上海商業銀行
SHANGHAI COMMERCIAL BANK

REGULATORY DISCLOSURES

As at 30 June 2022
(Unaudited)

CONTENTS

(All amounts in HK dollar thousands unless otherwise stated)

1 KEY PRUDENTIAL RATIOS

		30 June 2022	31 March 2022	31 December 2021	30 September 2021	30 June 2021
Regulatory capital (amount)						
1	Common Equity Tier 1 (CET1)	30,870,615	31,221,077	32,124,445	31,768,982	31,100,458
2	Tier 1	30,870,615	31,221,077	32,124,445	31,768,982	31,100,458
3	Total capital	36,597,182	36,930,421	37,828,854	37,475,769	36,797,943
Risk Weighted Amounts (RWA)						
4	Total RWA	170,617,169	175,706,888	176,262,604	178,130,531	178,790,004
Risk-based regulatory capital ratios (as a percentage of RWA)						
5	CET1 ratio (%)	18.1%	17.8%	18.2%	17.8%	17.4%
6	Tier 1 ratio (%)	18.1%	17.8%	18.2%	17.8%	17.4%
7	Total capital ratio (%)	21.4%	21.0%	21.5%	21.0%	20.6%
Additional CET1 buffer requirements (as a percentage of RWA)						
8	Capital conservation buffer requirement (%)	2.5%	2.5%	2.5%	2.5%	2.5%
9	Countercyclical capital buffer requirement (%)	0.6%	0.6%	0.6%	0.6%	0.6%
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 (%)	3.1%	3.1%	3.1%	3.1%	3.1%
12	CET1 available after meeting the AI's minimum capital requirements (%)	12.1%	11.8%	12.2%	11.8%	11.4%
Basel III leverage ratio						
13	Total leverage ratio (LR) exposure measure	242,454,957	247,021,195	243,146,840	247,651,760	241,395,524
14	LR (%)	12.7%	12.6%	13.2%	12.8%	12.9%
Liquidity Coverage Ratio (LCR)/Liquidity Maintenance Ratio (LMR)						
	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 (%)	56.8%	60.0%	61.2%	61.0%	61.1%
Net Stable Funding Ratio (NSFR)/Core Funding Ratio (CFR)						
	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 (%)	224.0%	236.7%	240.5%	236.1%	230.2%

(All amounts in HK dollar thousands unless otherwise stated)

2 CAPITAL STRUCTURE AND ADEQUACY

The calculation of the capital adequacy ratio as at 30 June 2022 is based on the Banking (Capital) Rules ("BCR"). The capital adequacy ratio represents the consolidated ratio of the Bank's Hong Kong offices and its overseas branches, Shacom Property (CA), Inc., Shacom Property (NY), Inc., Shacom Property Holdings (BVI) Limited, Shacom Investment Limited, Shacom Assets Investments Limited, Right Honour Investments Limited, Glory Step Westpoint Investments Limited, Silver Wisdom Westpoint Investments Limited, Shacom Insurance Brokers Limited, KCC 23F Limited, KCC 25F Limited, and KCC 26F Limited computed in accordance with Section 3C(1) of the BCR.

For accounting purposes, the basis of consolidation is described in Note 5 to the Group Interim Financial Disclosure Statement.

The Group uses the standardised approach to calculate the risk-weighted assets for its credit risk and market risk exposures, and the basic indicator approach to calculate its operational risk capital charge. The Group operates subsidiaries in different countries where capital is governed by local rules and there may be restrictions on the transfer of funds or regulatory capital between members of the Group.

The table below shows the balance sheet based on accounting scope of consolidation and the regulatory scope of consolidation, and the reconciliation of the capital components from balance sheet based on regulatory scope of consolidation to the Composition of Regulatory Capital as at 30 June 2022.

Reconciliation of regulatory capital to balance sheet

	Balance sheet as in published financial statements	**Under regulatory scope of consolidation**	Cross-referenced to Composition of Regulatory Capital
Assets			
Cash and balances with banks	37,514,795	37,513,412	
of which: Stage 1 and Stage 2 impairment allowances reflected in regulatory capital		(1,826)	(1)
Placements with banks	21,336,379	21,336,379	
of which: Stage 1 and Stage 2 impairment allowances reflected in regulatory capital		(1,059)	(2)
Loans and advances to customers	96,845,109	96,845,109	
of which: Stage 1 and Stage 2 impairment allowances reflected in regulatory capital		(435,001)	(3)
Financial assets at fair value through profit or loss	862,122	821,058	
of which: insignificant capital investments in financial sector entities exceeding 10% threshold		3,929	(4)
Derivative financial instruments	771,387	771,387	
Investment securities at fair value through other comprehensive income	66,087,313	66,087,313	
of which: insignificant capital investments in financial sector entities exceeding 10% threshold		274,876	(5)
Investment securities at amortised cost	1,976,081	1,976,081	
of which: Stage 1 and Stage 2 impairment allowances reflected in regulatory capital		(47)	(6)
Properties for sale	695,914	695,914	
Investments in associates and joint venture	449,192	188,000	
Investments in and amounts due from subsidiaries	–	320,545	
of which: Stage 1 and Stage 2 impairment allowances reflected in regulatory capital		(17,653)	(7)
Properties and equipment	2,492,733	2,491,676	
Investment properties	998,225	1,027,157	
Deferred income tax assets	383,363	386,326	(8)
Other assets	2,359,786	2,279,136	
of which: Stage 1 and Stage 2 impairment allowances reflected in regulatory capital		(3,372)	(9)
Total assets	232,772,399	232,739,493	

