

Part IIIc: Risk-weighted Amount for Credit Risk (IRB Approach)
Division A: Summary of Risk-weighted Amount for Credit Risk under IRB Approach

IRB_TOTCRWA

Name of the AI: XYZ Bank

(in HK\$'000)

Item	IRB Class	Number of Corresponding Forms Reported under Division B (1)	Risk-weighted Amount		
			(2)	(3)	(4)
1. Corporate exposures, of which					275,674
(a) Specialized lending under supervisory slotting criteria approach					
(i) Project finance	() Form IRB_SLSLOT				
(ii) Object finance	() Form IRB_SLSLOT				
(iii) Commodities finance	() Form IRB_SLSLOT				
(iv) Income-producing real estate	() Form IRB_SLSLOT				
(b) Specialized lending (high-volatility commercial real estate)	() Form IRB_SLSLOT and () Form IRB_CSB				
(c) Small-and-medium sized corporates	(1) Form IRB_CSB			97,578	
(d) Other corporates	(1) Form IRB_CSB			178,096	
2. Sovereign exposures, of which					64,233
(a) Sovereigns	(1) Form IRB_CSB			64,233	
(b) Sovereign foreign public sector entities	() Form IRB_CSB				
(c) Multilateral development banks	() Form IRB_CSB				
3. Bank exposures, of which					19,788
(a) Banks	(1) Form IRB_CSB			19,788	
(b) Securities firms	() Form IRB_CSB				
(c) Public sector entities (excluding sovereign foreign public sector entities)	() Form IRB_CSB				
4. Retail exposures, of which					147
(a) Residential mortgages					
(i) Individuals	() Form IRB_RETAIL				
(ii) Property-holding shell companies	() Form IRB_RETAIL				
(b) Qualifying revolving retail exposures	(1) Form IRB_RETAIL			147	
(c) Small business retail exposures	() Form IRB_RETAIL				
(d) Other retail exposures to individuals	() Form IRB_RETAIL				
5. Equity exposures, of which					50,000
(a) Market-based approach				50,000	
(i) Simple risk-weight method	() Form IRB_EQUSRW				
(ii) Internal models method	(1) Form IRB_EQUINT		50,000		
(b) PD/LGD approach					
(i) Publicly traded equity exposures held for long-term investment	() Form IRB_EQUPDLGD				
(ii) Privately owned equity exposures held for long-term investment	() Form IRB_EQUPDLGD				
(iii) Other publicly traded equity exposures	() Form IRB_EQUPDLGD				
(iv) Other equity exposures	() Form IRB_EQUPDLGD				
(c) Approaches for CIS exposures					
(i) Look-through approach	() Form IRB_EQUCIS				
(ii) Third-party approach	() Form IRB_EQUCIS				
(iii) Mandate-based approach	() Form IRB_EQUCIS				
(iv) Fall-back approach	() Form IRB_EQUCIS				
(v) Combination of approaches	() Form IRB_EQUCIS				
(d) Equity exposures not reported in IRB_EQUSRW, IRB_EQUINT, IRB_EQUPDLGD or IRB_EQUCIS	() Form IRB_EQUO				
6. Other exposures					
	() Form IRB_OTHER				
7. Total risk-weighted amount for credit risk (IRB Approach) before applying the scaling factor [Item 7 = Item 1 + Item 2 + Item 3 + Item 4 + Item 5 + Item 6]					409,842
8. Total risk-weighted amount for credit risk (IRB Approach) after applying the scaling factor [Item 8 = Item 7 x 1.06]					434,433
9. Risk-weighted amount for CVA		Part IIIf			0
10. Total risk-weighted amount for credit risk (IRB Approach plus CVA) [Item 10 = Item 8 + Item 9], of which					434,433
(a) Risk-weighted amount of default risk exposures in respect of derivative contracts and SFTs not subject to IMM(CCR) Approach					
(b) Risk-weighted amount of default risk exposures in respect of derivative contracts and SFTs subject to IMM(CCR) Approach					
(c) Risk-weighted amount of exposures subject to asset value correlation multiplier of 1.25					

Division B: Risk-weighted Amount by IRB Class / Subclass

IRB_RETAIL

Name of the AI: XYZ Bank

IRB Class : Retail Exposures

IRB Approach: Retail IRB Approach

IRB Subclass : ~~Residential Mortgages to Individuals / Residential Mortgages to Property-holding Shell Companies /~~

Qualifying Revolving Retail Exposures / Small Business Retail Exposures / Other Retail Exposures to Individuals (delete where inapplicable)

