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## THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in doubt as to any aspect about this Prospectus or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares in Chong Hing Bank Limited, you should immediately hand this Prospectus and the accompanying Provisional Allotment Letter and the Excess Application Form to the purchaser or transferee, or to the bank or stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Dealings in the Nil Paid Rights and the Rights Shares may be settled through CCASS and you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

A copy of each of the Prospectus Documents, together with copies of the documents specified in “Appendix IV — General Information — Documents Delivered to the Registrar of Companies”, have been registered with the Registrar of Companies in Hong Kong as required by section 38D of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. The Registrar of Companies in Hong Kong, the Stock Exchange and the Securities and Futures Commission in Hong Kong take no responsibility for the contents of any of these documents.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.

Shareholders with registered addresses in any of the Excluded Jurisdictions and Shareholders and Beneficial Owners who are resident in any of the Excluded Jurisdictions (other than the PRC Stock Connect Investors) should refer to the important information set out in “Letter from the Board — Rights Issue — Non-Qualifying Shareholders”. For the entitlement of the PRC Stock Connect Investors in participation of the Rights Issue, please refer to the section headed “Letter from the Board — Rights Issue — PRC Stock Connect Investors” in this Prospectus.

The securities described herein have not been registered under the U.S. Securities Act or the laws of any state in the United States, and may not be offered or sold within the United States, absent registration or an exemption from the registration requirements of the U.S. Securities Act and applicable state laws. There is no intention to register any portion of the rights issue or any securities described herein in the United States or to conduct a public offering of securities in the United States.

Distribution of this Prospectus into jurisdictions other than Hong Kong may be restricted by law. Persons into whose possession this Prospectus comes should inform themselves of and observe any such restrictions. This Prospectus is not for release, publication or distribution, directly or indirectly, in or into the United States. This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, the Nil Paid Rights and the Rights Shares or to take up any entitlements to the Nil Paid Rights and the Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful.



**RIGHTS ISSUE OF 217,500,000 RIGHTS SHARES  
AT THE SUBSCRIPTION PRICE OF HK\$17.05 PER RIGHTS SHARE  
ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY  
TWO SHARES HELD ON THE RECORD DATE**

*Joint Global Coordinators and Joint Underwriters of the Rights Issue  
(in alphabetical order)*



The latest time for acceptance of, and payment for, the Rights Shares is 4:00 p.m. on Wednesday, 16 September 2015. The procedure for acceptance and payment for or transfer of the Rights Shares is set out in “Letter from the Board — Rights Issue — Procedures for Acceptance or Transfer”.

The Underwriting Agreement contains provisions granting the Joint Underwriters the right, in their absolute discretion, to terminate their obligations thereunder with immediate effect by written notice at any time at or prior to the Latest Time for Termination on the occurrence of certain events, including force majeure events. These events are set out in “Termination of the Underwriting Agreement”.

If any of the Joint Underwriters exercises such right, the Rights Issue will not become unconditional and will not proceed. Upon the giving of a written notice of termination, all the obligations of the Joint Underwriters and the Bank under the Underwriting Agreement shall cease and no party will have any claim against any other for costs, damages, compensation or otherwise (other than for antecedent breaches).

The Shares have been dealt in on an ex-rights basis from Friday, 21 August 2015. Dealings in the Nil Paid Rights are expected to take place from Friday, 4 September 2015 to Friday, 11 September 2015 (both days inclusive). The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms. If the Rights Issue does not become unconditional, the Rights Issue will not proceed. Any dealings in the Shares during the period from the date hereof to the date on which all the conditions to which the Rights Issue is subject are fulfilled, which is currently expected to be 5:00 p.m. on Tuesday, 22 September 2015, or in the Rights Shares during the period in which they may be traded in their nil-paid form, will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Any Shareholders or other persons contemplating selling or purchasing the Shares and/or the Nil Paid Rights during such periods are advised to exercise caution when dealing in the Shares and/or the Nil Paid Rights and if they are in doubt about their position, they are recommended to consult their own professional advisers.

1 September 2015

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## NOTICES

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The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms. If the Rights Issue does not become unconditional or is terminated in accordance with its terms, the Rights Issue will not proceed and the Bank will make an announcement at the relevant time.

