,327	9,064,247	8,706	9,072,953	100.00%
13	Past due exposures	158,598	13,218	158,598	557	162,680	102.21%
14	Significant exposures to commercial entities	-	-	-	-	-	-
15	Total	238,888,346	56,319,291	238,888,346	7,302,810	168,075,246	68.27%

Part III : Credit risk for non-securitization exposures (unaudited)
CR5: Credit risk exposures by asset classes and by risk weights - for STC approach

In HK\$'000		As at 30 June 2021										
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(ha)	(i)	(j)
Risk Weight	Exposure class	0%	10%	20%	35%	50%	75%	100%	150%	250%	Others	Total credit risk exposures amount (post CCF and post CRM)
1	Sovereign exposures	31,107,547	-	-	-	-	-	-	-	-	-	31,107,547
2	PSE exposures	-	-	491,417	-	-	-	-	-	-	-	491,417
2a	Of which: domestic PSEs	-	-	491,417	-	-	-	-	-	-	-	491,417
2b	Of which: foreign PSEs	-	-	-	-	-	-	-	-	-	-	-
3	Multilateral development bank exposures	-	-	-	-	-	-	-	-	-	-	-
4	Bank exposures	-	-	18,163,241	-	12,950,044	-	1,316	-	-	-	31,114,601
5	Securities firm exposures	-	-	-	-	2,939,855	-	-	-	-	-	2,939,855
6	Corporate exposures	-	-	184,474	-	16,843,100	-	129,228,376	2,288,498	-	-	148,544,448
7	CIS exposures	-	-	-	-	-	-	-	-	-	-	-
8	Cash items	5,857,918	-	4,878,022	-	-	-	-	-	-	-	10,735,940
9	Exposures in respect of failed delivery on transactions entered into on a basis other than a delivery-versus-payment basis	-	-	-	-	-	-	-	-	-	-	-
10	Regulatory retail exposures	-	-	-	-	-	265,154	-	-	-	-	265,154
11	Residential mortgage loans	-	-	-	10,592,838	-	25,460	1,141,788	-	-	-	11,760,086
12	Other exposures which are not past due exposures	-	-	-	-	-	-	9,072,953	-	-	-	9,072,953
13	Past due exposures	1,095	-	1,085	-	-	-	146,000	10,975	-	-	159,155
14	Significant exposures to commercial entities	-	-	-	-	-	-	-	-	-	-	-
15	Total	36,966,560	-	23,718,239	10,592,838	32,732,999	290,614	139,590,433	2,299,473	-	-	246,191,156

Part IV : Counterparty credit risk (unaudited)

CCR1: Analysis of counterparty default risk exposures (other than those to CCPs) by approaches

		As at 30 June 2021					
		(a)	(b)	(c)	(d)	(e)	(f)
		Replacement cost (RC)	PFE	Effective EPE	Alpha (α) used for computing default risk exposure	Default risk exposure after CRM	RWA
In HK\$'000							
1	SA-CCR (for derivative contracts)	162,438	728,170		1.4	1,246,851	584,302
1a	CEM (for derivative contracts)	-	-		1.4	-	-
2	IMM (CCR) approach			-	-	-	-
3	Simple Approach (for SFTs)					2,855,562	260,933
4	Comprehensive Approach (for SFTs)					-	-
5	VaR (for SFTs)					-	-
6	Total						845,235

Part IV : Counterparty credit risk (unaudited)

CCR2: CVA capital charge

In HK\$'000		As at 30 June 2021	
		(a)	(b)
		EAD post CRM	RWA
	Netting sets for which CVA capital charge is calculated by the advanced CVA method	-	-
1	(i) VaR (after application of multiplication factor if applicable)		-
2	(ii) Stressed VaR (after application of multiplication factor if applicable)		-
3	Netting sets for which CVA capital charge is calculated by the standardized CVA method	1,246,850	179,588
4	Total	1,246,850	179,588

Part IV : Counterparty credit risk (unaudited)
CCR3: Counterparty default risk exposures (other than those to CCPs) by asset classes and by risk weights - for STC approach