(All amounts in HK dollar thousands unless otherwise stated)

2 CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

Reconciliation of regulatory capital to balance sheet (Continued)

	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Cross-referenced to Composition of Regulatory Capital
Liabilities			
Deposits and balances from banks	8,302,040	8,302,040	
Deposits from customers	184,003,544	184,003,544	
Derivative financial instruments	669,660	669,660	
Amounts due to subsidiaries	–	616,635	
Subordinated debts	4,298,361	4,298,361	(10)
Other liabilities	2,272,733	2,118,225	
of which: Stage 1 and Stage 2 impairment allowances reflected in regulatory capital		30,296	(11)
Current income tax liabilities	249,054	248,528	
Deferred income tax liabilities	5,241	5,200	
Total liabilities	199,800,633	200,262,193	
Equity			
Share capital	2,000,000	2,000,000	(12)
Retained earnings	22,545,035	22,110,584	(13)
Reserves	8,327,933	8,366,716	
of which: accumulated other comprehensive income/(loss), other than regulatory reserve		7,427,764	(14)
regulatory reserve		938,952	(15)
Non-controlling interests in equity	98,798	–	
Total equity	32,971,766	32,477,300	
Total equity and liabilities	232,772,399	232,739,493	

(All amounts in HK dollar thousands unless otherwise stated)

2 CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

Composition of regulatory capital

The Bank has already applied full capital deductions under the BCR. The Composition of Regulatory Capital as at 30 June 2022 is shown below:

		Component of regulatory capital reported by bank	Cross-referenced to balance sheet under regulatory scope of consolidation
CET1 capital: instruments and reserves			
1	Directly issued qualifying CET1 capital instruments plus any related share premium	2,000,000	(12)
2	Retained earnings	22,110,584	(13)
3	Disclosed reserves	8,366,716	(14) + (15)
4	Directly issued capital subject to phase-out arrangements from CET1 (only applicable to non-joint stock companies)	Not applicable	
5	Minority interests arising from CET1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in CET1 capital of the consolidation group)	–	
6	**CET1 capital before regulatory deductions**	**32,477,300**	
CET1 capital: regulatory deductions			
7	Valuation adjustments	2,602	
8	Goodwill (net of associated deferred tax liabilities)	–	
9	Other intangible assets (net of associated deferred tax liabilities)	–	
10	Deferred tax assets (net of associated deferred tax liabilities)	386,326	(8)
11	Cash flow hedge reserve	–	
12	Excess of total EL amount over total eligible provisions under the IRB approach	–	
13	Credit-enhancing interest-only strip, and any gain-on-sale and other increase in the CET1 capital arising from securitization transactions	–	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	–	
15	Defined benefit pension fund net assets (net of associated deferred tax liabilities)	–	
16	Investments in own CET1 capital instruments (if not already netted off paid-in capital on reported balance sheet)	–	
17	Reciprocal cross-holdings in CET1 capital instruments	–	
18	Insignificant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	278,805	(4) + (5)
19	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	–	
20	Mortgage servicing rights (net of associated deferred tax liabilities)	Not applicable	
21	Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities)	Not applicable	
22	Amount exceeding the 15% threshold	Not applicable	
23	of which: significant investments in the ordinary share of financial sector entities	Not applicable	
24	of which: mortgage servicing rights	Not applicable	
25	of which: deferred tax assets arising from temporary differences	Not applicable	
26	National specific regulatory adjustments applied to CET1 capital	938,952	
26a	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	–	
26b	Regulatory reserve for general banking risks	938,952	(15)
26c	Securitization exposures specified in a notice given by the Monetary Authority	–	
26d	Cumulative losses below depreciated cost arising from the institution's holdings of land and buildings	–	
26e	Capital shortfall of regulated non-bank subsidiaries	–	

(All amounts in HK dollar thousands unless otherwise stated)

2 CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

Composition of regulatory capital (Continued)

		Component of regulatory capital reported by bank	Cross-referenced to balance sheet under regulatory scope of consolidation
26f	Capital investment in a connected company which is a commercial entity (amount above 15% of the reporting institution's capital base)	–	
27	Regulatory deductions applied to CET1 capital due to insufficient AT1 capital and Tier 2 capital to cover deductions	–	
28	**Total regulatory deductions to CET1 capital**	**1,606,685**	
29	**CET1 capital**	**30,870,615**	
AT1 capital: instruments			
30	Qualifying AT1 capital instruments plus any related share premium	–	
31	of which: classified as equity under applicable accounting standards	–	
32	of which: classified as liabilities under applicable accounting standards	–	
33	Capital instruments subject to phase-out arrangements from AT1 capital	–	
34	AT1 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in AT1 capital of the consolidation group)	–	
35	of which: AT1 capital instruments issued by subsidiaries subject to phase-out arrangements	–	
36	**AT1 capital before regulatory deductions**	**–**	
AT1 capital: regulatory deductions			
37	Investments in own AT1 capital instruments	–	
38	Reciprocal cross-holdings in AT1 capital instruments	–	
39	Insignificant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	–	
40	Significant LAC investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	–	
41	National specific regulatory adjustments applied to AT1 capital	–	
42	Regulatory deductions applied to AT1 capital due to insufficient Tier 2 capital to cover deductions	–	
43	**Total regulatory deductions to AT1 capital**	**–**	
44	**AT1 capital**	**–**	
45	**Tier 1 capital (Tier 1 = CET1 + AT1)**	**30,870,615**	
Tier 2 capital: instruments and provisions			
46	Qualifying Tier 2 capital instruments plus any related share premium	4,298,361	(10)
47	Capital instruments subject to phase-out arrangements from Tier 2 capital	–	
48	Tier 2 capital instruments issued by consolidated bank subsidiaries and held by third parties (amount allowed in Tier 2 capital of the consolidation group)	–	
49	of which: capital instruments issued by subsidiaries subject to phase-out arrangements	–	
50	Collective provisions and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	1,428,206	(11) + (15) – (1) – (2) – (3) – (6) – (7) – (9)
51	**Tier 2 capital before regulatory deductions**	**5,726,567**	

