

**BANK OF CHINA INTERNATIONAL LIMITED**  
**(A RESTRICTED LICENCE BANK WHOLLY-OWNED BY BANK OF CHINA LIMITED)**

**中銀國際有限公司**  
**(中國銀行股份有限公司全資附屬之有限牌照銀行)**

**REPORT FOR THE QUARTER ENDED 31 MARCH 2022**

**BANK OF CHINA INTERNATIONAL LIMITED**  
**(A RESTRICTED LICENCE BANK WHOLLY-OWNED BY BANK OF CHINA LIMITED)**

中銀國際有限公司

(中國銀行股份有限公司全資附屬之有限牌照銀行)

**1 Key prudential ratios (unaudited)**

		31/03/2022	31/12/2021	30/09/2021	30/06/2021	31/03/2021
	<b>Regulatory capital (amount)</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
1	Common Equity Tier 1 (CET1)	1,737,969	1,736,650	1,686,800	1,672,780	1,665,767
2	Tier 1	1,737,969	1,736,650	1,686,800	1,672,780	1,665,767
3	Total capital	1,774,718	1,778,901	1,727,711	1,713,742	1,708,957
	<b>RWA (amount)</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
4	Total RWA	3,571,322	4,011,368	3,896,490	3,877,272	4,033,373
	<b>Risk-based regulatory capital ratios (as a percentage of RWA)</b>					
5	CET1 ratio (%)	48.66%	43.29%	43.29%	43.14%	41.30%
6	Tier 1 ratio (%)	48.66%	43.29%	43.29%	43.14%	41.30%
7	Total capital ratio (%)	49.69%	44.35%	44.34%	44.20%	42.37%
	<b>Additional CET1 buffer requirements (as a percentage of RWA)</b>					
8	Capital conservation buffer requirement (%)	2.500%	2.500%	2.500%	2.500%	2.500%
9	Countercyclical capital buffer requirement (%) <sup>1</sup>	0.516%	0.448%	0.476%	0.549%	0.540%
10	Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	N/A	N/A	N/A	N/A	N/A
11	Total AI-specific CET1 buffer requirements (%)	3.016%	2.948%	2.976%	3.049%	3.040%
12	CET1 available after meeting the AI's minimum capital requirements (%)	41.69%	36.35%	36.34%	36.20%	34.37%
	<b>Basel III leverage ratio</b>					
13	Total leverage ratio (LR) exposure measure (HK\$'000)	8,648,081	9,676,930	8,523,434	8,996,051	9,036,748
14	LR (%)	20.1%	17.95%	19.79%	18.59%	18.43%

**BANK OF CHINA INTERNATIONAL LIMITED**  
**(A RESTRICTED LICENCE BANK WHOLLY-OWNED BY BANK OF CHINA LIMITED)**

中銀國際有限公司

(中國銀行股份有限公司全資附屬之有限牌照銀行)

**1 Key prudential ratios (unaudited) (continued)**

		31/03/2022	31/12/2021	30/09/2021	30/06/2021	31/03/2021
	<b>Liquidity Coverage Ratio (LCR) / Liquidity Maintenance Ratio (LMR)</b>					
	Applicable to category 1 institution only:					
15	Total high quality liquid assets (HQLA)	N/A	N/A	N/A	N/A	N/A
16	Total net cash outflows	N/A	N/A	N/A	N/A	N/A
17	LCR (%)	N/A	N/A	N/A	N/A	N/A
	Applicable to category 2 institution only:					
17a	LMR (%)	52.21%	46.32%	53.51%	53.49%	48.89%
	<b>Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)</b>					
	Applicable to category 1 institution only:					
18	Total available stable funding	N/A	N/A	N/A	N/A	N/A
19	Total required stable funding	N/A	N/A	N/A	N/A	N/A
20	NSFR (%)	N/A	N/A	N/A	N/A	N/A
	Applicable to category 2A institution only:					
20a	CFR (%)	N/A	N/A	N/A	N/A	N/A

In accordance with the Banking (Capital) Rules effective from 1 January 2007, the Company adopts the standardised approach, standardised approach, basic indicator approach and solo basis to calculate its credit risk, market risk, operational risk and capital adequacy ratio respectively.

<sup>1</sup> The applicable jurisdictional countercyclical capital buffer (CCyB) ratio for Hong Kong used in the calculation of CCyB buffer requirement was 1.0% for 2020 Q3 to 2022 Q1.

