

Media Release

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Corporate Communications Department For Immediate Release

## **Chong Hing Bank Announces 2019 Annual Results**

Chong Hing Bank Limited ("Chong Hing Bank" or the "Bank"; stock code: 01111) announced its annual results for the year ended 31 December 2019. The Bank's core businesses remained strong, with sound asset quality and enhanced profitability. Total assets increased by 11.64% to HK\$212.8 billion, total operating income grew by 9.12% to HK\$4,022 million and profit attributable to equity owners recorded an increase of 7.97% to HK\$1,901 million, which all hit record highs.

The contribution of Chong Hing Bank's Mainland business has continued to grow with its customer base further expanded. Operating income of the Bank's Mainland institutional business recorded an increase of 14.23% year-on-year to HK\$696 million. Deposits grew by 39.47% to HK\$33.44 billion while loans increased by 39.22% to HK\$24.55 billion. The opening of the Shanghai Branch made critical breakthroughs in the Bank's network of outlets across the Mainland, covering the Pearl River Delta region and the Yangtze River Delta region. By leveraging the advantages of its national licence, the Bank will further expand its network in core cities in an orderly manner, constantly enhancing its integrated financial services and striving to scale new heights.

The highlights of Bank's 2019 annual results are as follows:

- · Operating profit after impairment allowances amounted to HK\$2,249 million, an increase of 14.80% year-on-year.
- Profit before tax was 8.37% higher than 2018 to HK\$2,281 million.
- Profit attributable to equity owners amounted to HK\$1,901 million, an increase of 7.97% over that of last year.
- Cost to income ratio was at 40.66%.
- Total assets increased by 11.64% to HK\$212.8 billion.

## The major financial ratios for 2019 are as follows:

- Return on shareholders' equity: 8.31%
- Average liquidity maintenance ratio: 46.27%
- Total capital ratio as of 31 December 2019: 17.51%
- Tier 1 capital ratio as of 31 December 2019: 14.32%
- Loan to deposit ratio as of 31 December 2019: 69.46%
- Total dividends for the financial year of 2019, including the interim cash dividend of HK\$0.17 per share paid in October 2019, amounted to HK\$0.58 per share (2018 total dividends: HK\$0.58 per share).





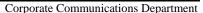
Mr Zong Jianxin, Chief Executive of Chong Hing Bank, said, 'Facing the rapidly changing global circumstances, Chong Hing Bank continued to maintain robust operations highlighted by its risk-management and customer-centric orientation, keep abreast of all the latest trends in fintech and vigorously seek new developments. The Bank will closely monitor the development of the coronavirus outbreak and continue to implement appropriate measures. The Bank is confident that with the end of the outbreak, Hong Kong's economy will gradually bounce back.

Looking ahead, the Bank will secure its business development in Hong Kong by leveraging on its unique competitive edge. In the meantime, with the continuous enhancement of its strategic efforts to develop the Mainland market, the Bank seeks to achieve basic coverage of the economically developed regions in the Mainland, and roll out distinctive and differentiated cross-border financial products and services in response to the Greater Bay Area development plan. The Bank will also further deepen synergies by using the substantial resources of its major shareholder Yuexiu Group and the network of strategic shareholders. Moreover, the Bank will carry forward its digital transformation and continue to explore further cross-border cooperation in the Greater Bay Area and the application of fintech, driving forward its corporate vision of becoming "an integrated commercial bank with cross-border expertise".'

Mr Zhang Zhaoxing, Chairman of Chong Hing Bank, said, 'In view of the critical economic and social situation in Hong Kong last year, Chong Hing Bank maintained its prudent operations and innovative development, and continued to enhance its risk control and operating capacity while adhering to its positioning as a cross-border financial services provider and realising high-quality development. In the "Top 1000 World Banks" released by the British magazine "The Banker", the Bank ranked among the top 400 for the first time, a recognition of the constant improvement in its all-round strength.

In 2020, Chong Hing Bank has full confidence that it can overcome difficulties that may arise and grow onwards and upwards. The Bank will tackle the challenges from the coronavirus outbreak by supporting the real economy. It will achieve this thanks to the steady accumulation of its sound operations, consolidated customer base and strengthened risk prevention and controls, while at the same time committing itself to technical transformation and innovation. The Bank is also confident of sustaining its competitive advantage in cross-border operations, being able to constantly expand the Mainland market and proactively advance preparations for establishing a Mainland-incorporated bank. Through its well-organised operations in major economically developed regions, the Bank will strive to establish itself as an integrated commercial bank with the Greater Bay Area as the core of its nationwide operations.'

For details of the 2019 annual results, please refer to the Bank's announcement.





## **About Chong Hing Bank**

Chong Hing Bank Limited was founded in Hong Kong in 1948. The Bank has been listed on the main board of the Stock Exchange of Hong Kong (Stock code: 01111) since 1994. The Bank and its subsidiaries (Chong Hing Securities Limited and Chong Hing Insurance Company Limited) offer comprehensive commercial banking and financial services to individual and corporate customers. These services include HKD and foreign currency deposits, credit, foreign exchange, wealth management, investment, securities and insurance, among other products. In addition, the Bank has joined hands with a number of local financial institutions and is one of the founding members of the BCT group, which provides a full range of mandatory provident fund services to customers. The Bank currently operates a network of more than 30 branches in Hong Kong. It also has branches in Guangzhou, Shenzhen, Shanghai, Shantou and Macau, sub-branches in Guangzhou Tianhe, Foshan, Foshan Chancheng, Nansha and Hengqin, and a representative office in San Francisco.

Chong Hing Bank became a member of Yuexiu Group on 14 February 2014. Yuexiu Group was established in Hong Kong in 1985. At present, the total assets of the Group amount to nearly RMB650 billion. Yuexiu Group was ranked 382<sup>nd</sup> in the "Top 500 Chinese Enterprises" list in 2019.

For more information about Chong Hing Bank, please visit the Bank's website www.chbank.com.

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