(All amounts in HK dollar thousands unless otherwise stated)

2 CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

Composition of regulatory capital (Continued)

		Component of regulatory capital reported by bank	Cross-referenced to balance sheet under regulatory scope of consolidation
Tier 2 capital: regulatory deductions			
52	Investments in own Tier 2 capital instruments	–	
53	Reciprocal cross-holdings in Tier 2 capital instruments and non-capital LAC liabilities	–	
54	Insignificant LAC investments in Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation (amount above 10% threshold and, where applicable, 5% threshold)	–	
54a	Insignificant LAC investments in non-capital LAC liabilities of financial sector entities that are outside the scope of regulatory consolidation (amount formerly designated for the 5% threshold but no longer meets the conditions) (for institutions defined as "section 2 institution" under §2(1) of Schedule 4F to BCR only)	–	
55	Significant LAC investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions)	–	
55a	Significant LAC investments in non-capital LAC liabilities of financial sector entities that are outside the scope of regulatory consolidation (net of eligible short positions)	–	
56	National specific regulatory adjustments applied to Tier 2 capital	–	
56a	Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	–	
56b	Regulatory deductions applied to Tier 2 capital to cover the required deductions falling within §48(1)(g) of BCR	–	
57	**Total regulatory adjustments to Tier 2 capital**	**–**	
58	**Tier 2 capital**	**5,726,567**	
59	**Total regulatory capital (TC = Tier 1 + Tier 2)**	**36,597,182**	
60	**Total risk weighted assets**	**170,617,169**	
Capital ratios (as a percentage of risk weighted assets)			
61	**CET1 capital ratio**	**18.1%**	
62	**Tier 1 capital ratio**	**18.1%**	
63	**Total capital ratio**	**21.4%**	
64	**Institution-specific buffer requirement (capital conservation buffer plus countercyclical capital buffer plus higher loss absorbency requirements)**	**3.1%**	
65	of which: capital conservation buffer requirement	2.5%	
66	of which: bank specific countercyclical capital buffer requirement	0.6%	
67	of which: higher loss absorbency requirement	–	
68	**CET1 (as a percentage of RWA) available after meeting minimum capital requirements**	**12.1%**	
National minima (if different from Basel 3 minimum)			
69	National CET1 minimum ratio	Not applicable	
70	National Tier 1 minimum ratio	Not applicable	
71	National Total capital minimum ratio	Not applicable	

(All amounts in HK dollar thousands unless otherwise stated)

2 CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

Composition of regulatory capital (Continued)

		Component of regulatory capital reported by bank	Cross-referenced to balance sheet under regulatory scope of consolidation
Amounts below the thresholds for deduction (before risk weighting)			
72	Insignificant LAC investments in CET1, AT1 and Tier 2 capital instruments issued by, and non-capital LAC liabilities of, financial sector entities that are outside the scope of regulatory consolidation	3,071,307	
73	Significant LAC investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	691,590	
74	Mortgage servicing rights (net of associated deferred tax liabilities)	Not applicable	
75	Deferred tax assets arising from temporary differences (net of associated deferred tax liabilities)	Not applicable	
Applicable caps on the inclusion of provisions in Tier 2 capital			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the BSC approach, or the STC approach and SEC-ERBA, SEC-SA and SEC-FBA (prior to application of cap)	1,428,206	
77	Cap on inclusion of provisions in Tier 2 under the BSC approach, or the STC approach, and SEC-ERBA, SEC-SA and SEC-FBA	1,929,429	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to the IRB approach and SEC-IRBA (prior to application of cap)	–	
79	Cap for inclusion of provisions in Tier 2 under the IRB approach and SEC-IRBA	–	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)			
80	Current cap on CET1 capital instruments subject to phase-out arrangements	Not applicable	
81	Amount excluded from CET1 capital due to cap (excess over cap after redemptions and maturities)	Not applicable	
82	Current cap on AT1 capital instruments subject to phase-out arrangements	–	
83	Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)	–	
84	Current cap on Tier 2 capital instruments subject to phase-out arrangements	–	
85	Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)	–	

(All amounts in HK dollar thousands unless otherwise stated)

2 CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

Composition of regulatory capital (Continued)

Note to the template:

Element where a more conservative definition has been applied in the BCR relative to that set out in Basel III capital standards:

<table>
<tr><th>Row No.</th><th>Description</th><th>Hong Kong basis</th><th>Basel III basis</th></tr>
<tr><td rowspan="2">10</td><td>Deferred tax assets (“DTA”) (net of associated deferred tax liabilities)</td><td>386,326</td><td>–</td></tr>
<tr><td colspan="3">Explanation
As set out in paragraphs 69 and 87 of the Basel III text issued by the Basel Committee (December 2010), DTAs of the bank to be realized are to be deducted, whereas DTAs which relate to temporary differences may be given limited recognition in CET1 capital (and hence be excluded from deduction from CET1 capital up to the specified threshold). In Hong Kong, an AI is required to deduct all DTAs in full, irrespective of their origin, from CET1 capital. Therefore, the amount to be deducted as reported in row 10 may be greater than that required under Basel III. The amount reported under the column “Basel III basis” in this box represents the amount reported in row 10 (i.e. the amount reported under the “Hong Kong basis”) adjusted by reducing the amount of DTAs to be deducted which relate to temporary differences to the extent not in excess of the 10% threshold set for DTAs arising from temporary differences and the aggregate 15% threshold set for MSRs, DTAs arising from temporary differences and significant investments in CET1 capital instruments issued by financial sector entities (excluding those that are loans, facilities or other credit exposures to connected companies) under Basel III.</td></tr>
<tr><td colspan="4">Remarks:
The amount of the 10% threshold mentioned above is calculated based on the amount of CET1 capital determined in accordance with the deduction methods set out in BCR Schedule 4F. The 15% threshold is referring to paragraph 88 of the Basel III text issued by the Basel Committee (December 2010) and has no effect to the Hong Kong regime.</td></tr>
</table>

2 CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

Main features of regulatory capital instruments

The main features of regulatory capital instruments as at 30 June 2022 are shown below. Full terms and conditions are published in the Bank's website of http://www.shacombank.com.hk and are accessible at the following direct link: http://www.shacombank.com.hk/eng/about/regulatory/20220630.jsp

		Ordinary shares	Subordinated notes due 2027	Subordinated notes due 2029
1	Issuer	Shanghai Commercial Bank Limited	Shanghai Commercial Bank Limited	Shanghai Commercial Bank Limited
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A	ISIN: XS1720518478	ISIN: XS1892105823
3	Governing law(s) of the instrument	Laws of Hong Kong	English law, except that the subordination provisions shall be governed by the laws of Hong Kong.	English Law, except that the subordination provisions shall be governed by the laws of Hong Kong.
	Regulatory treatment			
4	Transitional Basel III rules#	N/A	N/A	N/A
5	Post-transitional Basel III rules+	Common Equity Tier 1	Tier 2	Tier 2
6	Eligible at solo*/group/solo and group	Solo and Group	Solo and Group	Solo and Group
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares	Other Tier 2 instruments	Other Tier 2 instruments
8	Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	HK$2,000 million	HK$1,953 million	HK$2,346 million
9	Par value of instrument	N/A	US$250 million	US$300 million
10	Accounting classification	Shareholders' equity	Liability-amortised cost	Liability-amortised cost
11	Original date of issuance	1951, 1968, 1969, 1970, 1972, 1973, 1975, 1979, 1981, 1985, 1988, 1990, 1991, 1996, 2000	29 November 2017	17 January 2019
12	Perpetual or dated	Perpetual	Dated	Dated
13	Original maturity date	No maturity	29 November 2027	17 January 2029
14	Issuer call subject to prior supervisory approval	No	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	N/A	One-off call date: 29 November 2022. Additional optional redemption in whole at 100% of principal amount with accrued interest for taxation reasons, tax deductions reasons and regulatory reasons. Redemption amount subject to adjustment following occurrence of a Non-Viability Event. Redemption subject to prior written consent of the HKMA.	One-off call date: 17 January 2024. Additional optional redemption in whole at 100% of principal amount with accrued interest for taxation reasons, tax deductions reasons and regulatory reasons. Redemption amount subject to adjustment following occurrence of a Non-Viability Event. Redemption subject to prior written consent of the HKMA.
16	Subsequent call dates, if applicable	N/A	N/A	N/A

(All amounts in HK dollar thousands unless otherwise stated)

2 CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

Main features of regulatory capital instruments (Continued)

		Ordinary shares	Subordinated notes due 2027	Subordinated notes due 2029
	Coupons/dividends			
17	Fixed or floating dividend/ coupon	Floating	Fixed	Fixed
18	Coupon rate and any related index	N/A	3.75% p.a. Fixed until 29 November 2022 and thereafter reset to a new fixed rate equal to the sum of the then prevailing U.S. Treasury Rate and the Spread at Pricing.	5.00% p.a. Fixed until 17 January 2024 and thereafter reset to a new fixed rate equal to the sum of the then prevailing U.S. Treasury Rate and the Spread at Pricing.
19	Existence of a dividend stopper	No	No	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No
22	Non-cumulative or cumulative	Non-cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down feature	No	Yes	Yes
31	If write-down, write-down trigger(s)	N/A	The earlier of the HKMA notifying the issuer in writing: (i) that the HKMA is of the opinion that a write-off or conversion is necessary, without which the Issuer would become non-viable or (ii) that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable.	The earlier of the HKMA notifying the issuer in writing: (i) that the HKMA is of the opinion that a write-off or conversion is necessary, without which the Issuer would become non-viable or (ii) that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable.
32	If write-down, full or partial	N/A	May be in part or in full	May be in part or in full
33	If write-down, permanent or temporary	N/A	Permanent	Permanent

2 CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

Main features of regulatory capital instruments (Continued)

