



CHINA EVERBRIGHT BANK (EUROPE) S.A.

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PILLAR 3 DISCLOSURE REPORT

Own Funds, Leverage and Liquidity

Quarterly disclosures at 31 March 2026 under Part Eight of Regulation (EU) No 575/2013 as amended (CRR III) and the applicable implementing technical standards.

REFERENCE DATE	31 March 2026
DISCLOSURE FREQUENCY	Quarterly
SCOPE OF CONSOLIDATION	Solo (individual) basis
REPORTING ENTITY	China Everbright Bank (Europe) S.A.
PUBLISHED	14 May 2026

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01 SCOPE AND BASIS OF DISCLOSURE

Regulatory framework and frequency

China Everbright Bank (Europe) S.A. is a credit institution authorised in the Grand Duchy of Luxembourg and supervised by the Commission de Surveillance du Secteur Financier. It is classified as a small and non-complex institution for the purposes of Article 4(1)(145) of Regulation (EU) No 575/2013 as amended, and discloses accordingly: key metrics quarterly, and the full disclosure set annually alongside the Annual Report.

Disclosures are made on an individual (solo) basis. The bank has no subsidiaries requiring prudential consolidation. Figures are unaudited and are prepared on the same basis as the regulatory reporting submitted to the CSSF.

Item	Detail
Legal entity	China Everbright Bank (Europe) S.A.
LEI	549300VUX4TGYM9N3R18
Competent authority	Commission de Surveillance du Secteur Financier
Framework	CRR III / CRD VI as implemented in Luxembourg
Credit risk approach	Standardised approach
Counterparty credit risk	SA-CCR
Market risk approach	Alternative standardised approach
Operational risk approach	Standardised (business indicator) approach
Reference date	31 March 2026

02 KEY METRICS

Template EU KM1 - key metrics

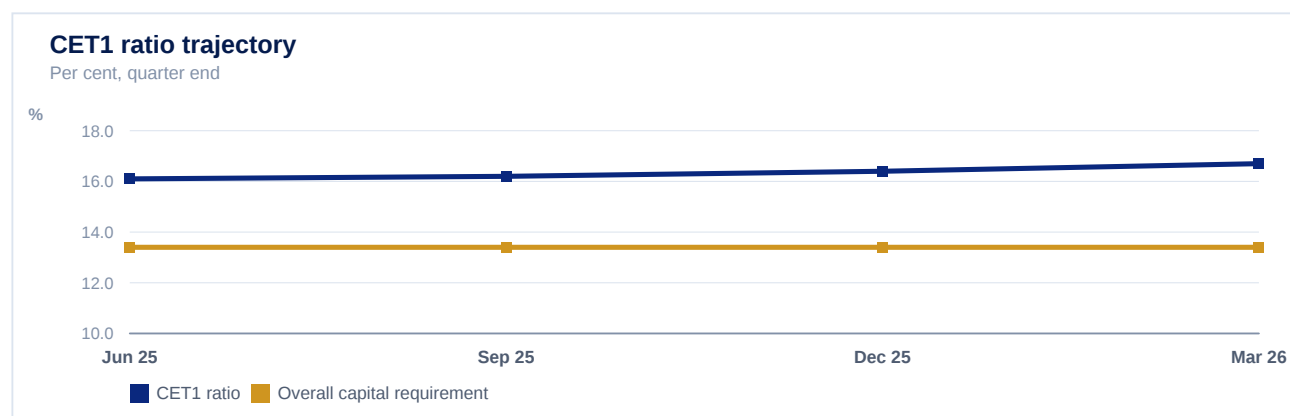
	31 Mar 2026	31 Dec 2025	30 Sep 2025	30 Jun 2025
Available own funds (EUR m)				
Common equity tier 1 (CET1) capital	366	352	344	336
Tier 1 capital	366	352	344	336
Total capital	424	409	401	392
Risk-weighted exposure amounts (EUR m)				
Total risk-weighted exposure amount	2,196	2,145	2,118	2,087
Capital ratios (%)				
CET1 ratio	16.7	16.4	16.2	16.1
Tier 1 ratio	16.7	16.4	16.2	16.1
Total capital ratio	19.3	19.1	18.9	18.8
Additional own funds requirements (%)				
Pillar 2 requirement (total)	2.0	2.0	2.0	2.0
Overall capital requirement (OCR)	13.4	13.4	13.4	13.4
Combined buffer requirement (%)				
Institution-specific countercyclical buffer	0.5	0.5	0.5	0.5
Other systemically important institution buffer	0.0	0.0	0.0	0.0
Leverage ratio				
Total exposure measure (EUR m)	6,255	6,072	5,988	5,902
Leverage ratio (%)	5.9	5.8	5.7	5.7
Liquidity coverage ratio				
Total high-quality liquid assets (EUR m)	1,082	1,024	998	976
Net cash outflows (EUR m)	596	582	575	564
Liquidity coverage ratio (%)	182	176	174	173
Net stable funding ratio				
Available stable funding (EUR m)	3,088	3,012	2,964	2,921
Required stable funding (EUR m)	2,232	2,198	2,176	2,151
Net stable funding ratio (%)	138	137	136	136

Presented in the format of template EU KM1. Figures are unaudited.