It should also be noted that the Shares have been dealt in on an ex-rights basis from Friday, 21 August 2015 and that the Nil Paid Rights are expected to be dealt from Friday, 4 September 2015 to Friday, 11 September 2015 (both days inclusive). Such dealings will take place when the conditions of the Rights Issue remain unfulfilled.

Any Shareholders or other persons dealing in the Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Joint Underwriters' right of termination of the Underwriting Agreement ceases), which is expected to be 5:00 p.m. on Tuesday, 22 September 2015, and any persons dealing in the Nil Paid Rights from Friday, 4 September 2015 to Friday, 11 September 2015 (both days inclusive), will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed and should exercise caution.

Any Shareholder or other person who is in any doubt about his/her/its position is recommended to consult his or her own professional adviser.

**EXCEPT AS OTHERWISE SET OUT IN THIS PROSPECTUS, THE RIGHTS ISSUE IS NOT BEING MADE TO SHAREHOLDERS, BENEFICIAL OWNERS OR INVESTORS IN THE EXCLUDED JURISDICTIONS.** This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, the Nil Paid Rights or Rights Shares or to take up any entitlements to the Nil Paid Rights or Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. None of the Nil Paid Rights, the Rights Shares, this Prospectus, the PAL and the EAF will be registered under the securities laws of any of the Excluded Jurisdictions and none of the Nil Paid Rights, the Rights Shares, this Prospectus, the PAL and the EAF will qualify for distribution under any of the relevant securities laws of any of the Excluded Jurisdictions (other than pursuant to any applicable exceptions as agreed by the Bank). Accordingly, the Nil Paid Rights and the Rights Shares may not be offered, sold, pledged, taken up, resold, renounced, transferred or delivered, directly or indirectly, into or within any of the Excluded Jurisdictions absent registration or qualification under the respective securities laws of such Excluded Jurisdictions, or exemption from the registration or qualification requirement under applicable rules of such Excluded Jurisdictions.

Shareholders with registered addresses in any of the Excluded Jurisdictions and Shareholders and Beneficial Owners who are resident in any of the Excluded Jurisdictions (other than the PRC Stock Connect Investors) should refer to "*Letter from the Board — Rights Issue — Non-Qualifying Shareholders*".

Each person acquiring the Nil Paid Rights and/or Rights Shares under the Rights Issue will be required to confirm, or be deemed by his/her/its acquisition of the Nil Paid Rights and/or Rights Shares to confirm, that he/she/it is aware of the restrictions on offers and sales of Nil Paid Rights and/or Rights Shares as described in this Prospectus.

### NOTICE TO PRC STOCK CONNECT INVESTORS

For the avoidance of doubt, the PRC Stock Connect Investors can participate in the Rights Issue through ChinaClear. ChinaClear will provide nominee services for the PRC Stock Connect Investors to (i) sell (in full or in part) their Nil-paid Rights on the Stock Exchange; and/or (ii) subscribe (in full or in part) for their pro-rata entitlement in respect of Shares held on the Record Date at the Subscription Price under the Rights Issue in accordance with the relevant laws and regulations. However, ChinaClear will not support applications by such

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## NOTICES

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PRC Stock Connect Investors for excess Rights Shares under the Rights Issue through Shanghai-Hong Kong Stock Connect. The PRC Stock Connect Investors (or the relevant ChinaClear participants as the case may be) whose stock accounts in the ChinaClear are credited with Nil-paid Rights can only sell those Nil-paid Rights on the Stock Exchange under Shanghai-Hong Kong Stock Connect and can neither purchase any Nil-paid Rights nor transfer such Nil-paid Rights to other PRC Stock Connect Investors.

### **NOTICE TO INVESTORS IN AUSTRALIA**

This Prospectus does not constitute a prospectus or other disclosure document under Part 6D.2 of the Corporations Act 2001 of the Commonwealth of Australia (the “**Corporations Act**”) nor does it constitute a product disclosure statement under Part 7.9 of the Corporation Act. This Prospectus has not been and will not be lodged with the Australian Securities and Investments Commission (“**ASIC**”). Accordingly, this Prospectus may not contain all of the information which would otherwise be required by Australian law to be disclosed in a disclosure document or product disclosure statement prepared in accordance with the Corporations Act and ASIC does not take any responsibility for its contents. This Prospectus is only being made available to existing investors in the Bank in circumstances which fall within the “small scale offerings” exemption from the prospectus requirements under section 708(1) of the Corporations Act. This Prospectus does not constitute an offer to any other person or to the public generally in Australia. No action has been taken which would permit any public offering of Shares in the Bank in Australia. If you are in doubt about the contents of this Prospectus, you should obtain independent professional advice.