		Ordinary shares	Subordinated notes due 2027	Subordinated notes due 2029
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	N/A	The rights of the holders will, in the event of the winding up of the Bank, rank (i) subordinate and junior in right of payment to, and of all claims of, (a) all unsubordinated creditors of the Issuer (including its depositors), and (b) all other Subordinated Creditors of the Issuer whose claims are stated to rank senior to the Notes or rank senior to the Notes by operation of law or contract; (ii) pari passu in right of payment to and of all claims of the holders of Parity Obligations; and (iii) senior in right of payment to, and of all claims of, (a) the holders of Junior Obligations, and (b) holders of Tier 1 Capital Instruments of the Issuer.	The rights of the holders will, in the event of the winding up of the Bank, rank (i) subordinate and junior in right of payment to, and of all claims of, (a) all unsubordinated creditors of the Issuer (including its depositors), and (b) all other Subordinated Creditors of the Issuer whose claims are stated to rank senior to the Notes or rank senior to the Notes by operation of law or contract; (ii) pari passu in right of payment to and of all claims of the holders of Parity Obligations; and (iii) senior in right of payment to, and of all claims of, (a) the holders of Junior Obligations, and (b) holders of Tier 1 Capital Instruments of the Issuer.
36	Non-compliant transitioned features	No	No	No
37	If yes, specify non-compliant features	N/A	N/A	N/A

Footnote:

Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the BCR

+ Regulatory treatment of capital instruments not subject to transitional arrangement provided for in Schedule 4H of the BCR

* Include solo-consolidated

(All amounts in HK dollar thousands unless otherwise stated)

3 OVERVIEW OF RWA

The table below shows the breakdowns of RWA for various risks as at 30 June 2022 and 31 March 2022 and the minimum capital requirements as at 30 June 2022 which are calculated by multiplying the Group's RWA by 8%.

		RWA		Minimum capital requirements
		30 June 2022	31 March 2022	30 June 2022
1	Credit risk for non-securitization exposures	150,660,940	152,479,118	12,052,875
2	Of which STC approach	150,660,940	152,479,118	12,052,875
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	1,964,366	1,807,781	157,149
7	Of which SA-CCR approach	1,964,366	1,807,781	157,149
7a	Of which CEM	–	–	–
8	Of which IMM(CCR) approach	–	–	–
9	Of which others	–	–	–
10	CVA risk	366,025	345,838	29,282
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	6,419,288	9,516,875	513,543
21	Of which STM approach	6,419,288	9,516,875	513,543
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	9,477,575	9,664,613	758,206
24a	Sovereign concentration risk	–	–	–
25	Amounts below the thresholds for deduction (subject to 250% RW)	1,728,975	1,892,663	138,318
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	**Total**	170,617,169	175,706,888	13,649,373

4 COUNTERCYCLICAL CAPITAL BUFFER ("CCYB") RATIO

CCyB ratio is calculated as the weighted average of the applicable jurisdictional CCyB ("JCCyB") ratio effective at the date for which the determination is made, in respect of the jurisdictions (including Hong Kong) where the Bank has private sector credit exposures. The weight to be attributed to a given jurisdiction's applicable CCyB ratio is the ratio of the Bank's aggregate RWA for its private sector credit exposures (in both the banking book and the trading book) in that jurisdiction where the location of the exposures is determined as far as possible on an ultimate risk basis to the sum of the Bank's aggregate RWA across all jurisdictions in which the Bank has private sector credit exposures.

Key drivers for the changes in exposure amounts include asset quality, credit growth and credit portfolio. The applicable JCCyB ratio for Hong Kong is determined by the Hong Kong Monetary Authority based on the Initial Reference Calculator that is transparently calculated and made public, while the applicable JCCyB ratio in respect of a given jurisdiction outside Hong Kong may differ from the JCCyB ratio as determined by the relevant authority in that jurisdiction if the Hong Kong Monetary Authority has determined and announced the application of a higher or lower rate.

The following table shows the CCyB ratio, the geographical breakdown of the RWA in relation to private sector credit exposures that are relevant to the calculation of CCyB ratio and which have an applicable JCCyB ratio greater than zero as at 30 June 2022.

	Jurisdiction	Applicable JCCyB ratio in effect	Total RWA used in computation of CCyB ratio	CCyB ratio	CCyB amount
		%	HK$'000	%	HK$'000
1	Hong Kong SAR	1.0%	76,318,173		
	Sum		**76,318,173**		
	Total		**120,134,421**	**0.6%**	**1,083,419**

(All amounts in HK dollar thousands unless otherwise stated)

5 LEVERAGE RATIO

The leverage ratio ("LR") represents the consolidated ratio computed in the same regulatory consolidation basis as the capital adequacy ratio. The table below presents the summary comparison of accounting assets against leverage ratio exposure measure as at 30 June 2022.

Item		Value under the LR framework
1	Total consolidated assets as per published financial statements (before adjustments for specific and collective provisions)	233,371,526
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(32,906)
2a	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	–
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting standard but excluded from the LR exposure measure	–
3a	Adjustments for eligible cash pooling transactions	–
4	Adjustments for derivative contracts	1,779,504
5	Adjustment for SFTs (i.e. repos and similar secured lending)	–
6	Adjustment for off-balance sheet ("OBS") items (i.e. conversion to credit equivalent amounts of OBS exposures)	9,542,645
6a	Adjustments for prudent valuation adjustments and specific and collective provisions that are allowed to be excluded from exposure measure	(601,729)
7	Other adjustments	(1,604,083)
8	**Leverage ratio exposure measure**	**242,454,957**

The leverage ratios as at 30 June 2022 and 31 March 2022 are shown below:

		30 June 2022	31 March 2022
On-balance sheet exposures			
1	On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	232,567,233	237,301,099
2	Less: Asset amounts deducted in determining Tier 1 capital	(1,606,685)	(1,685,395)
3	**Total on-balance sheet exposures (excluding derivative contracts and SFTs)**	230,960,548	235,615,704
Exposures arising from derivative contracts			
4	Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)	288,066	168,031
5	Add-on amounts for PFE associated with all derivative contracts	2,262,825	2,167,759
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	**Total exposures arising from derivative contracts**	2,550,891	2,335,790

(All amounts in HK dollar thousands unless otherwise stated)

5 LEVERAGE RATIO (CONTINUED)

		30 June 2022	31 March 2022
Exposures arising from SFTs			
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	**Total exposures arising from SFTs**	–	–
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	46,525,221	47,604,364
18	Less: Adjustments for conversion to credit equivalent amounts	(36,982,576)	(37,940,931)
19	**Off-balance sheet items**	9,542,645	9,663,433
Capital and total exposures			
20	**Tier 1 capital**	30,870,615	31,221,077
20a	**Total exposures before adjustments for specific and collective provisions**	243,054,084	247,614,927
20b	**Adjustments for specific and collective provisions**	(599,127)	(593,732)
21	**Total exposures after adjustments for specific and collective provisions**	242,454,957	247,021,195
Leverage ratio			
22	**Leverage ratio**	12.7%	12.6%

Footnote:
CCP: Central counterparty
CCR: Counterparty credit risk
PFE: Potential future exposure
SFT: Securities financing transactions

(All amounts in HK dollar thousands unless otherwise stated)

6 CREDIT RISK

(a) Credit quality of exposures as at 30 June 2022

		Gross carrying amounts of			Of which ECL accounting provisions for credit losses on STC approach exposures			
		Defaulted exposures	Non-defaulted exposures	Allowances/ impairments	Allocated in regulatory category of specific provisions	Allocated in regulatory category of collective provisions	Of which ECL accounting provisions for credit losses on IRB approach exposures	Net values
1	Loans	596,126	96,793,856	544,873	109,872	435,001	–	96,845,109
2	Debt securities	–	64,568,010	47	–	47	–	64,567,963
3	Off-balance sheet exposures	–	13,330,538	10,208	–	10,208	–	13,320,330
4	**Total**	**596,126**	**174,692,404**	**555,128**	**109,872**	**445,256**	**–**	**174,733,402**

(b) Changes in defaulted loans and debt securities

		Amount
1	Defaulted loans and debt securities as at end December 2021	107,092
2	Loans and debt securities that have defaulted since the last reporting period	515,884
3	Returned to non-defaulted status	–
4	Amounts written off	(358)
5	Other changes	(26,492)
6	**Defaulted loans and debt securities as at end June 2022**	**596,126**

(c) Overview of recognised credit risk mitigation as at 30 June 2022

		Exposures unsecured: carrying amount	Exposures to be secured	Exposures secured by recognised collateral	Exposures secured by recognised guarantees	Exposures secured by recognised credit derivative contracts
1	Loans	94,963,761	1,881,348	1,699,181	182,167	–
2	Debt securities	64,567,963	–	–	–	–
3	**Total**	**159,531,724**	**1,881,348**	**1,699,181**	**182,167**	**–**
4	Of which defaulted	2,974	510,559	510,559	–	–

(All amounts in HK dollar thousands unless otherwise stated)

6 CREDIT RISK (CONTINUED)

(d) Credit risk exposures and effects of recognised credit risk mitigation – for STC approach as at 30 June 2022

		Exposures pre-CCF and pre-CRM		Exposures post-CCF and post-CRM		RWA and RWA density	
	Exposure classes	On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Sovereign exposures	10,139,950	–	10,196,426	–	120,691	1%
2	PSE exposures	3,546,283	250,000	3,489,807	125,000	676,097	19%
2a	Of which: domestic PSEs	3,311,960	250,000	3,255,484	125,000	676,097	20%
2b	Of which: foreign PSEs	234,323	–	234,323	–	–	–
3	Multilateral development bank exposures	1,298,287	–	1,298,287	–	–	–
4	Bank exposures	83,804,830	2,782,503	83,985,332	821,582	29,938,122	35%
5	Securities firm exposures	194,610	3,263,014	194,610	–	97,305	50%
6	Corporate exposures	104,521,524	28,293,497	103,636,690	4,105,750	99,454,894	92%
7	CIS exposures	–	–	–	–	–	–
8	Cash items	800,292	–	1,988,914	–	198,371	10%
9	Exposures in respect of failed delivery on transactions entered into on a basis other than a delivery-versus-payment basis	–	–	–	–	–	–
10	Regulatory retail exposures	3,538,859	2,434,511	3,435,905	115,767	2,663,755	75%
11	Residential mortgage loans	7,711,439	2,021,211	7,709,268	1,008,035	4,092,722	47%
12	Other exposures which are not past due exposures	13,236,085	7,480,485	12,856,920	47,043	12,903,963	100%
13	Past due exposures	513,533	–	513,533	–	515,020	100%
14	Significant exposures to commercial entities	–	–	–	–	–	–
15	**Total**	**229,305,692**	**46,525,221**	**229,305,692**	**6,223,177**	**150,660,940**	**64%**

(All amounts in HK dollar thousands unless otherwise stated)

