



# **BANK OF SHANGHAI (HONG KONG) LIMITED**

**REGULATORY DISCLOSURE STATEMENT  
FOR THE QUARTER ENDED 30 SEPTMEBER 2024**

<b>Contents</b>	<b>Page(s)</b>
Key Prudential Ratios	1
Overview of Risk-weighted amount	3
Leverage Ratio	5

This document contains Pillar 3 disclosures of Bank of Shanghai (Hong Kong) Limited (the “Bank”) relating to key prudential ratios, leverage ratio and risk-weighted amount (“RWA”) by risk types. The following disclosures are prepared in accordance with the Banking (Disclosure) Rules and standard disclosure templates promulgated by the Hong Kong Monetary Authority (the “HKMA”).

The Bank is required to calculate the key prudential ratios on both unconsolidated and consolidated basis and the financial information contained in this Regulatory Disclosure Statement has been prepared on a consolidated basis.

## 1 Key Prudential Ratios

The following table provides an overview of the Bank’s key prudential ratios.

HK\$’000		As at 30 September 2024	As at 30 June 2024	As at 31 March 2024	As at 31 December 2023	As at 30 September 2023
	<b>Regulatory Capital (amount)</b>					
1	Common Equity Tier 1 (CET1)	5,453,379	5,323,722	5,317,499	5,442,252	5,838,205
2	Tier 1	5,453,379	5,323,722	5,317,499	5,442,252	5,838,205
3	Total Capital	5,710,847	5,648,957	5,629,307	5,765,727	6,153,336
	<b>RWA (amount)</b>					
4	Total RWA	26,714,441	27,970,476	27,372,482	28,169,395	27,591,394
	<b>Risk-based regulatory capital ratios (as a percentage of RWA)</b>					
5	CET1 ratio (%)	20.4	19.0	19.4	19.3	21.2
6	Tier 1 ratio (%)	20.4	19.0	19.4	19.3	21.2
7	Total Capital ratio (%)	21.4	20.2	20.6	20.5	22.3
	<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 (%)	0.650	0.575	0.538	0.576	0.533
10	Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	–	–	–	–	–
11	Total AI-specific CET1 buffer requirements (%)	3.150	3.075	3.038	3.076	3.033
12	CET1 available after meeting the AI’s minimum capital requirements (%)	13.4	12.2	12.6	12.5	14.3
	<b>Basel III Leverage ratio</b>					
13	Total Leverage ratio (LR) exposure measure	33,855,884	33,351,438	33,869,484	33,532,736	32,252,117
14	LR (%)	16.1	16.0	15.7	16.2	18.1

## 1 Key Prudential Ratios (continued)

HK\$'000		As at 30 September 2024	As at 30 June 2024	As at 31 March 2024	As at 31 December 2023	As at 30 September 2023
	<b>Liquidity Coverage Ratio (LCR)/ Liquidity Maintenance Ratio (LMR)</b>					
	Applicable to category 1 institution only:					
15	Total high quality liquid assets (HQLA)	NA	NA	NA	NA	NA
16	Total net cash outflows	NA	NA	NA	NA	NA
17	LCR (%)	NA	NA	NA	NA	NA
	Applicable to category 2 institution only:					
17a	LMR (%)	100.9	115.0	118.7	121.3	145.0
	<b>Net Stable Funding Ratio (NSFR)/Core Funding Ratio (CFR)</b>					
	Applicable to category 1 institution only:					
18	Total available stable funding	NA	NA	NA	NA	NA
19	Total required Stable funding	NA	NA	NA	NA	NA
20	NSFR (%)	NA	NA	NA	NA	NA
	Applicable to category 2A institution only:					
20a	CFR (%)	101.2	112.8	105.9	112.8	112.5

## 2 Overview of Risk-weighted amount

The table below sets out the RWA by risk types and their corresponding capital requirements (i.e. 8% of the RWA):