In HK\$'000		As at 30 June 2021										
		(a)	(b)	(c)	(ca)	(d)	(e)	(f)	(g)	(ga)	(h)	(i)
Exposure class	Risk Weight	0%	10%	20%	35%	50%	75%	100%	150%	250%	Others	Total default risk exposure after CRM
1	Sovereign exposures	-	-	-	-	-	-	-	-	-	-	-
2	PSE exposures	-	-	-	-	-	-	-	-	-	-	-
2a	Of which: domestic PSEs	-	-	-	-	-	-	-	-	-	-	-
2b	Of which: foreign PSEs	-	-	-	-	-	-	-	-	-	-	-
3	Multilateral development bank exposures	-	-	-	-	-	-	-	-	-	-	-
4	Bank exposures	2,383,637	-	614,904	-	450,899	-	-	-	-	-	3,449,440
5	Securities firm exposures	-	-	-	-	-	-	-	-	-	-	-
6	Corporate exposures	117,737	-	38,620	-	15,069	-	478,641	-	-	-	650,067
7	CIS exposures	-	-	-	-	-	-	-	-	-	-	-
8	Regulatory retail exposures	-	-	-	-	-	-	-	-	-	-	-
9	Residential mortgage loans	-	-	-	-	-	-	-	-	-	-	-
10	Other exposures which are not past due exposures	-	-	-	-	-	-	2,906	-	-	-	2,906
11	Significant exposures to commercial entities	-	-	-	-	-	-	-	-	-	-	-
12	Total	2,501,374	-	653,524	-	465,968	-	481,547	-	-	-	4,102,413

Part IV : Counterparty credit risk (unaudited)

CCR5: Composition of collateral for counterparty default risk exposures (including those for contracts or transactions cleared through CCPs)

	As at 30 June 2021					
	(a)	(b)	(c)	(d)	(e)	(f)
	Derivative contracts				SFTs	
	Fair value of recognized collateral received		Fair value of posted collateral		Fair value of recognized collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
In HK\$'000						
Cash - domestic currency	-	-	-	6,949	-	-
Cash - other currencies	-	67,410	-	1,723,974	2,505,006	234,392
Other sovereign debt	-	-	-	-	-	362,834
Bank bonds	-	-	-	-	250,369	1,189,382
Other collateral	-	-	-	-	-	1,021,237
Total	-	67,410	-	1,730,923	2,755,375	2,807,845

Part IV : Counterparty credit risk (unaudited)
CCR8: Exposures to CCPs

In HK\$'000		As at 30 June 2021	
		(a)	(b)
		Exposure after CRM	RWA
1	Exposures of the AI as clearing member or clearing client to qualifying CCPs (total)		1,826
2	Default risk exposures to qualifying CCPs (excluding items disclosed in rows 7 to 10), of which:	91,304	1,826
3	(i) OTC derivative transactions	91,304	1,826
4	(ii) Exchange-traded derivative contracts	-	-
5	(iii) Securities financing transactions	-	-
6	(iv) Netting sets subject to valid cross-product netting agreements	-	-
7	Segregated initial margin	-	
8	Unsegregated initial margin	-	-
9	Funded default fund contributions	-	-
10	Unfunded default fund contributions	-	-
11	Exposures of the AI as clearing member or clearing client to non-qualifying CCPs (total)		-
12	Default risk exposures to non-qualifying CCPs (excluding items disclosed in rows 17 to 20), of which:	-	-
13	(i) OTC derivative transactions	-	-
14	(ii) Exchange-traded derivative contracts	-	-
15	(iii) Securities financing transactions	-	-
16	(iv) Netting sets subject to valid cross-product netting agreements	-	-
17	Segregated initial margin	-	
18	Unsegregated initial margin	-	-
19	Funded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

Part V: Securitization exposures (unaudited)
SEC1: Securitization exposures in banking book