Portfolio Type : (please specify where the reporting AI has more than one internal rating system for an IRB class / subclass)

(in HK\$'000)

Internal Rating System					EAD Calculation								LGD	Risk-weighted Amount			Memorandum Items	
Pool		PD range			Exposures before recognized guarantees / credit derivative contracts				Exposures after recognized guarantees / credit derivative contracts								EAD	Expected loss amount
Non-defaulted (N) / Defaulted (D)	Lower bound	Upper bound	Average PD	On-balance sheet exposures		Off-balance sheet exposures		On-balance sheet exposures after netting	Off-balance sheet exposures		(%)	Of which: For dilution risk (a)		Of which: For residual value risk (b)				
(1)	(2)	(3)	(4)	(5)	(6)(i)	(6)(ii)	(7)	(8)	(9)	(10)	(11)	(12) = (9)+(10)+(11)	(13)	(14)	(15)	(16)	(17)	(18)
1	N	0.05	0.05	0.05									30.00					
2	N	0.05	0.05	0.05									60.00					
3	N	0.05	0.05	0.05									85.00					
4	N	0.25	0.25	0.25									30.00					
5	N	0.25	0.25	0.25									60.00					
6	N	0.25	0.25	0.25									85.00					
7	N	0.75	0.75	0.75									30.00					
8	N	0.75	0.75	0.75	800 (H)	800 (H)			800 (H)			800 (H)	60.00	147 (H)			4 (H)	1
9	N	0.75	0.75	0.75									85.00					
10	N	3.00	3.00	3.00									30.00					
11	N	3.00	2.00	3.00									60.00					
12	N	3.00	3.00	3.00									85.00					
13	N	6.00	6.00	6.00									30.00					
14	N	6.00	6.00	6.00									60.00					
15	N	6.00	6.00	6.00									85.00					
16	N	15.00	15.00	15.00									30.00					
17	N	15.00	15.00	15.00									60.00					
18	N	15.00	15.00	15.00									85.00					
19	D	100.00	100.00	100.00									30.00					
20	D	100.00	100.00	100.00									60.00					
21	D	100.00	100.00	100.00									85.00					
22	D	100.00	100.00	100.00									100.00					
Total:					800	800	-	-	800	-	-	800		147	-	-	4	1

(to Division A)

(a) This column is only applicable to purchased receivables.

(b) This column is only applicable to leasing transactions that expose the AI to residual value risk.

Division B: Risk-weighted Amount by IRB Class / Subclass

IRB_EQUINT

Name of the AI: XYZ Bank

IRB Class : Equity Exposures

IRB Approach: Market-based Approach: Internal Models Method

IRB Subclass : Equity Exposures under Internal Models Method

(in HK\$'000)

Portfolio	EAD Calculation		Risk-weighted Amount Calculation						Memorandum Item	
	Exposures before netting	Exposures after netting (EAD)	Minimum risk-weights (for exposures where minimum risk-weights apply)			Internal models (for exposures where minimum risk-weights do not apply)			Risk-weighted Amount	Number of equity exposures
			EAD	Minimum risk-weight (%)	Risk-weighted amount using minimum risk-weights (6) = (4)x(5)	EAD	Potential loss	Risk-weighted amount using internal models (9) = (8)x12.5		
(1)	(2)	(3)	(4)	(5)	(6) = (4)x(5)	(7) = (3)-(4)	(8)	(9) = (8)x12.5	(10) = (6)+(9)	(11)
1 Publicly traded equity exposures	20,000 (G)	20,000 (G)		200		20,000 (G)	4,000 (G)	50,000 (G)	50,000 (G)	1
2 All other equity exposures				300				-	-	
Total :	20,000	20,000	-		-	20,000	4,000	50,000	50,000	1

(to Division A)

Division C: LGD for Corporate, Sovereign and Bank Exposures

IRB_FIRBLGD

Name of the AI: XYZ Bank

IRB Approach: Foundation IRB Approach

IRB Class : Corporate Exposures / ~~Sovereign Exposures~~ / ~~Bank Exposures~~ (delete where inapplicable)

IRB Subclass : ~~Small and medium-sized Corporates / Other Corporates / Specialized lending (high-volatility commercial real estate) / Sovereigns / Sovereign Foreign Public Sector Entities / Multilateral Development Banks / Banks / Securities Firms / Public Sector Entities (Excluding Sovereign Foreign Public Sector Entities)~~ (delete where inapplicable)

