

**BDCB Notice No. BU/N-1/2021/68**  
**Pillar 3 – Public Disclosure**  
**Requirements as of**  
**30 September 2024**

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## Overview

Bank of China (Hong Kong) Limited Brunei Branch (“The Branch”) has completed its Pillar 3 – Public disclosure requirements covering the overview of key prudential metrics and Risk-Weighted Assets (“RWA”) in respect of the year as of 30<sup>th</sup> September 2024. The report is prepared with reference to Brunei Darussalam Central Bank (“BDCB”)’s Pillar 3 – Specific Disclosure Requirements. The Branch conducts regular assessment on risk management status and risk governance based on regulatory requirements and assesses the Branch’s level of internal capital adequacy accordingly.

### 1. C1: OVERVIEW OF KEY PRUDENTIAL METRICS AND RWA

#### a. KM1: Key Metrics

	(a)	(b)	(c)	(d)	(e)
	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
	B\$'000	B\$'000	B\$'000	B\$'000	B\$'000
<b><u>Available capital (amounts)</u></b>					
1 Tier 1	118,726	118,722	118,718	118,714	110,499
2 Total capital	119,569	119,755	119,693	120,098	111,349
<b><u>Risk-weighted assets (amounts)</u></b>					
3 Total risk-weighted assets (RWA)	268,490	283,811	277,347	299,198	255,628
<b><u>Risk-based capital ratios as a percentage of RWA</u></b>					
4 Tier 1 ratio (%)	44.22%	41.83%	42.80%	39.68%	43.23%
5 Total capital ratio (%)	44.53%	42.20%	43.16%	40.14%	43.56%

The main increase of tier 1 capital ratio and total capital ratio in Q3 2024 compared to Q2 2024 was mainly due to maturity of customer loans which affected the credit risk RWA resulting a total decrease of B\$ 13,537,000.00. There is no change in the nature of business. However, it can be seen that the position of total CAR is sufficient to meet the Branch’s capital needs.

b. OV1: Overview of Risk Weighted Assets (RWA)

	(a)	(b)	(c)
	RWA		Minimum capital requirements
	30 Sep 2024	30 Jun 2024	30 Sep 2024
	B\$'000	B\$'000	B\$'000
1 Credit risk (Standardised)	238,773	252,310	23,877
2 Market risk (Standardised)	323	2,107	32
3 Operational risk (Basic Indicator Approach)	29,394	29,394	2,940
4 Total (Row 1 + 2 + 3)	268,490	283,811	26,849

In this table, the main driver of decrease in credit risk RWA was due to maturity of customer loans in Q3 2024.