J.P. MORGAN SECURITIES (ASIA PACIFIC) LIMITED

QUARTERLY REGULATORY DISCLOSURE PREPARED UNDER THE BANKING (DISCLOSURE) RULES

31ST MARCH 2020
1. Key prudential ratios

Key prudential ratios disclosures as required by section 16AB of the Banking (Disclosure) Rules (expressed in US$'000 unless otherwise stated).

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Common Equity Tier 1 (CET1)</td>
<td>977,576</td>
<td>940,665</td>
<td>964,884</td>
<td>987,416</td>
<td>987,055</td>
</tr>
<tr>
<td>2 Tier 1</td>
<td>977,576</td>
<td>940,665</td>
<td>964,884</td>
<td>987,416</td>
<td>987,055</td>
</tr>
<tr>
<td>3 Total capital</td>
<td>977,576</td>
<td>940,665</td>
<td>964,884</td>
<td>987,416</td>
<td>987,055</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>4 Total RWA</td>
<td>2,305,673</td>
<td>2,242,695</td>
<td>2,245,524</td>
<td>2,347,397</td>
<td>2,437,841</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Risk-based regulatory capital ratios (as a percentage of RWA)</th>
<th>31st March 2020</th>
<th>31st December 2019</th>
<th>30th September 2019</th>
<th>30th June 2019</th>
<th>31st March 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 CET1 ratio (%)</td>
<td>42.4%</td>
<td>41.8%</td>
<td>43.0%</td>
<td>41.8%</td>
<td>40.5%</td>
</tr>
<tr>
<td>6 Tier 1 ratio (%)</td>
<td>42.4%</td>
<td>41.8%</td>
<td>43.0%</td>
<td>41.8%</td>
<td>40.5%</td>
</tr>
<tr>
<td>7 Total capital ratio (%)</td>
<td>42.4%</td>
<td>41.8%</td>
<td>43.0%</td>
<td>41.8%</td>
<td>40.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Additional CET1 buffer requirements (as a percentage of RWA)</th>
<th>31st March 2020</th>
<th>31st December 2019</th>
<th>30th September 2019</th>
<th>30th June 2019</th>
<th>31st March 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>8 Capital conservation buffer requirement (%)</td>
<td>2.500%</td>
<td>2.500%</td>
<td>2.500%</td>
<td>2.500%</td>
<td>2.500%</td>
</tr>
<tr>
<td>9 Countercyclical capital buffer requirement (%)</td>
<td>0.345%</td>
<td>0.185%</td>
<td>0.292%</td>
<td>0.460%</td>
<td>0.057%</td>
</tr>
<tr>
<td>10 Higher loss absorbency requirements (%) (applicable only to G-SIBs or D-SIBs)</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>11 Total AI-specific CET1 buffer requirements (%)</td>
<td>2.845%</td>
<td>2.685%</td>
<td>2.792%</td>
<td>2.960%</td>
<td>2.557%</td>
</tr>
<tr>
<td>12 CET1 available after meeting the AI's minimum capital requirements (%)</td>
<td>34.4%</td>
<td>33.8%</td>
<td>35.0%</td>
<td>33.8%</td>
<td>32.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>13 LR (%)</td>
<td>57.0%</td>
<td>62.2%</td>
<td>56.3%</td>
<td>58.8%</td>
<td>53.3%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>15 Total high quality liquid assets (HQLA)</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>16 Total net cash outflows</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>17 LCR (%)</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Stable Funding Ratio (NSFR) / Core Funding Ratio (CFR)</th>
<th>31st March 2020</th>
<th>31st December 2019</th>
<th>30th September 2019</th>
<th>30th June 2019</th>
<th>31st March 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 Total available stable funding</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>19 Total required stable funding</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>20 NSFR (%)</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>20a CFR (%)</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

The increase in LMR when compared to 31st December 2019 was due to increase in trading securities position held.
2. Overview of RWA

Overview of RWA disclosures as required by section 16C of the Banking (Disclosure) Rules (expressed in US$'000 unless otherwise stated).

<table>
<thead>
<tr>
<th>RWA</th>
<th>31st March 2020</th>
<th>31st December 2019</th>
<th>Minimum capital requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Credit risk for non-securitization exposures</td>
<td>593,225</td>
<td>529,305</td>
<td>47,458</td>
</tr>
<tr>
<td>2 Of which STC approach</td>
<td>593,225</td>
<td>529,305</td>
<td>47,458</td>
</tr>
<tr>
<td>2a Of which BSC approach</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>3 Of which foundation IRB approach</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>4 Of which supervisory slotting criteria approach</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>5 Of which advanced IRB approach</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>6 Counterparty default risk and default fund contributions</td>
<td>229</td>
<td>16</td>
<td>18</td>
</tr>
<tr>
<td>7 Of which SA-CCR</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>7a Of which CEM</td>
<td>229</td>
<td>16</td>
<td>18</td>
</tr>
<tr>
<td>8 Of which IMM(CCR) approach</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>9 Of which others</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>10 CVA risk</td>
<td>253</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>11 Equity positions in banking book under the simple risk-weight method and internal models method</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>12 Collective investment scheme (&quot;CIS&quot;) exposures – LTA</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>13 CIS exposures – MBA</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>14 CIS exposures – FBA</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>14a CIS exposures – combination of approaches</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>15 Settlement risk</td>
<td>281</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td>16 Securitization exposures in banking book</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>17 Of which SEC-IRBA</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>18 Of which SEC-ERBA</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>19 Of which SEC-SA</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>19a Of which SEC-FBA</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>20 Market risk</td>
<td>21,513</td>
<td>16,390</td>
<td>1,721</td>
</tr>
<tr>
<td>21 Of which STM approach</td>
<td>21,513</td>
<td>16,390</td>
<td>1,721</td>
</tr>
<tr>
<td>22 Of which IMM approach</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>23 Capital charge for switch between exposures in trading book and banking book (not applicable before the revised market risk framework takes effect)</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>
2. Overview of RWA (continued)

