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## Chong Hing Bank Announces 2017 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 2017. The Bank’s core business lines, financial positions and asset quality are strong, while impaired loan ratio remains low. Capital adequacy ratio and liquidity maintenance ratio are above the relevant statutory requirements.

The Bank’s 2017 operating results are highlighted as follows:

- Profit before tax was 2% higher than 2016 to HK\$1,709 million.
- Profit attributable to equity owners amounted to HK\$1,565 million, an increase of 10% over that of last year.
- Cost to income ratio was at 49.96%.
- Return on shareholders’ equity of 9.89% (9.61% in 2016) and earnings per share of HK\$2.17 (HK\$1.94 per share in 2016).
- Total assets increased by 19% to HK\$163.7 billion.
- Total capital ratio increased from 16.32% in December 2016 to 17.60% in December 2017, the Tier 1 capital ratio was at 13.30% and the Common Equity Tier 1 capital ratio was at 11.30%.

The major financial ratios for 2017:

- Return on shareholders’ equity: 9.89%
- Average liquidity maintenance ratio: 40.73%
- Total capital ratio: 17.60% as of 31 December 2017
- Tier 1 capital ratio: 13.30% as of 31 December 2017
- Loan to deposit ratio: 70.85% as of 31 December 2017

- Total dividends for the financial year of 2017, including the interim cash dividend of HK\$0.15 per share paid in September 2017, amounted to HK\$0.54 per share (2016 total dividends: HK\$0.54 per share).

**Mr Zhang Zhaoxing, Chairman of Chong Hing Bank**, said, ‘China’s economic growth is on a steady track, marking a new GDP benchmark of RMB80 trillion in 2017. Guangzhou is among the top cities in China’s provincial development in terms of GDP, and the financial industry is one of Guangzhou’s ten pillar industries. As a core member of the financial sector of the Guangzhou-based Yuexiu Group, Chong Hing Bank has continued to take advantage of the Yuexiu Group’s resources in establishing the strategic position of the Guangzhou Branch to oversee its branch network in Mainland China. It also sought to deepen the regional synergies between Guangdong and Hong Kong, as well as expand its Mainland operations to attract high-quality Mainland customers, thereby establishing its unique role in the Pearl River Delta region. The Bank will continue to take a prudent and proactive approach towards achieving the vision of becoming “an integrated commercial bank with cross-border expertise”.’

**Mr Zong Jianxin, Chief Executive of Chong Hing Bank**, said, ‘With the hard work of all staff members of Chong Hing Bank, the efficiency of both the management and operations of the Bank received a boost while its core competence gained constant enhancement. The year 2017 was the foundation year of the Bank’s customer resource management and efforts to promote synergy. The Bank was also committed to building a modern operation platform, accelerating bank restructuring and process improvement, and further enhancing customer experience and cost-effectiveness, including the establishment of a centralised trading service team to strengthen the productivity of branches and customer managers. In order to further consolidate and optimise internal resources, the Bank established a digital transformation team to promote innovation and the transformation to digital banking. In addition, the Bank’s centralised treasury receipt and payment system was officially launched during the year, and land security deposit system was also completed by early 2018, signifying a new phase in expansion of the Bank’s business in the Mainland. The successive launch of various IT systems in 2017 was instrumental in enhancing the Bank’s capacity to serve its customers and monitor risks. The Bank will continue to invest in its sustainable development.’

For details of the 2017 annual results, please refer to the Bank’s announcement.

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### **About Chong Hing Bank**

Chong Hing Bank Limited (formerly known as “Liu Chong Hing Bank Limited”) was founded in 1948. The Bank has been listed on the mainboard of the Stock Exchange of Hong Kong (Stock code: 01111) since 1994 and currently operates a network of 39 branches in Hong Kong. Together with its subsidiaries (Chong Hing Securities Limited and Chong Hing Insurance Company Limited), the Bank offers a wide range of banking services to individual and corporate customers, which include HKD and foreign currency deposits, credit, wealth management, investment, securities, insurance and other commercial banking products. Besides, the Bank joined hands with a number of local financial institutions and is one of the founding members of BCT group which provides a full range of mandatory provident fund services to customers. The Bank has branches in Guangzhou, Shenzhen, Shantou and Macau, sub-branches in Guangzhou Tianhe, Foshan, Nansha and Hengqin, and representative offices in Shanghai and San Francisco.

Chong Hing Bank has been a member of Yuexiu Group since 14 February 2014. Yuexiu Group was established in Hong Kong in 1985. As at the end of 2017, Yuexiu Group had total assets of about RMB480 billion, making it one of the largest state-owned enterprise groups in Guangzhou in terms of asset size with leading performance in economic efficiency.

For other information about Chong Hing Bank, please go to the Bank’s website [www.chbank.com](http://www.chbank.com).

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