Portfolio Type : (please specify where the reporting AI has more than one internal rating system for an IRB class / subclass)

(in HK\$'000)

Obligor grade		EAD	LGD								
Average PD		Total	EAD by facility / collateral type								Exposure weighted average LGD
(%)	(3) = (4)+(5)+...+(10)+(11)		(i) Exposures with specific wrong-way risk	(ii) Subordinated exposures	(iii) Unsecured senior exposures	(iv) Other recognized IRB collateral	(v) Recognized commercial real estate	(vi) Recognized residential real estate	(vii) Recognized financial receivables	(viii) Recognized financial collateral	
(1)	(2)		LGD: 100%	LGD: 75%	LGD: 45%	LGD: 40%	LGD: 35%	LGD: 35%	LGD: 35%	LGD: 0%	(%)
			(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1	0.03	-									
2	0.25	-									
3	0.75	-									
4	1.50	-									
5	3.00	90,000 (A)			90,000 (A)						45.00
6	6.00	-									
7	20.00	-									
8	100.00	100,000 (F)			100,000 (F)						45.00
		-									
		-									
		-									
		-									
Total :		190,000	-	-	190,000	-	-	-	-	-	

Division C: LGD for Corporate, Sovereign and Bank Exposures

IRB_FIRBLGD

Name of the AI: XYZ Bank

IRB Approach: Foundation IRB Approach

IRB Class : Corporate Exposures / ~~Sovereign Exposures~~ / ~~Bank Exposures~~ (delete where inapplicable)

IRB Subclass : Small-and-medium sized Corporates / ~~Other Corporates~~ / ~~Specialized lending (high-volatility commercial real estate)~~ / ~~Sovereigns~~ / ~~Sovereign Foreign Public Sector Entities~~ / ~~Multilateral Development Banks~~ / ~~Banks~~ / ~~Securities Firms~~ / ~~Public Sector Entities (Excluding Sovereign Foreign Public Sector Entities)~~ (delete where inapplicable)

Portfolio Type : (please specify where the reporting AI has more than one internal rating system for an IRB class / subclass)

(in HK\$'000)

Obligor grade		EAD	LGD								Exposure weighted average LGD (to Division B) (%) (12)
Average PD		Total (3) = (4)+(5)+...+(10)+(11)	EAD by facility / collateral type								
(%)	(1)		(2)	(i) Exposures with specific wrong-way risk	(ii) Subordinated exposures	(iii) Unsecured senior exposures	(iv) Other recognized IRB collateral	(v) Recognized commercial real estate	(vi) Recognized residential real estate	(vii) Recognized financial receivables	
(%)	(1)	(2)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
1	0.03	-									
2	0.25	-									
3	0.75	-									
4	1.50	-									
5	3.00	60,000 (B)		60,000 (B)							75.00
6	6.00	-									
7	20.00	-									
8	100.00	-									
		-									
		-									
		-									
		-									
Total :		60,000	-	60,000	-	-	-	-	-	-	

Division C: LGD for Corporate, Sovereign and Bank Exposures

IRB_FIRBLGD

Name of the AI: XYZ Bank

IRB Approach: Foundation IRB Approach

IRB Class : ~~Corporate Exposures / Sovereign Exposures / Bank Exposures~~ (delete where inapplicable)

IRB Subclass : ~~Small and medium sized Corporates / Other Corporates / Specialized lending (high volatility commercial real estate) / Sovereigns / Sovereign Foreign Public Sector Entities / Multilateral Development Banks / Banks / Securities Firms / Public Sector Entities (Excluding Sovereign Foreign Public Sector Entities)~~ (delete where inapplicable)

Portfolio Type : (please specify where the reporting AI has more than one internal rating system for an IRB class / subclass)

(in HK\$'000)

Obligor grade		EAD	LGD								Exposure weighted average LGD (to Division B) (%) (12)
Average PD		Total (3) = (4)+(5)+...+(10)+(11)	EAD by facility / collateral type								
(%) (1)	(2)		(i) Exposures with specific wrong-way risk	(ii) Subordinated exposures	(iii) Unsecured senior exposures	(iv) Other recognized IRB collateral	(v) Recognized commercial real estate	(vi) Recognized residential real estate	(vii) Recognized financial receivables	(viii) Recognized financial collateral	
		LGD: 100%	LGD: 75%	LGD: 45%	LGD: 40%	LGD: 35%	LGD: 35%	LGD: 35%	LGD: 0%		
		(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)		
1	0.03	-									
2	0.25	-									
3	0.75	-									
4	1.50	100,000 (E)			29,086 (E)	35,714 (E)			35,200 (E)	27.37	
5	3.00	-									
6	6.00	-									
7	20.00	-									
8	100.00	-									
		-									
		-									
		-									
		-									
Total :		100,000	-	-	29,086	35,714	-	-	-	35,200	