In HK\$'000		As at 30 June 2021								
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
		Acting as originator (excluding sponsor)			Acting as sponsor			Acting as investor		
		Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total	Traditional	Synthetic	Sub-total
1	Retail (total) – of which:	-	-	-	-	-	-	60,070	-	60,070
2	residential mortgage	-	-	-	-	-	-	60,070	-	60,070
3	credit card	-	-	-	-	-	-	-	-	-
4	other retail exposures	-	-	-	-	-	-	-	-	-
5	re-securitization exposures	-	-	-	-	-	-	-	-	-
6	Wholesale (total) – of which:	-	-	-	-	-	-	-	-	-
7	loans to corporates	-	-	-	-	-	-	-	-	-
8	commercial mortgage	-	-	-	-	-	-	-	-	-
9	lease and receivables	-	-	-	-	-	-	-	-	-
10	other wholesale	-	-	-	-	-	-	-	-	-
11	re-securitization exposures	-	-	-	-	-	-	-	-	-

Part V: Securitization exposures (unaudited)
SEC4: Securitization exposures in banking book and associated capital requirements – where AI acts as investor

In HK\$'000		As at 30 June 2021																
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)
		Exposure values (by RW bands)					Exposure values (by regulatory approach)				RWAs (by regulatory approach)				Capital charges after cap			
		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250% RW	1250% RW	SEC-IRBA	SEC-ERBA (incl. IAA)	SEC-SA	SEC-FBA	SEC-IRBA	SEC-ERBA (incl. IAA)	SEC-SA	SEC-FBA	SEC-IRBA	SEC-ERBA (incl. IAA)	SEC-SA	SEC-FBA
1	Total exposures	60,070	-	-	-	-	-	-	60,070	-	-	-	9,011	-	-	-	721	-
2	Traditional securitization	60,070	-	-	-	-	-	-	60,070	-	-	-	9,011	-	-	-	721	-
3	Of which securitization	60,070	-	-	-	-	-	-	60,070	-	-	-	9,011	-	-	-	721	-
4	Of which retail	60,070	-	-	-	-	-	-	60,070	-	-	-	9,011	-	-	-	721	-
5	Of which wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Of which re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Of which senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Of which non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Synthetic securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Of which securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Of which retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Of which wholesale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Of which re-securitization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Of which senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Of which non-senior	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Part VI : Market risk (unaudited)

MR1: Market risk under STM approach

		As at 30 June 2021
		(a)
In HK\$'000		RWA
	Outright product exposures	
1	Interest rate exposures (general and specific risk)	849,425
2	Equity exposures (general and specific risk)	-
3	Foreign exchange (including gold) exposures	5,012,263
4	Commodity exposures	-
	Option exposures	
5	Simplified approach	-
6	Delta-plus approach	-
7	Other approach	-
8	Securitization exposures	-
9	Total	5,861,688

Regulatory Disclosures
Abbreviations

Abbreviations

AI
AT1
BDR
CCF
CCP
CCR
CCyB
CEM
CET1
CFR
CIS
CRM
CVA
EAD
ECL
EPE
FVOCI
HKMA
IAA
IMM(CCR)
IMM
IRB
LMR
LR
OTC
PFE
PSE
RW
RWA
SA-CCR
SEC-ERBA
SEC-FBA
SEC-IRBA
SEC-SA
SFT
STC
STM
VaR

Brief Description

Authorized Institution
Additional Tier 1
Banking (Disclosure) Rules
Credit Conversion Factor
Central Counterparty
Counterparty Credit Risk
Countercyclical Capital Buffer
Current Exposure Method
Common Equity Tier 1
Core Funding Ratio
Collective Investment Scheme
Credit Risk Mitigation
Credit Valuation Adjustment
Exposure At Default
Expected Credit Loss
Expected Positive Exposure
Fair Value through Other Comprehensive Income
Hong Kong Monetary Authority
Internal Assessment Approach
Internal Models (Counterparty Credit Risk) Approach
Internal Models Approach
Internal Ratings-Based Approach
Liquidity Maintenance Ratio
Leverage Ratio
Over-The-Counter
Potential Future Exposure
Public Sector Entity
Risk-Weight
Risk-Weighted Asset/ Risk-Weighted Amount
Standardised Approach (Counterparty Credit Risk)
Securitization External Ratings-Based Approach
Securitization Fall-back Approach
Securitization Internal Ratings-Based Approach
Securitization Standardised Approach
Securities Financing Transaction
Standardised (Credit Risk) Approach
Standardised (Market Risk) Approach
Value At Risk