03 OWN FUNDS COMPOSITION

From paid-in capital to total own funds

EUR million	31 Mar 2026	31 Dec 2025
Paid-in capital instruments	240	240
Share premium	25	25
Retained earnings	104	96
Accumulated other comprehensive income	(3)	(4)
Other reserves	8	8
CET1 capital before regulatory adjustments	374	365
Intangible assets (net of deferred tax)	(6)	(6)
Prudent valuation adjustment	(1)	(1)
Insufficient coverage for non-performing exposures	(1)	(1)
Other deductions	-	(5)
Common equity tier 1 capital	366	352
Additional tier 1 capital	-	-
Tier 1 capital	366	352
Subordinated notes eligible as tier 2	48	48
Credit risk adjustments (general)	10	9
Tier 2 capital	58	57
Total own funds	424	409



04 RISK-WEIGHTED EXPOSURE AMOUNTS

Composition by risk type

Risk type	RWEA (EUR m)	Share	Own funds req.
Credit risk - standardised approach	1,806	82.2%	144.5
of which: corporates	1,142	52.0%	91.4
of which: institutions	214	9.7%	17.1
of which: retail and other	96	4.4%	7.7
of which: secured by immovable property	268	12.2%	21.4
of which: exposures in default	31	1.4%	2.5
of which: covered bonds and sovereigns	55	2.5%	4.4
Counterparty credit risk (SA-CCR)	78	3.6%	6.2
Credit valuation adjustment risk	21	1.0%	1.7
Market risk	44	2.0%	3.5
Operational risk	247	11.2%	19.8
Total	2,196	100.0%	175.7

Own funds requirement calculated at 8 per cent of the risk-weighted exposure amount.

Risk-weighted exposure mix

Share of total RWEA, 31 March 2026

Q1 2026



05 CREDIT QUALITY

Performing and non-performing exposures

EUR million	Gross	of which St.1	of which St.2	of which St.3	Allowance
Loans and advances to customers	2,092	1,916	88	15	(46)
Loans and advances to credit institutions	363	363	-	-	(1)
Debt securities	1,067	1,062	5	-	(2)
Off-balance-sheet commitments	812	782	28	2	(6)
Total	4,334	4,123	121	17	(55)

Asset quality measure	31 Mar 2026	31 Dec 2025	31 Dec 2024
Non-performing loan ratio (%)	0.73	0.78	0.84
NPL coverage ratio (%)	103.1	101.3	97.1
Stage 2 share of gross loans (%)	4.3	4.6	5.1
Forborne exposures (EUR m)	18	21	26
Cost of risk (bp, annualised)	111	107	104
Texas ratio (%)	4.1	4.4	5.0

The bank applies the standardised approach to credit risk and does not use internal ratings-based models. Expected credit losses are measured under a three-stage model with forward-looking macroeconomic scenarios weighted 20 per cent upside, 55 per cent base case and 25 per cent downside at the reference date.

06 LEVERAGE AND LIQUIDITY

Leverage ratio and liquidity coverage detail

Leverage ratio (EUR million)	31 Mar 2026	31 Dec 2025
On-balance-sheet exposures (excl. derivatives)	4,058	3,838
Derivative exposures (SA-CCR)	112	108
Securities financing transaction exposures	84	76
Off-balance-sheet exposures after CCF	2,047	2,076
Regulatory adjustments and deductions	(46)	(26)
Total exposure measure	6,255	6,072
Tier 1 capital	366	352
Leverage ratio (%)	5.9	5.8

Liquidity coverage ratio (EUR million)	31 Mar 2026	31 Dec 2025
Level 1 assets (central bank reserves)	648	612
Level 1 assets (sovereign and supranational)	348	332
Level 1 covered bonds	62	58
Level 2A and 2B assets after haircut	24	22
Total high-quality liquid assets	1,082	1,024
Retail and small business outflows	104	101
Operational deposit outflows	186	182
Non-operational and wholesale outflows	398	389
Committed facility and other outflows	112	108
Expected inflows (capped)	(204)	(198)
Net cash outflows	596	582
Liquidity coverage ratio (%)	182	176

LCR figures are simple averages of month-end observations over the preceding twelve months where required by the implementing standards.

07 REMUNERATION AND ESG REFERENCES

Cross-references and further disclosure

As a small and non-complex institution, the bank makes remuneration disclosures (templates EU REM1 to EU REM5) and ESG disclosures (templates in Commission Implementing Regulation (EU) 2022/2453) on an annual basis. Those disclosures are published together with the Annual Report and are available in the Investor Relations section of the bank's website.

Disclosure area	Frequency	Location
Key metrics (EU KM1)	Quarterly	This report
Own funds and RWEA detail	Quarterly	This report
Credit quality (EU CR1, CR2, CQ1)	Semi-annual	Interim and Annual Report
Encumbered and unencumbered assets	Annual	Annual Report
Interest-rate risk in the banking book	Annual	Annual Report
Remuneration (EU REM1-REM5)	Annual	Annual Report
ESG risk templates	Annual	ESG Report
Governance arrangements	Annual	Annual Report

Important notice

This report illustrates the structure of the bank's Pillar 3 disclosures. Figures are indicative and unaudited and do not constitute regulatory returns submitted to any competent authority. Nothing here is an offer of securities or investment advice.