

Part I: Summary Certificate on Capital Adequacy Ratios

Division A: Calculation of Capital Adequacy Ratios

| Item | Nature of item | Reference | Column 1 HK\$'000 | Column 2 HK\$'000 | Column 3 HK\$'000 | |
|-----------|---|------------|----------------------|----------------------|----------------------|-----|
| 1. | Capital Base | Part II | | | | |
| 1.1 | Tier 1 Capital | | | | | (A) |
| 1.1(i) | Common Equity Tier 1 Capital | | | | | (B) |
| 1.1(ii) | Additional Tier 1 Capital | | | | | |
| 1.2 | Tier 2 Capital | | | | | |
| 1.3 | Total Capital | | | | | (C) |
| 2. | Calculation of Total Risk-weighted Amount | | | | | |
| 2.1 | Risk-weighted amount for credit risk (BSC Approach) | Part IIIa | | | | |
| 2.2 | Risk-weighted amount for credit risk (STC Approach) | Part IIIb | | | | |
| 2.3 | Risk-weighted amount for credit risk (IRB Approach) | Part IIIc | | | | |
| 2.4 | Risk-weighted amount for credit risk (CCP) | Part IIIe | | | | |
| 2.5 | Risk-weighted amount for credit risk (CVA) (only for Als <u>not</u> using IRB approach) | Part IIIf | | | | |
| 2.6 | Risk-weighted amount for credit risk for securitization exposures under: | | | | | |
| (i) | SEC-IRBA [Item 2.6(i) = Part IIId: Item A5(a)] | Part III d | | | | |
| (ii) | SEC-ERBA, SEC-SA and SEC-FBA [Item 2.6(ii) = Part IIId: Item A5(b) + Item A6] | Part III d | | | | |
| 2.7 | Total risk-weighted amount for credit risk [Item 2.7 = Item 2.1 + Item 2.2 + Item 2.3 + Item 2.4 + Item 2.5 + Item 2.6(i) + Item 2.6(ii)] | | | | | |
| 2.8 | Risk-weighted amount for market risk | Part IV | | | | |
| 2.9 | Risk-weighted amount for operational risk | Part V | | | | |
| 2.10 | Additional risk-weighted amount due to application of capital floor (only for Als using IRB Approach) | Division B | | | | |
| 2.11 | Total risk-weighted amount before deductions [Item 2.11 = Item 2.7 + Item 2.8 + Item 2.9 + Item 2.10] | | | | | |
| 2.12 | Deductions: | | | | | |
| (i) | Portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital (only for exposures that are risk-weighted under BSC approach, STC approach, SEC-IRBA, SEC-SA and SEC-FBA) | | | | | |
| (ii) | Portion of cumulative fair value gains arising from the revaluation of land and buildings which is not included in Tier 2 Capital | | | | | |
| (iii) | Total deductions (i) + (ii) | | | | | |
| 2.13 | Total risk-weighted amount [Item 2.13 = Item 2.11 - Item 2.12(iii)] | | | | | (D) |
| 3. | Calculation of Common Equity Tier 1 Capital Ratio [(B) / (D)] x 100% = | | | | | % |
| 4. | Calculation of Tier 1 Capital Ratio [(A) / (D)] x 100% = | | | | | % |
| 5. | Calculation of Total Capital Ratio [(C) / (D)] x 100% = | | | | | % |
| 6. | IRB coverage (only for Als using IRB Approach) [(Item 2.3 + Item 2.6(i)) / (Item 2.7 - Item 2.4)] x 100% | | | | | % |

Division B: Calculation of Capital Floor

(Only for authorized institutions using IRB Approach)

Is the authorized institution subject to capital floor? (If yes, proceed to the table below; if no, go directly to Part I Division C)