**BANK OF CHINA INTERNATIONAL LIMITED**  
**(A RESTRICTED LICENCE BANK WHOLLY-OWNED BY BANK OF CHINA LIMITED)**  
**中銀國際有限公司**  
**(中國銀行股份有限公司全資附屬之有限牌照銀行)**

**2 Overview of RWA (unaudited)**

	(HKS'000)	RWA		Minimum capital requirements
		As at 31 March 2022	As at 31 December 2021	As at 31 March 2022
1	Credit risk for non-securitization exposures	2,913,721	3,356,891	233,098
2	Of which STC approach	2,913,721	3,356,891	233,098
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	26,185	23,161	2,095
7	Of which SA-CCR approach	26,185	23,161	2,095
7a	Of which CEM	-	-	-
8	Of which IMM(CCR) approach	-	-	-
9	Of which others	-	-	-
10	CVA risk	5,313	4,825	425
11	Equity positions in banking book under the simple risk-weight method and internal models method	-	-	-
12	Collective investment scheme ("CIS") exposures – LTA*	N/A	N/A	N/A
13	CIS exposures – MBA*	N/A	N/A	N/A
14	CIS exposures – FBA*	N/A	N/A	N/A
14a	CIS exposures – combination of approaches*	N/A	N/A	N/A
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	48,125	41,188	3,850
21	Of which STM approach	48,125	41,188	3,850
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)*	N/A	N/A	N/A
24	Operational risk	581,675	590,725	46,534
24a	Sovereign concentration risk	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% RW)	-	-	-
26	Capital floor adjustment	-	-	-
26a	Deduction to RWA	3,697	5,422	296
26b	Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital	3,697	5,422	296
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	-	-	-
27	<b>Total</b>	<b>3,571,322</b>	<b>4,011,368</b>	<b>285,706</b>

N/A: Not applicable

Items marked with asterisk (\*) will be applicable only after their respective policy frameworks take effect. Until then, "N/A" is reported in the rows.

**BANK OF CHINA INTERNATIONAL LIMITED**  
**(A RESTRICTED LICENCE BANK WHOLLY-OWNED BY BANK OF CHINA LIMITED)**  
**中銀國際有限公司**  
**(中國銀行股份有限公司全資附屬之有限牌照銀行)**

**3 Leverage ratio (unaudited)**

		<b>HK\$'000 equivalent</b>	
		<b>As at 31 March 2022</b>	<b>As at 31 December 2021</b>
<b>On-balance sheet exposures</b>			
1	On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	7,692,048	8,689,880
2	Less: Asset amounts deducted in determining Tier 1 capital	(39,999)	(47,414)
3	<b>Total on-balance sheet exposures (excluding derivative contracts and SFTs)</b>	<b>7,652,049</b>	<b>8,642,466</b>
<b>Exposures arising from derivative contracts</b>			
4	Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	12,491	6,676
5	Add-on amounts for PFE associated with all derivative contracts	22,788	25,920
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	-	-
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 contracts	-	-
11	<b>Total exposures arising from derivative contracts</b>	<b>35,279</b>	<b>32,596</b>
<b>Exposures arising from SFTs</b>			
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	-	-
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	-	-
14	CCR exposure for SFT assets	-	-
15	Agent transaction exposures	-	-
16	<b>Total exposures arising from SFTs</b>	<b>-</b>	<b>-</b>
<b>Other off-balance sheet exposures</b>			
17	Off-balance sheet exposure at gross notional amount	962,478	1,003,401
18	Less: Adjustments for conversion to credit equivalent amounts	-	-
19	<b>Off-balance sheet items</b>	<b>962,478</b>	<b>1,003,401</b>
<b>Capital and total exposures</b>			
20	<b>Tier 1 capital</b>	<b>1,737,969</b>	<b>1,736,650</b>
20a	<b>Total exposures before adjustments for specific and collective provisions</b>	<b>8,649,806</b>	<b>9,678,463</b>
20b	<b>Adjustments for specific and collective provisions</b>	<b>(1,725)</b>	<b>(1,533)</b>
21	<b>Total exposures after adjustments for specific and collective provisions</b>	<b>8,648,081</b>	<b>9,676,930</b>
<b>Leverage ratio</b>			
22	<b>Leverage ratio</b>	<b>20.10%</b>	<b>17.95%</b>

During the first quarter in 2022, the leverage ratio exposure measure decreased by HK\$1,029 million, resulting in the increase in leverage ratio from 17.95% to 20.10%. The decrease in exposure measure was mainly attributable by the decline in bank exposures and the decrease in customer loans and advances.