

Media Release

For Immediate Release

10 July 2019

Chong Hing Bank Successfully Issues US\$400 Million 5.7% Undated Non-cumulative Subordinated Additional Tier 1 Capital Securities

Chong Hing Bank (the “Bank”) announces that in connection with the proposed international offering of US\$ denominated perpetual capital securities under the US\$2 billion Medium Term Note and Perpetual Capital Securities Programme (the “Programme”) of the Bank, the Bank successfully issued US\$400 million 5.7% Undated Non-Cumulative Subordinated Additional Tier 1 Capital Securities (the “Securities”) under the Programme on 8 July 2019. The issuance is expected to complete on 15 July 2019.

The Securities are non-call 5-year fixed rate perpetual securities, with a fixed coupon rate of 5.7% per annum, payable semi-annually for the first five years. The interest rate will be reset on 15 July 2024 to the sum of the then prevailing 5-year US Treasury Rate and the initial spread. The Securities are qualified as Basel III-compliant additional tier 1 capital. The proceeds from the offering will enable the Bank to strengthen its capital base and will be used for general corporate purposes in order to support business growth and the implementation of its strategic plans.

The aggregate principal amount of the Securities is US\$400 million. This includes the subscription by Yuexiu Group, the Bank's major shareholder, for up to US\$20 million of the Securities (on the same terms and conditions as those applicable to all other investors of the Securities). It demonstrates the confidence of the Bank's major shareholder in the future development and growth of the Bank. The offering received very positive feedback and drew a total orderbook of US\$2.9 billion, representing an oversubscription of 7.5 times. Once again, the Bank achieved success on its securities offering in the international capital market, after its issuance of additional tier 1 capital securities in 2014, indicating the capital market's high recognition of the Yuexiu Group and Chong Hing Bank's growth prospects. The allocation of the transaction by region is 99% to investors in Asia and 1% to investors in Europe. The investor base is comprised of 60% asset managers / fund managers, 29% banks, 11% private banks and others.

The joint global coordinators for the issuance are Chong Hing Bank, HSBC, BOC International, CCB International and Yue Xiu Securities Company Limited. The joint lead managers and joint bookrunners are Chong Hing Bank, HSBC, BOC International, CCB International, Yue Xiu Securities Company Limited, CMB International and ABC International.

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This media release does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The securities referred to herein will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States or to a U.S. person except pursuant to an exemption from or in a transaction not subject to, the registration requirements of the Securities Act. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the Company making the offer, its management and financial statements. The Company does not intend to make any public offering of securities in the United States.

About Chong Hing Bank

Chong Hing Bank Limited was founded in Hong Kong in 1948. The Bank has been listed on the mainboard of the Stock Exchange of Hong Kong (Stock code: 01111) since 1994. Together with its subsidiaries (Chong Hing Securities Limited and Chong Hing Insurance Company Limited), the Bank offers comprehensive commercial banking and financial services to individual and corporate customers, which include HKD and foreign currency deposits, credit, foreign exchange, wealth management, investment, securities, insurance, and other products and services. 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 currently operates a network of 39 branches in Hong Kong. It also 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 became a member of Yuexiu Group on 14 February 2014. Yuexiu Group was established in Hong Kong in 1985. As at the end of 2018, Yuexiu Group had total assets of RMB595.3 billion, making it one of the leading state-owned enterprise groups in Guangzhou in terms of economic efficiency.

For other information about Chong Hing Bank, please go to the Bank's website www.chbank.com.

For media enquiries, please contact:

Ms Edith Chan

Corporate Communications Department

Chong Hing Bank

Tel: (852) 3768 1177

Email: edithchan@chbank.com