



Banc of America Securities Asia Limited

Regulatory Disclosure Statement

For the quarter ended Mar 31, 2021

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BANC OF AMERICA SECURITIES ASIA LIMITED
(Unaudited information)

1. Key Prudential Ratios:

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

		as at 31 Mar 2021	as at 31 Dec 2020	as at 30 Sep 2020	as at 30 Jun 2020	as at 31 Mar 2020
	Regulatory capital (amount US\$'000)					
1	Common Equity Tier 1 (CET1)	541,705	539,504	538,256	536,056	535,154
2	Tier 1	541,705	539,504	538,256	536,056	535,154
3	Total capital	541,705	539,504	538,256	536,056	535,154
	RWA (amount US\$'000)					
4	Total RWA	104,234	79,988	113,666	144,349	137,218
	Risk-based regulatory capital ratios (as a percentage of RWA)					
5	CET1 ratio (%)	519.70	674.48	473.54	371.36	390.00
6	Tier 1 ratio (%)	519.70	674.48	473.54	371.36	390.00
7	Total capital ratio (%)	519.70	674.48	473.54	371.36	390.00
	Additional CET1 buffer requirements (as a percentage of RWA)					
8	Capital conservation buffer requirement (%)	2.50	2.50	2.50	2.50	2.50
9	Countercyclical capital buffer requirement (%)	-	-	0.02	0.83	-
10	Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)	NA	NA	NA	NA	NA
11	Total AI-specific CET1 buffer requirements (%)	2.50	2.50	2.52	3.33	2.50
12	CET1 available after meeting the AI's minimum capital requirements (%)	509.20	663.98	463.02	360.03	379.50
	Basel III leverage ratio					
13	Total leverage ratio (LR) exposure measure (amount USD'000)	543,802	562,848	551,690	649,908	673,993
14	LR (%)	99.61	95.85	97.57	82.48	79.40
	Liquidity Coverage Ratio (LCR) / Liquidity Maintenance Ratio (LMR)					
	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 (%)	484,275.17	13,958.79	22,652.19	252,336.43	577,337.34
	Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)					
	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 (%)	NA	NA	NA	NA	NA

As of March 31, 2021, the LMR was 484,275.17%, increased by 470,316.38% when compared to December 31, 2020. This is mainly driven by increase in comparative average liquefiable assets during the quarter.

As of March 31, 2021, the CAR was 519.70%, decreased by 154.78% when compared to December 31, 2020. This is majorly driven by higher Credit risk partially offset by lower Market and Operational risk as compared to previous quarter.

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The above key regulatory ratios were calculated in accordance with the following Rules, where relevant, issued by the HKMA.

- Banking (Capital) Rules (“BCR”)
- Leverage Ratio Framework
- Banking (Liquidity) Rules (“BLR”)

2. Overview of Risk Weighted Assets

The following table sets out the Banks’s risk-weighted assets (“RWA”) and the corresponding minimum capital requirements by risk types.

		RWA US\$’000		Minimum capital requirements US\$’000
		As at 31 Mar 2021	As at 31 Dec 2020	As at 31 Mar 2021
1	Credit risk for non-securitization exposures	82,944	37,956	6,636
2	Of which STC approach	82,944	37,956	6,636
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	238	1,530	19
7	Of which SA-CCR	-	-	-
7a	Of which CEM	111	1,051	9
8	Of which IMM(CCR) approach	-	-	-
9	Of which other	-	-	-
10	CVA Risk	127	479	10
11	Equity positions in banking book under the simple risk-weight method and internal models method	-	-	-
12	Collective investment scheme (“CIS”) exposures – LTA	-	-	-
13	CIS exposures – MBA	-	-	-
14	CIS exposures – FBA	-	-	-
14a	CIS exposures – combination of approaches	-	-	-
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	1,835	19,797	147
21	Of which STM approach	1,835	19,797	147
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)*	-	-	-

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		RWA US\$'000		Minimum capital requirements US\$'000
		As at 31 Mar 2021	As at 31 Dec 2020	As at 31 Mar 2021
24	Operational risk	19,217	20,705	1,537
24a	Sovereign concentration risk	-	-	-
25	Amounts below the thresholds for deduction (subject to 250% RW)	-	-	-
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	104,234	79,988	8,339

3. Leverage Ratio

Item		Leverage ratio framework US\$'000 31 Mar 2021	Leverage ratio framework US\$'000 31 Dec 2020
On-balance sheet exposures			
1	On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)	543,755	561,433
2	Less: Asset amounts deducted in determining Tier 1 capital	(519)	(692)
3	Total on-balance sheet exposures (excluding derivative contracts and SFTs)	543,236	560,741
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)	-	-
5	Add-on amounts for PFE associated with all derivative transactions	566	2,107
6	Gross-up for derivatives collateral provided 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 derivative contracts	-	-
10	Less: Adjusted effective notional offsets and add-on deductions for written credit derivative contracts	-	-
11	Total exposures arising from derivative contracts	566	2,107

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Exposures arising from SFTs			
		Leverage ratio framework US\$'000 31 Mar 2021	Leverage ratio framework US\$'000 31 Dec 2020
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	-	-
18	Less: Adjustments for conversion to credit equivalent amounts	-	-
19	Off-balance sheet items	-	-
Capital and total exposures			
20	Tier 1 capital	541,705	539,504
20a	Total exposures before adjustments for specific and collective provisions	543,802	562,848
20b	Adjustments for specific and collective provisions	-	-
21	Total exposures after adjustments for specific and collective provisions	543,802	562,848
Leverage ratio			
22	Leverage ratio	99.61%	95.85%

4. Statement of Compliance

Upon consultation with the HKMA under section 16(2)(a) of the Banking (Disclosure) Rules ("BDR"), BASAL had sought consent from the HKMA to continue uploading the required financial disclosure information to the website of its ultimate parent entity, Bank of America Corporation.

It is not practicable for BASAL to disclose under section 16(FE)(1)(b) of the BDR the full terms and conditions of all of its relevant regulatory capital instruments on its internet website, since BASAL does not currently maintain its own internet website. This is the reason that led BASAL to seek the aforementioned consent from HKMA.

Herein included below is the direct link to Bank of America Corporation's internet website, whereby the full terms and conditions of all of BASAL's relevant regulatory capital instruments and financial disclosure information can be accessed.

<https://investor.bankofamerica.com/regulatory-and-other-filings/subsidiary-and-country-disclosures>

This information is also identical to, if not the closest available alternative to, the information which have been the subject of the required disclosures if BASAL had not been so unable to make the required disclosures on its own internet website.