

Regulatory Disclosures

31 March 2025



集友銀行
Chiyu Banking Corporation Ltd.



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1. Basis of reporting

Liquidity Coverage Ratio (LCR):

The average value of liquidity coverage ratio is computed on the consolidated basis which comprises the positions of local offices, overseas branches and subsidiaries of the Bank specified by the Hong Kong Monetary Authority ("HKMA") for its regulatory purposes and in accordance with the Banking (Liquidity) Rules.

Net Stable Funding Ratio (NSFR):

The net stable funding ratio is computed on the consolidated basis which comprises the positions of local offices, overseas branches and subsidiaries of the Bank specified by the HKMA for its regulatory purposes and in accordance with the Banking (Liquidity) Rules.

Capital Adequacy Ratio (CAR):

Total capital ratio is computed on the consolidated basis which comprises the positions of local offices, overseas branches and designated subsidiaries of the Bank specified by the HKMA for its regulatory purposes and in accordance with the Banking (Capital) Rules.

2. Key prudential ratios and overview of RWA

KM1: Key prudential ratios

		At 31 March 2025	At 31 December 2024	At 30 September 2024	At 30 June 2024	At 31 March 2024
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	Regulatory capital (amount)					
1 & 1a	Common Equity Tier 1 (CET1)	15,430,627	15,107,186	15,532,375	14,864,799	15,071,883
2 & 2a	Tier 1	16,988,439	16,664,998	17,090,187	16,422,611	16,629,695
3 & 3a	Total capital	19,730,149	19,390,370	19,941,583	19,278,730	19,517,145
	RWA (amount)					
4	Total RWA	104,845,736	103,708,573	108,781,107	106,388,317	105,156,332
4a	Total RWA (pre-floor)	104,845,736	NA	NA	NA	NA
	Risk-based regulatory capital ratios (as a percentage of RWA)					
5 & 5a	CET1 ratio (%)	14.72	14.57	14.28	13.97	14.33
5b	CET1 ratio (%) (pre-floor ratio)	14.72	NA	NA	NA	NA
6 & 6a	Tier 1 ratio (%)	16.20	16.07	15.71	15.44	15.81
6b	Tier 1 ratio (%) (pre-floor ratio)	16.20	NA	NA	NA	NA
7 & 7a	Total capital ratio (%)	18.82	18.70	18.33	18.12	18.56
7b	Total capital ratio (%) (pre-floor ratio)	18.82	NA	NA	NA	NA
	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 (%)	0.313	0.312	0.646	0.648	0.649
10	Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	-	-	-	-	-
11	Total AI-specific CET1 buffer requirements (%)	2.813	2.812	3.146	3.148	3.149
12	CET1 available after meeting the AI's minimum capital requirements (%)	10.203	10.067	9.711	9.437	9.814
	Basel III leverage ratio					
13	Total leverage ratio (LR) exposure measure	176,932,911	181,517,049	185,754,324	185,435,988	178,296,314
13a	LR exposure measure based on mean values of gross assets of SFTs	176,476,196	NA	NA	NA	NA
14, 14a & 14b	LR (%)	9.60	9.18	9.20	8.86	9.33
14c & 14d	LR (%) based on mean values of gross assets of SFTs	9.63	NA	NA	NA	NA
	Liquidity Coverage Ratio (LCR)					
15	Total high quality liquid assets (HQLA)	22,011,964	20,993,321	23,312,402	22,798,890	22,496,568
16	Total net cash outflows	9,993,438	11,900,742	12,184,910	11,331,626	12,309,630
17	LCR (%)	231.61	178.75	192.93	204.63	187.28
	Net Stable Funding Ratio (NSFR)					
18	Total available stable funding	127,163,520	122,979,135	130,596,044	129,346,012	126,477,681
19	Total required stable funding	93,374,937	94,177,393	99,505,359	99,397,876	98,322,939
20	NSFR (%)	136.19	130.58	131.25	130.13	128.63

2. Key prudential ratios and overview of RWA (continued)

OV1: Overview of RWA

		RWA		Minimum capital requirements
		At 31 March 2025	At 31 December 2024	At 31 March 2025
		HK\$'000	HK\$'000	HK\$'000
1	Credit risk for non-securitization exposures	97,763,196	96,323,559	7,821,056
2	Of which STC approach	97,763,196	96,323,559	7,821,056
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	-	-	-
6	Counterparty credit risk and default fund contributions	527,764	501,006	42,221
7	Of which SA-CCR approach	194,271	433,917	15,542
7a	Of which CEM	-	-	-
8	Of which IMM(CCR) approach	-	-	-
9	Of which others	333,493	67,089	26,679
10	CVA risk	183,750	130,375	14,700
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	1,646,650	1,641,500	131,732
21	Of which STM approach	1,646,650	1,641,500	131,732
22	Of which IMA	-	-	-
22a	Of which SSTM approach	-	-	-
23	Capital charge for moving exposures between trading book and banking book	N/A	N/A	N/A
24	Operational risk	4,199,575	5,201,100	335,966
24a	Sovereign concentration risk	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% RW)	1,168,673	554,498	93,494
26	Output floor level applied	N/A	N/A	N/A
27	Floor adjustment (before application of transitional cap)	N/A	N/A	N/A
28	Floor adjustment (after application of transitional cap)	N/A	N/A	N/A
28a	Deduction to RWA	643,872	643,465	51,510
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	643,872	643,465	51,510
29	Total	104,845,736	103,708,573	8,387,659