6 CREDIT RISK (CONTINUED)

(e) Credit risk exposures by asset classes and by risk weights – for STC approach as at 30 June 2022

	Exposure class \ Risk Weight	0%	10%	20%	35%	50%	75%	100%	150%	250%	Others	Total credit risk exposures amount (post CCF and post CRM)
1	Sovereign exposures	9,592,970	–	603,456	–	–	–	–	–	–	–	**10,196,426**
2	PSE exposures	234,323	–	3,380,484	–	–	–	–	–	–	–	**3,614,807**
2a	Of which: domestic PSEs	–	–	3,380,484	–	–	–	–	–	–	–	**3,380,484**
2b	Of which: foreign PSEs	234,323	–	–	–	–	–	–	–	–	–	**234,323**
3	Multilateral development bank exposures	1,298,287	–	–	–	–	–	–	–	–	–	**1,298,287**
4	Bank exposures	–	–	41,563,377	–	43,236,183	–	7,354	–	–	–	**84,806,914**
5	Securities firm exposures	–	–	–	–	194,610	–	–	–	–	–	**194,610**
6	Corporate exposures	–	–	439,084	–	15,872,559	–	91,430,797	–	–	–	**107,742,440**
7	CIS exposures	–	–	–	–	–	–	–	–	–	–	**–**
8	Cash items	1,303,124	–	609,273	–	–	–	76,517	–	–	–	**1,988,914**
9	Exposures in respect of failed delivery on transactions entered into on a basis other than a delivery-versus-payment basis	–	–	–	–	–	–	–	–	–	–	**–**
10	Regulatory retail exposures	–	–	–	–	–	3,551,672	–	–	–	–	**3,551,672**
11	Residential mortgage loans	–	–	–	7,046,279	–	178,001	1,493,023	–	–	–	**8,717,303**
12	Other exposures which are not past due exposures	–	–	–	–	–	–	12,903,963	–	–	–	**12,903,963**
13	Past due exposures	–	–	–	–	–	–	510,559	2,974	–	–	**513,533**
14	Significant exposures to commercial entities	–	–	–	–	–	–	–	–	–	–	**–**
15	**Total**	**12,428,704**	**–**	**46,595,674**	**7,046,279**	**59,303,352**	**3,729,673**	**106,422,213**	**2,974**	**–**	**–**	**235,528,869**

(All amounts in HK dollar thousands unless otherwise stated)

7 COUNTERPARTY CREDIT RISK

(a) Analysis of counterparty default risk exposures (other than those to CCPs) by approaches as at 30 June 2022

		Replacement cost (RC)	PFE	Effective EPE	Alpha (α) used for computing default risk exposure	Default risk exposure after CRM	RWA
1	SA-CCR approach (for derivative contracts)	249,450	1,582,167		1.4	2,564,264	1,964,366
1a	CEM (for derivative contracts)	–	–		1.4	–	–
2	IMM (CCR) approach			–	–	–	–
3	Simple approach (for SFTs)					–	–
4	Comprehensive approach (for SFTs)					–	–
5	VaR (for SFTs)					–	–
6	**Total**						**1,964,366**

(b) CVA capital charge as at 30 June 2022

		EAD post CRM	RWA
	Netting sets for which CVA capital charge is calculated by the advanced CVA method		
1	(i) VaR (after application of multiplication factor if applicable)		–
2	(ii) Stressed VaR (after application of multiplication factor if applicable)		–
3	Netting sets for which CVA capital charge is calculated by the standardized CVA method	2,564,264	366,025
4	**Total**	**2,564,264**	**366,025**

(All amounts in HK dollar thousands unless otherwise stated)

7 COUNTERPARTY CREDIT RISK (CONTINUED)

(c) Counterparty default risk exposures (other than those to CCPs) by asset classes and by risk weights – for STC approach as at 30 June 2022

	Exposure class \ Risk Weight	0%	10%	20%	35%	50%	75%	100%	150%	250%	Others	Total default risk exposure after CRM
1	Sovereign exposures	–	–	–	–	–	–	–	–	–	–	**–**
2	PSE exposures	–	–	–	–	–	–	–	–	–	–	**–**
2a	Of which: domestic PSEs	–	–	–	–	–	–	–	–	–	–	**–**
2b	Of which: foreign PSEs	–	–	–	–	–	–	–	–	–	–	**–**
3	Multilateral development bank exposures	–	–	–	–	–	–	–	–	–	–	**–**
4	Bank exposures	–	–	87,393	–	868,749	–	–	–	–	–	**956,142**
5	Securities firm exposures	–	–	–	–	2,093	–	–	–	–	–	**2,093**
6	Corporate exposures	–	–	–	–	189,126	–	617,518	–	–	–	**806,644**
7	CIS exposures	–	–	–	–	–	–	–	–	–	–	**–**
8	Regulatory retail exposures	–	–	–	–	–	–	–	–	–	–	**–**
9	Residential mortgage loans	–	–	–	–	–	–	–	–	–	–	**–**
10	Other exposures which are not past due exposures	–	–	–	–	–	–	799,385	–	–	–	**799,385**
11	Significant exposures to commercial entities	–	–	–	–	–	–	–	–	–	–	**–**
12	**Total**	**–**	**–**	**87,393**	**–**	**1,059,968**	**–**	**1,416,903**	**–**	**–**	**–**	**2,564,264**

(All amounts in HK dollar thousands unless otherwise stated)

7 COUNTERPARTY CREDIT RISK (CONTINUED)

(d) Composition of collateral for counterparty default risk exposures (including those for contracts or transactions cleared through CCPs) as at 30 June 2022

		Derivative contracts				SFTs	
		Fair value of recognised collateral received		Fair value of posted collateral		Fair value of recognised collateral received	Fair value of posted collateral
		Segregated	Unsegregated	Segregated	Unsegregated		
1	Cash – other currencies	–	142,047	–	145,030	–	–
2	**Total**	**–**	**142,047**	**–**	**145,030**	**–**	**–**

(e) Credit-related derivatives contracts

The Group did not have any credit-related derivatives contracts as at 30 June 2022.