- / Yes / No

| Item | Nature of item | Reference | Column 1 HK\$'000 | Column 2 HK\$'000 |
|--|--|------------|----------------------|----------------------|
| 1. Calculation of capital charge for the application of capital floor | | | | |
| (i) | Risk-weighted amount for credit risk | | | |
| | (a) under BSC Approach (where applicable) | Part IIIa | | |
| | (b) under STC Approach (where applicable) | Part IIIb | | |
| | (c) under SEC-ERBA, SEC-SA and SEC-FBA (where applicable) | Part III d | | |
| | (d) under Division 4 of Part 6A - CCP exposures (where applicable) | Part IIIe | | |
| | (e) under Division 3 of Part 6A - CVA (where applicable) | Part III f | | |
| (ii) | Risk-weighted amount for market risk | Part IV | | |
| (iii) | Risk-weighted amount for operational risk | Part V | | |
| (iv) | Total risk-weighted amount [Item 1(iv) = Item 1(i) + Item 1(ii) + Item 1(iii)] | | | |
| (v) | 8% of total risk-weighted amount [Item 1(v) = Item 1(iv) x 8%] | | | |
| (vi) | Plus: Deductions from Common Equity Tier 1 Capital, Additional Tier 1 Capital and Tier 2 Capital | Part II | | |
| (vii) | Less: Portion of regulatory reserve for general banking risks and collective provisions included in Tier 2 Capital | Part II | | |
| (viii) | Adjusted capital charge before applying capital floor adjustment factor [Item 1(viii) = Item 1(v) + Item 1(vi) - Item 1(vii)] | | | |
| (ix) | Capital floor adjustment factor [Please specify: %] | | | % |
| (x) | Adjusted capital charge after applying capital floor adjustment factor [Item 1(x) = Item 1(viii) x Item 1(ix)] | | | |
| 2. Calculation of capital charge under the various approaches in use | | | | |
| (i) | Risk-weighted amount for credit risk | | | |
| | (a) under BSC Approach (where applicable) | Part IIIa | | |
| | (b) under STC Approach (where applicable) | Part IIIb | | |
| | (c) under IRB Approach | Part IIIc | | |
| | (d) under SEC-ERBA, SEC-SA and SEC-FBA (where applicable) | Part III d | | |
| | (e) under SEC-IRBA | Part III d | | |
| | (f) under Division 4 of Part 6A - CCP exposures (where applicable) | Part IIIe | | |
| (ii) | Risk-weighted amount for market risk | Part IV | | |
| (iii) | Risk-weighted amount for operational risk | Part V | | |
| (iv) | Total risk-weighted amount [Item 2(iv) = Item 2(i) + Item 2(ii) + Item 2(iii)] | | | |
| (v) | 8% of total risk-weighted amount [Item 2(iv) x 8%] | | | |
| (vi) | Plus: Deductions from Common Equity Tier 1 Capital, Additional Tier 1 Capital and Tier 2 Capital | Part II | | |
| (vii) | Less: Portion of regulatory reserve for general banking risks and collective provisions included in Tier 2 Capital | Part II | | |
| (viii) | Less: Surplus provisions derived from EL-EP calculation under the IRB approach and the portion of its total regulatory reserve for general banking risks and collective provisions relevant to the SEC-IRBA approach | Part II | | |
| (ix) | Adjusted capital charge [Item 2(ix) = Item 2(v) + Item 2(vi) - Item 2(vii) - Item 2(viii)] | | | |
| 3. | Difference in adjusted capital charge [Item 3 = Item 1(x) - Item 2(ix)] | | | |
| 4. | Additional risk-weighted amount due to application of capital floor [Item 4 = max(0, Item 3) x 12.5] | | | |

Division C: Capital Buffer Requirements

| Item | Nature of item | Column 1 |
|------|---|----------|
| 1. | Net CET1 capital ratio | % |
| 2 | Buffer level [Item 2 = Item 2.1 + Item 2.2 + Item 2.3] | % |
| | <i>of which:</i> | |
| 2.1 | Capital conservation buffer ratio | % |
| 2.2 | Countercyclical capital buffer ratio | % |
| 2.3 | Higher loss absorbency ratio (applicable if the institution is a G-SIB or a D-SIB) | % |