The Bank is not licensed in Australia to provide financial advice in respect of the Rights Shares offered by the Bank. The Bank also advises that no cooling off period applies in respect of the Bank’s Rights Shares offered.

### **NOTICE TO INVESTORS IN CANADA**

Neither the Nil Paid Rights nor the Rights Shares may be distributed, directly or indirectly, in any province or territory of Canada or to or for the benefit of any resident of any province or territory of Canada except pursuant to an exemption from the requirement to file a prospectus or rights offering circular with regulatory bodies in the province or territory of Canada in which the offer or sale is made and as agreed by the Bank. This Prospectus is being provided to persons resident in Canada for information purposes only. **NIL-PAID RIGHTS SHARES WHICH WOULD OTHERWISE HAVE BEEN ALLOTTED TO PERSONS RESIDENT IN CANADA WILL BE SOLD AND THE NET PROCEEDS WILL BE PAID TO SUCH SHAREHOLDERS.**

### **NOTICE TO INVESTORS IN JAPAN**

The Nil Paid Rights and the Rights Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan, as amended (the “**FIEA**”). This Prospectus is not an offer of securities for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or entity organised under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan, except pursuant to an exemption from the registration requirements under the FIEA and otherwise in compliance with such law and any other applicable laws, regulations and ministerial guidelines of Japan.

### **NOTICE TO INVESTORS IN MACAU**

Based on the legal advice of the Bank’s legal advisers, the Directors believe that the Nil Paid Rights and the Rights Shares are not required to be registered under the laws and regulations of Macau and this Prospectus may be despatched to Overseas Shareholders with registered addresses in Macau without any restrictions. In view of this, the Directors have decided to extend the Rights Issue to Overseas Shareholders with registered addresses in Macau, and such Overseas Shareholders are Qualifying Shareholders.

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## NOTICES

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### NOTICE TO INVESTORS IN PANAMA

Based on the legal advice of the Bank's legal advisers, the Directors believe that the Nil Paid Rights and the Rights Shares are not required to be registered with the Superintendency of Capital Markets of Panama under the laws and regulations of Panama and this Prospectus may be despatched to Overseas Shareholders with registered addresses in Panama without any restrictions, provided that the Prospectus and other documents related to the Rights Issue are delivered to no more than 25 Overseas Shareholders with registered address in Panama, resulting in no more than 10 Overseas Shareholders with registered address in Panama acquiring or selling such Nil Paid Rights and Rights Shares within a one-year term, and that the Nil Paid Rights and Rights Shares are not offered publicly in Panama. In view of this, the Directors have decided to extend the Rights Issue to Overseas Shareholders with registered addresses in Panama, and such Overseas Shareholders are Qualifying Shareholders.

### NOTICE TO INVESTORS IN THE PRC

If a Shareholder resident in the PRC and/or any other PRC resident (including both individuals and companies) wishes to invest in Nil Paid Rights or fully paid Rights Shares, it shall be responsible for complying with relevant laws of the PRC. The Bank will not be responsible for verifying the PRC legal qualification of such Shareholder and/or resident and thus, should the Bank suffer any losses and damages due to non-compliance with the relevant laws of the PRC by any such Shareholder and/or resident, the Shareholder and/or other resident shall be responsible to compensate the Bank for the same. The Bank shall not be obliged to issue the Nil Paid Rights or fully paid Rights Shares to any such Shareholder and/or other resident, if in the Bank's absolute discretion issuing the Nil Paid Rights or fully paid Rights Shares to them does not comply with the relevant laws of the PRC.