<table>
<thead>
<tr>
<th></th>
<th>31st March 2020</th>
<th>31st December 2019</th>
<th>31st March 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>24</td>
<td>1,690,172</td>
<td>1,696,974</td>
<td>135,214</td>
</tr>
<tr>
<td>24a Sovereign concentration risk</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>25 Amounts below the thresholds for deduction (subject to 250% RW)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>26 Capital floor adjustment</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>26a Deduction to RWA</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>26b Of which portion of regulatory reserve for general banking risks and collective provisions which is not included in Tier 2 Capital</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>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</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>27 Total</td>
<td>2,305,673</td>
<td>2,242,695</td>
<td>184,453</td>
</tr>
</tbody>
</table>

N/A: Not applicable in the case of Hong Kong

The increase in RWA of counterparty default risk and CVA risk when compared to 31st December 2019 was driven by increase in exchange rate contract held.

The RWA of settlement risk as of 31st March 2020 was driven by unsettled delivery-versus-payment transactions in securities.

The increase in RWA of market risk when compared to 31st December 2019 was due to increase in trading securities held.
3. Leverage ratio (“LR”)

Leverage ratio as required by section 16FI of the Banking (Disclosure) Rules (expressed in US$'000 unless otherwise stated).

<table>
<thead>
<tr>
<th>On-balance sheet exposures</th>
<th>31st March 2020</th>
<th>31st December 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 On-balance sheet exposures (excluding those arising from derivative contracts and SFTs, but including collateral)</td>
<td>1,737,847</td>
<td>1,532,293</td>
</tr>
<tr>
<td>2 Less: Asset amounts deducted in determining Tier 1 capital</td>
<td>(24,663)</td>
<td>(25,291)</td>
</tr>
<tr>
<td>3 Total on-balance sheet exposures (excluding derivative contracts and SFTs)</td>
<td>1,713,184</td>
<td>1,507,002</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Exposures arising from derivative contracts</th>
<th>31st March 2020</th>
<th>31st December 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 Replacement cost associated with all derivative contracts (where applicable net of eligible cash variation margin and/or with bilateral netting)</td>
<td>181</td>
<td>11</td>
</tr>
<tr>
<td>5 Add-on amounts for PFE associated with all derivative contracts</td>
<td>943</td>
<td>38</td>
</tr>
<tr>
<td>6 Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>7 Less: Deductions of receivables assets for cash variation margin provided under derivative contracts</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>8 Less: Exempted CCP leg of client-cleared trade exposures</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>9 Adjusted effective notional amount of written credit derivative contracts</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>10 Less: Adjusted effective notional offsets and add-on deductions for written credit derivative contracts</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>11 Total exposures arising from derivative contracts</td>
<td>1,124</td>
<td>49</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Exposures arising from SFTs</th>
<th>31st March 2020</th>
<th>31st December 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>13 Less: Netted amounts of cash payables and cash receivables of gross SFT assets</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>14 CCR exposure for SFT assets</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>15 Agent transaction exposures</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>16 Total exposures arising from SFTs</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other off-balance sheet exposures</th>
<th>31st March 2020</th>
<th>31st December 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>17 Off-balance sheet exposure at gross notional amount</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>18 Less: Adjustments for conversion to credit equivalent amounts</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>19 Off-balance sheet items</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital and total exposures</th>
<th>31st March 2020</th>
<th>31st December 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>20 Tier 1 capital</td>
<td>977,576</td>
<td>940,665</td>
</tr>
<tr>
<td>20a Total exposures before adjustments for specific and collective provisions</td>
<td>1,714,308</td>
<td>1,507,051</td>
</tr>
<tr>
<td>20b Adjustments for specific and collective provisions</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>21 Total exposures after adjustments for specific and collective provisions</td>
<td>1,714,308</td>
<td>1,507,051</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Leverage ratio</th>
<th>31st March 2020</th>
<th>31st December 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>22 Leverage ratio</td>
<td>57.0%</td>
<td>62.2%</td>
</tr>
</tbody>
</table>

As of 31st March 2020, the leverage ratio was 57.0%, decreased by 5.2% when compared to 31st December 2019. This is mainly driven by increase in total exposure from amount due from intercompany.