3. Leverage ratio

LR2: Leverage ratio

		At 31 March 2025	At 31 December 2024
		HK\$'000	HK\$'000
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivative contracts and SFTs, but including related on-balance sheet collateral)	171,667,329	171,360,874
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	(2,956)	-
4	Less: Adjustment for securities 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	(1,063,003)	(824,654)
6	Less: Asset amounts deducted in determining Tier 1 capital	(1,442,824)	(1,455,685)
7	Total on-balance sheet exposures (excluding derivative contracts and SFTs) (sum of rows 1 to 6)	169,158,546	169,080,535
Exposures arising from derivative contracts			
8	Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	96,940	406,900
9	Add-on amounts for PFE associated with all derivative contracts	434,784	323,092
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	Total exposures arising from derivative contracts (sum of rows 8 to 12)	531,724	729,992
Exposures arising from SFTs			
14	Gross amount of SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	4,460,782	8,242,484
15	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
16	CCR exposure for SFT assets	248,253	317,339
17	Agent transaction exposures	-	-
18	Total exposures arising from SFTs (sum of rows 14 to 17)	4,709,035	8,559,823
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	13,618,340	14,420,449
20	Less: Adjustments for conversion to credit equivalent amounts	(11,059,646)	(11,245,362)
21	Less: Specific and collective provisions associated with off-balance sheet exposures that are deducted from Tier 1 capital	(25,088)	(28,388)
22	Off-balance sheet items (sum of rows 19 to 21)	2,533,606	3,146,699
Capital and total exposures			
23	Tier 1 capital	16,988,439	16,664,998
24	Total exposures (sum of rows 7, 13, 18 and 22)	176,932,911	181,517,049
Leverage ratio			
25 & 25a	Leverage ratio	9.60%	9.18%

3. Leverage ratio(continued)

LR2: Leverage ratio (continued)

		At 31 March 2025	At 31 December 2024
		HK\$'000	HK\$'000
26	Minimum leverage ratio requirement	3.00%	3.00%
27	Applicable leverage buffers	Not applicable	Not applicable
Disclosure of mean values			
28	Mean value of gross SFTs, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	4,004,067	NA
29	Quarter-end value of gross SFTs, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	4,460,782	NA
30 & 30a	Total exposures based on mean values from row 28 of gross SFTs (after adjustment for sale accounting transactions and netted amounts of associated cash payables and cash receivables)	176,476,196	NA
31 & 31a	Leverage ratio based on mean values from row 28 of gross SFTs (after adjustment for sale accounting transactions and netted amounts of associated cash payables and cash receivables)	9.63%	NA

4. Liquidity

LIQ1: Liquidity Coverage Ratio

Number of data points used in calculating the average value of the LCR and related components set out in this template		For the quarter ended 31 March 2025: 73 data points	
Basis of disclosure: consolidated		Unweighted value (average)	Weighted value (average)
		HK\$'000	HK\$'000
A. HQLA			
1	Total HQLA		22,011,964
B. Cash outflows			
2	Retail deposits and small business funding, of which:	94,306,667	5,808,272
3	<i>Stable retail deposits and stable small business funding</i>	15,501,158	465,035
4	<i>Less stable retail deposits and less stable small business funding</i>	27,838,363	2,783,836
4a	<i>Retail term deposits and small business term funding</i>	50,967,146	2,559,401
5	Unsecured wholesale funding (other than small business funding), and debt securities and prescribed instruments issued by the AI, of which:	23,673,503	14,947,271
6	<i>Operational deposits</i>	2,784,718	642,339
7	<i>Unsecured wholesale funding (other than small business funding) not covered in row 6</i>	20,888,785	14,304,932
8	<i>Debt securities and prescribed instruments issued by the AI and redeemable within the LCR period</i>	-	-
9	Secured funding transactions (including securities swap transactions)		-
10	Additional requirements, of which:	12,246,667	2,210,028
11	<i>Cash outflows arising from derivative contracts and other transactions, and additional liquidity needs arising from related collateral requirements</i>	291,298	291,298
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>	11,955,369	1,918,730
14	Contractual lending obligations (not otherwise covered in Section B) and other contractual cash outflows	2,061,239	2,061,239
15	Other contingent funding obligations (whether contractual or non-contractual)	1,490,200	67,257
16	Total Cash Outflows		25,094,067
C. Cash Inflows			
17	Secured lending transactions (including securities swap transactions)	291,145	291,145
18	Secured and unsecured loans (other than secured lending transactions covered in row 17) and operational deposits placed at other financial institutions	14,701,189	12,358,222
19	Other cash inflows	2,455,654	2,455,645
20	Total Cash Inflows	17,447,988	15,105,012
D. Liquidity Coverage Ratio			
21	Total HQLA		22,011,964
22	Total Net Cash Outflows		9,993,438
23	LCR (%)		231.61%

4. Liquidity (continued)

LIQ1: Liquidity Coverage Ratio (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 2025, the Group has maintained a healthy liquidity position. The LCR was sensitive to the asset deployment and the funding structure of the Group. The average LCR of the first quarter were 231.61%. The ratio has 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 2025, the majority of the HQLA was composed of Level 1 HQLA.

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

Majority of the Group's customer deposits are denominated in HKD, USD and RMB. As the supply of HKD denominated HQLA in the market is relatively limited, the Group swaps surplus HKD funding into USD and other foreign currencies, part of funding are deployed to investment in HQLA.

5. 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 2025.

6. Credit valuation adjustment risk

CVA4: RWA flow statements of CVA risk exposures under standardized CVA approach

		At 31 March 2025
		HK\$'000
1	Total RWA for CVA risk at end of previous reporting period	130,375
2	Total RWA for CVA risk at end of reporting period	183,750

7. Market risk

MR2: Market risk under IMA

There were no market risk exposures under the IMA approach as at 31 March 2025.

8. Comparison of modelled and standardized RWA

CMS1: Comparison of modelled and standardized RWA at risk level

The Group did not use model-based approaches to calculate credit risk or market risk as at 31 March 2025.