Regulatory Disclosures

31 March 2018

集友銀行
Chiyu Banking Corporation Ltd.

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Key ratio

Capital ratio

	At 31 March 2018
	HK$'000
Total risk-weighted assets	46,636,100
CET1 capital	6,096,372
CET1 capital ratio (as a percentage of risk-weighted assets)	**13.07%**
Tier 1 capital	8,034,084
Tier 1 capital ratio (as a percentage of risk-weighted assets)	**17.23%**
Total capital	8,902,014
Total capital ratio (as a percentage of risk-weighted assets)	**19.09%**

Leverage ratio

	At 31 March 2018
	HK$'000
Tier 1 capital	8,034,084
Leverage ratio exposure	85,576,149
Leverage ratio	**9.39%**

Overview of RWA

OV1: Overview of RWA

		RWA		Minimum capital requirements
		At 31 March 2018	At 31 December 2017	At 31 March 2018
		HK$'000	HK$'000	HK$'000
1	Credit risk for non-securitization exposures	42,216,404	39,816,871	3,571,596
2	Of which STC approach	1,740,542	1,750,372	139,243
2a	Of which BSC approach	-	-	-
3	Of which IRB approach	40,475,862	38,066,499	3,432,353
4	Counterparty credit risk	108,600	96,219	8,873
5	Of which SA-CCR	-	-	-
5a	Of which CEM	42,350	34,631	3,573
6	Of which IMM(CCR) approach	-	-	-
7	Equity exposures in banking book under market-based approach	-	-	-
8	CIS exposures – LTA	-	-	-
9	CIS exposures – MBA	-	-	-
10	CIS exposures – FBA	-	-	-
11	Settlement risk	-	-	-
12	Securitization exposures in banking book	-	-	-
13	Of which SEC-IRBA approach	-	-	-
14	Of which SEC-ERBA approach	-	-	-
15	Of which SEC-SA approach	-	-	-
16	Market risk	68,100	153,038	5,448
17	Of which STM approach	-	-	-
18	Of which IMM approach	68,100	153,038	5,448
19	Operational risk	2,512,413	2,392,450	200,993
20	Of which BIA approach	-	-	-
21	Of which STO approach	2,512,413	2,392,450	200,993
21a	Of which ASA approach	-	-	-
22	Of which AMA approach	N/A	N/A	N/A
23	Amounts below the thresholds for deduction (subject to 250% RW)	19,750	19,750	1,580
24	Capital floor adjustment	-	-	-
24a	Deduction to RWA	720,029	719,677	57,602
24b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	-	-	-
24c	Of which portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in Tier 2 Capital	720,029	719,677	57,602
25	**Total**	44,205,238	41,758,651	3,730,888

RWAs in this table are before the application of the 1.06 scaling factor following a clarification from the HKMA. Minimum capital requirement represents the amount of capital required to be held for that risk based on its RWAs after any applicable scaling factor multiplied by 8%.

Credit risk for non-securitization exposures

CR8: RWA flow statements of credit risk exposures under IRB approach

		HK$'000
1	**RWA as at 31 December 2017**	**38,066,499**
2	Asset size	1,613,432
3	Asset quality	617,235
4	Model updates	-
5	Methodology and policy	-
6	Acquisitions and disposals	-
7	Foreign exchange movements	178,696
8	Other	-
9	**RWA as at 31 March 2018**	**40,475,862**

Counterparty credit risk

CCR7: RWA flow statements of default risk exposures under IMM(CCR) approach

The Group did not use IMM(CCR) approach to measure default risk exposures as at 31 March 2018.

Market risk

MR2: RWA flow statements of market risk exposures under IMM approach

		VaR	Stressed VaR	IRC	CRC	Other	Total RWA
		HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
1	**RWA as at 31 December 2017**	**68,738**	**84,300**	**-**	**-**	**-**	**153,038**
1a	Regulatory adjustment	(51,775)	(63,438)	-	-	-	(115,213)
1b	RWA as at day-end of 31 December 2017	16,963	20,862	-	-	-	37,825
2	Movement in risk levels	(14,475)	(19,350)	-	-	-	(33,825)
3	Model updates/changes	-	-	-	-	-	-
4	Methodology and policy	-	-	-	-	-	-
5	Acquisitions and disposals	-	-	-	-	-	-
6	Foreign exchange movements	-	-	-	-	-	-
7	Other	-	-	-	-	-	-
7a	RWA as at day-end of 31 March 2018	2,488	1,512	-	-	-	4,000
7b	Regulatory adjustment	25,375	38,725	-	-	-	64,100
8	**RWA as at 31 March 2018**	**27,863**	**40,237**	**-**	**-**	**-**	**68,100**