HK\$'000		(a)	(b)	(c)
		RWA		Minimum capital requirements
		As at 30 September 2024	As at 30 June 2024	As at 30 September 2024
1	Credit risk for non-securitization exposures	24,571,434	25,714,180	1,965,715
2	Of which STC approach	24,571,434	25,714,180	1,965,715
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	65,386	49,473	5,231
7	Of which SA-CCR approach	39,752	49,473	3,180
7a	Of which CEM	–	–	–
8	Of which IMM(CCR) approach	25,634	–	2,051
9	Of which others	–	–	–
10	CVA risk	19,175	24,963	1,534
11	Equity positions in banking book under the simple risk-weight method and internal models method	–	–	–
12	Collective investment scheme (“CIS”) exposures – LTA	NA	NA	NA
13	CIS exposures – MBA	NA	NA	NA
14	CIS exposures – FBA	NA	NA	NA
14a	CIS exposures – combination of approaches	NA	NA	NA
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	554,075	599,124	44,326
21	Of which STM approach	554,075	599,124	44,326
22	Of which IMM approach	–	–	–

## 2 Overview of Risk-weighted amount (continued)

		(a)	(b)	(c)
		RWA		Minimum capital requirements
		As at 30 September 2024	As at 30 June 2024	As at 30 September 2024
HK\$'000				
23	Capital charge for switch between exposures in trading book and banking book (not applicable before the revised market risk framework takes effect)	NA	NA	NA
24	Operational risk	1,240,838	1,327,588	99,267
24a	Sovereign concentration risk	–	–	–
25	Amounts below the thresholds for deduction (subject to 250% RW)	263,533	255,148	21,083
26	Capital floor adjustment	–	–	–
26a	Deduction to RWA	–	–	–
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	–	–	–
27	<b>Total</b>	26,714,441	27,970,476	2,137,156

Total RWA decrease was mainly attributable to decrease in RWA for credit risk, which was driven by the decrease in proportion of corporate exposures on the Bank's portfolio.

### 3 Leverage Ratio

		As at 30 September 2024 HK\$'000	As at 30 June 2024 HK\$'000
<b>On-balance sheet exposures</b>			
1	On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	32,229,856	33,122,770
2	Less: Asset amounts deducted in determining Tier 1 capital	(127,554)	(183,549)
3	Total on-balance sheet exposures (excluding derivatives contracts and SFTs)	32,102,302	32,939,221
<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)	22,695	27,850
5	Add-on amounts for PFE associated with all derivatives contracts	96,060	101,681
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	(35,882)	–
8	Less: Exempted CCP leg of client-cleared trade exposures	–	–
9	Adjusted effective notional amount of written credit-related derivatives contracts	–	–
10	Less: Adjusted effective notional offsets and add-on deductions for written credit-related derivatives contracts	–	–
11	Total exposures arising from derivative contracts	82,873	129,531
<b>Exposures arising from SFTs</b>			
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	996,534	–
13	Less: Netted amounts of cash payables and cash receivables of gross SFT assets	–	–
14	CCR exposure for SFT assets	61,958	–
15	Agent transaction exposures	–	–
16	Total exposures arising from SFTs	1,058,492	–
<b>Other off-balance sheet exposures</b>			
17	Off-balance sheet exposure at gross notional amount	7,913,746	6,093,090
18	Less: Adjustments for conversion to credit equivalent amounts	(6,742,477)	(5,167,935)
19	Off-balance sheet items	1,171,269	925,155
<b>Capital and total exposures</b>			
20	Tier 1 capital	5,453,379	5,323,722
20a	Total exposures before adjustments for specific and collective provisions	34,414,936	33,993,907
20b	Adjustments for specific and collective provisions	(559,052)	(642,469)
21	Total exposures after adjustments for specific and collective provisions	33,855,884	33,351,438
<b>Leverage ratio</b>			
22	<b>Leverage ratio</b>	16.1%	16.0%

Leverage ratio remained stable during the quarter.