

As at 30 June 2017

Leverage Ratio Summary Comparison Table

| | Item | Leverage ratio framework HK\$'000 |
|---|--|--------------------------------------|
| 1 | Total consolidated assets as per published financial statements | 41,631,340 |
| 2 | Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation | 80,088 |
| 3 | Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure | 0 |
| 4 | Adjustments for derivative financial instruments | 26,411 |
| 5 | Adjustment for securities financing transactions (i.e. repos and similar secured lending) | 0 |
| 6 | Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures) | 400,891 |
| 7 | Other adjustments | (698,381) |
| 8 | Leverage ratio exposure | 41,440,349 |

PUBLIC BANK (HONG KONG) LIMITED

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Leverage Ratio Common Disclosure Template

| | Item | Leverage ratio framework HK\$'000 |
|-----------------------------------|--|--------------------------------------|
| On-balance sheet exposures | | |
| 1 | On-balance sheet items (excluding derivatives and SFTs, but including collateral) | 41,720,743 |
| 2 | Less: Asset amounts deducted in determining Basel III Tier 1 capital (reported as negative amounts) | (707,696) |
| 3 | Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2) | 41,013,047 |
| Derivative exposures | | |
| 4 | Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin) | 9,610 |
| 5 | Add-on amounts for PFE associated with all derivatives transactions | 16,801 |
| 6 | Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework | 0 |
| 7 | Less: Deductions of receivables assets for cash variation margin provided in derivatives transactions (reported as negative amounts) | 0 |
| 8 | Less: Exempted CCP leg of client-cleared trade exposures (reported as negative amounts) | 0 |
| 9 | Adjusted effective notional amount of written credit derivatives | 0 |
| 10 | Less: Adjusted effective notional offsets and add-on deductions for written credit derivatives (reported as negative amounts) | 0 |
| 11 | Total derivative exposures (sum of lines 4 to 10) | 26,411 |

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| Securities financing transaction exposures | | |
|---|---|-------------|
| 12 | Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions | 0 |
| 13 | Less: Netted amounts of cash payables and cash receivables of gross SFT assets (reported as negative amounts) | 0 |
| 14 | CCR exposure for SFT assets | 0 |
| 15 | Agent transaction exposures | 0 |
| 16 | Total securities financing transaction exposures (sum of lines 12 to 15) | 0 |
| Other off-balance sheet exposures | | |
| 17 | Off-balance sheet exposure at gross notional amount | 3,545,783 |
| 18 | Less: Adjustments for conversion to credit equivalent amounts (reported as negative amounts) | (3,144,892) |
| 19 | Off-balance sheet items (sum of lines 17 and 18) | 400,891 |
| Capital and total exposures | | |
| 20 | Tier 1 capital | 4,707,042 |
| 21 | Total exposures (sum of lines 3, 11, 16 and 19) | 41,440,349 |
| Leverage ratio | | |
| 22 | Basel III leverage ratio | 11.36% |