(f) Exposures to CCPs

The Group did not have any exposures to CCPs as at 30 June 2022.

8 MARKET RISK

Market risk under STM approach as at 30 June 2022

		RWA
	Outright product exposures	
1	Interest rate exposures (general and specific risk)	752,463
2	Equity exposures (general and specific risk)	694,100
3	Foreign exchange (including gold) exposures	4,851,000
4	Commodity exposures	–
	Option exposures	
5	Simplified approach	–
6	Delta-plus approach	121,725
7	Other approach	–
8	Securitization exposures	–
9	**Total**	**6,419,288**

(All amounts in HK dollar thousands unless otherwise stated)

9 NON-BANK MAINLAND EXPOSURES

The Bank	**30 June 2022**			31 December 2021		
Types of counterparties	**On-balance sheet exposures**	**Off-balance sheet exposures**	**Total**	On-balance sheet exposures	Off-balance sheet exposures	Total
1. Central government, central government-owned entities and their subsidiaries and joint ventures	**4,961,530**	**4,548**	**4,966,078**	6,119,632	5,744	6,125,376
2. Local governments, local government-owned entities and their subsidiaries and joint ventures	**–**	**–**	**–**	–	–	–
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and joint ventures	**10,368,542**	**952,306**	**11,320,848**	11,427,500	1,408,132	12,835,632
4. Other entities of central government not reported in item 1 above	**100,581**	**–**	**100,581**	96,412	–	96,412
5. Other entities of local governments not reported in item 2 above	**160,329**	**–**	**160,329**	189,795	–	189,795
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	**5,087,444**	**521,147**	**5,608,591**	5,592,311	558,362	6,150,673
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	**786,726**	**426**	**787,152**	891,280	–	891,280
Total	**21,465,152**	**1,478,427**	**22,943,579**	24,316,930	1,972,238	26,289,168
Total assets after provision	**220,815,108**			220,362,505		
On-balance sheet exposures as percentage of total assets	**9.72%**			11.03%		

(All amounts in HK dollar thousands unless otherwise stated)

10 CURRENCY CONCENTRATIONS

As at 30 June 2022

Equivalent in Hong Kong dollars	**Spot assets**	**Spot liabilities**	**Forward purchases**	**Forward sales**	**Net options position**	**Net long/ (short) position**	**Net structural position**
US Dollars	**92,396,000**	**(89,278,000)**	**49,815,000**	**(46,077,000)**	**(21,000)**	**6,835,000**	**13,430,000**
Pound Sterling	**8,259,000**	**(5,569,000)**	**2,739,000**	**(5,418,000)**	**8,000**	**19,000**	**29,000**
Euro Dollars	**1,732,000**	**(1,660,000)**	**1,203,000**	**(1,187,000)**	**(63,000)**	**25,000**	**–**
Renminbi	**23,058,000**	**(22,591,000)**	**6,504,000**	**(6,364,000)**	**(65,000)**	**542,000**	**4,156,000**
Canadian Dollars	**1,423,000**	**(1,424,000)**	**84,000**	**(147,000)**	**61,000**	**(3,000)**	**–**
Australian Dollars	**2,523,000**	**(2,631,000)**	**2,375,000**	**(2,249,000)**	**16,000**	**34,000**	**–**
Other currencies and gold	**3,049,000**	**(1,466,000)**	**8,330,000**	**(9,856,000)**	**64,000**	**121,000**	**–**
	132,440,000	**(124,619,000)**	**71,050,000**	**(71,298,000)**	**–**	**7,573,000**	**17,615,000**

As at 31 December 2021

Equivalent in Hong Kong dollars	Spot assets	Spot liabilities	Forward purchases	Forward sales	Net options position	Net long/ (short) position	Net structural position
US Dollars	99,377,000	(79,689,000)	22,560,000	(22,773,000)	161,000	19,636,000	1,919,000
Pound Sterling	7,758,000	(5,858,000)	2,495,000	(4,434,000)	4,000	(35,000)	64,000
Euro Dollars	1,550,000	(1,555,000)	736,000	(721,000)	(44,000)	(34,000)	–
Renminbi	24,218,000	(22,703,000)	2,791,000	(2,413,000)	(33,000)	1,860,000	5,548,000
Canadian Dollars	1,503,000	(1,539,000)	44,000	(14,000)	(33,000)	(39,000)	–
Australian Dollars	2,608,000	(2,671,000)	1,585,000	(1,566,000)	21,000	(23,000)	–
Other currencies and gold	2,761,000	(1,563,000)	6,302,000	(7,278,000)	(76,000)	146,000	–
	139,775,000	(115,578,000)	36,513,000	(39,199,000)	–	21,511,000	7,531,000

The net options position is calculated based on the delta-weighted positions of all foreign exchange option contracts.

The above disclosure is based on the significance of the Group's foreign currency exposures of the current period.