Division C: LGD for Corporate, Sovereign and Bank Exposures

IRB_FIRBLGD

Name of the AI: XYZ Bank

IRB Approach: Foundation IRB Approach

IRB Class : ~~Corporate Exposures / Sovereign Exposures / Bank Exposures~~ (delete where inapplicable)

IRB Subclass : ~~Small and medium sized Corporates / Other Corporates / Specialized lending (high volatility commercial real estate) / Sovereigns / Sovereign Foreign Public Sector Entities / Multilateral Development Banks / Banks / Securities Firms / Public Sector Entities (Excluding Sovereign Foreign Public Sector Entities)~~ (delete where inapplicable)

Portfolio Type : (please specify where the reporting AI has more than one internal rating system for an IRB class / subclass)

(in HK\$'000)

Obligor grade		EAD	LGD								Exposure weighted average LGD (to Division B) (%) (12)
Average PD		Total (3) = (4)+(5)+...+(10)+(11)	EAD by facility / collateral type								
(%)	(2)		(i) Exposures with specific wrong-way risk	(ii) Subordinated exposures	(iii) Unsecured senior exposures	(iv) Other recognized IRB collateral	(v) Recognized commercial real estate	(vi) Recognized residential real estate	(vii) Recognized financial receivables	(viii) Recognized financial collateral	
(1)	(2)	LGD: 100%	LGD: 75%	LGD: 45%	LGD: 40%	LGD: 35%	LGD: 35%	LGD: 35%	LGD: 0%		
		(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)		
1	0.03	-									
2	0.25	40,000 (C)			40,000 (C)					45.00	
3	0.75	-									
4	1.50	-									
5	3.00	-									
6	6.00	-									
7	20.00	-									
8	100.00	-									
		-									
		-									
		-									
		-									
Total :		40,000	-	-	40,000	-	-	-	-	-	

Division F: EL-EP Calculation under IRB Approach

IRB_ELEP
(in HK\$'000)

Name of AI: XYZ Bank

Item	IRB Class	Expected Loss Amount (EL Amount)			Eligible Provisions (EP)			EL-EP Calculation	
		Non-defaulted exposures	Defaulted exposures	Total	Non-defaulted exposures	Defaulted exposures	Total	Excess of total EL amount over total EP	Excess of total EP over total EL amount
		(a)	(b)	(c) = (a)+(b)	(d)	(e)	(f) = (d)+(e)	(g)	(h)
1.	Corporate exposures , of which	2,565	40,000	42,565	2,032	40,000	42,032		
	(a) Specialized lending under supervisory slotting criteria approach (other than HVCRE exposures)								
	(b) Specialized lending (high-volatility commercial real estate)								
	(c) Small-and-medium sized corporates	1,350 (B)		1,350	1,032 (B)		1,032		
	(d) Other corporates	1,215 (A)	40,000 (F)	41,215	1,000 (A)	40,000 (F)	41,000		
2.	Sovereign exposures , of which	411		411	0		-		
	(a) Sovereigns	411(E)		411	0 (E)				
	(b) Sovereign foreign public sector entities								
	(c) Multilateral development banks								
3.	Bank exposures , of which	45		45	688		688		
	(a) Banks	45 (C)		45	688 (C)		688		
	(b) Securities firms								
	(c) Public sector entities (excluding sovereign foreign public sector entities)								
4.	Retail exposures , of which	4		4	0				
	(a) Residential mortgages								
	(b) Qualifying revolving retail exposures	4(H)		4	0				
	(c) Small business retail exposures								
	(d) Other retail exposures to individuals								
5.	Total	3,025	40,000	43,025	2,720	40,000	42,720		
6.	Deduction from CET1 capital [Item 6 = Item 5(c) - Item 5(f)]							305	
7.	Surplus provisions [Item 7 = Item 5(f) - Item 5(c)]								-
8.	0.6% of total risk-weighted amount for credit risk (IRB Approach) [Item 8 = Item 8 of Form_IRB_TOTCRWA x 0.6%]								2,607
9.	Surplus provisions added to Tier 2 capital [Min(Item 7, Item 8)]								-