### NOTICE TO INVESTORS IN THE UNITED KINGDOM

#### Shareholders Residing or Locating in the United Kingdom

This Prospectus has not been delivered for approval to the Financial Conduct Authority in the United Kingdom. No approved prospectus within the meaning of section 85(1) of the Financial Services and Markets Act 2000, as amended ("FSMA") has been published or is intended to be published in relation to the Rights Issue. Accordingly the Nil Paid Rights and the Rights Shares referred to in this Prospectus may not be, and are not being, offered to the public in the United Kingdom under section 85(1) FSMA except in circumstances where section 86(1) FSMA applies. Any Shareholder or Beneficial Owner in the United Kingdom who takes up Rights Shares shall be deemed to represent and warrant that he/she/it is not taking up those Rights Shares on behalf of other persons in the United Kingdom.

This Prospectus is not a financial promotion to which section 21(1) FSMA applies since article 43 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") removes the financial promotion restriction from communications (which are communicated by a body corporate to its members) which relate to shares in the share capital of the body corporate.

#### European Economic Area ("EEA") Investors

In relation to the EEA States that have implemented the European Union's Directive 2003/71/EC (and any amendments thereto, including those made by Directive 2010/73/EU) (the "Prospectus Directive") (each, a "relevant member state"), with effect from and including the date on which the Prospectus Directive was implemented in that relevant member state (the "relevant implementation date"), no Shares, Nil Paid Rights or fully paid Rights Shares have been offered or will be offered pursuant to the Rights Issue to the public in that relevant member state prior to the publication of a prospectus in relation to the Shares, Nil Paid Rights and fully paid Rights Shares which has been approved by the competent authority in that relevant member state or, where

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## NOTICES

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appropriate, approved in another relevant member state and notified to the competent authority in the relevant member state, all in accordance with the Prospectus Directive, except that with effect from and including the relevant implementation date, offers of Shares, Nil Paid Rights and fully paid Rights Shares may be made to the public in that relevant member state at any time under the following exemptions under the Prospectus Directive, if they are implemented in that relevant member state:

- (a) to any legal entity which is a qualified investor, as defined in the Prospectus Directive;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such relevant member states; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Shares, Nil Paid Rights and fully paid Rights Shares shall result in a requirement for the publication by the Bank or the Joint Underwriters of a prospectus pursuant to Article 3 of the Prospectus Directive.

For this purpose, the expression “an offer of any Shares, Nil Paid Rights and fully paid Rights Shares to the public” in relation to any Shares, Nil Paid Rights and fully paid Rights Shares in any relevant member state means the communication in any form and by any means of sufficient information on the terms of the Rights Issue and any Shares, Nil Paid Rights and fully paid Rights Shares to be offered so as to enable an investor to decide to subscribe for or acquire any Shares, Nil Paid Rights and fully paid Rights Shares, as the same may be varied in that relevant member state by any measure implementing the Prospectus Directive in that relevant member state.

### NOTICE TO INVESTORS IN THE UNITED STATES

The PAL, the EAF, the Nil Paid Rights and the Rights Shares have not been and will not be registered under the U.S. Securities Act or securities laws of any state or other jurisdiction of the United States and may not be offered, sold, allotted, taken up, exercised, resold, renounced, pledged, transferred or delivered, directly or indirectly, in or into the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offer of the PAL, the EAF, the Nil Paid Rights or the Rights Shares in the United States.

The Prospectus Documents, the Nil Paid Rights and the Rights Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the Rights Issue, the Prospectus Documents, the Nil Paid Rights or the Rights Shares or the accuracy or adequacy of any of the Prospectus Documents. Any representation to the contrary is a criminal offence in the United States.

Subject to certain exceptions, none of the Prospectus Documents constitutes or will constitute, or forms or will form, part of any offer to sell or invitation to issue, purchase or acquire the Nil Paid Rights or the Rights Shares to any person with a registered address, or who is located, in the United States. The Nil Paid Rights and the Rights Shares are being offered outside the United States in reliance on Regulation S under the U.S. Securities Act.

In addition, until 40 days after the commencement of the offering of the Nil Paid Rights and the Rights Shares, any offer, sale or transfer of the Nil Paid Rights or the Rights Shares in or into the United States by a dealer (whether or not participating in the Rights Issue) may violate the registration requirements of the U.S. Securities Act.

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## NOTICES

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### REPRESENTATIONS AND WARRANTIES

Each purchaser of the Nil Paid Rights or subscriber for the Rights Shares will be deemed (by accepting delivery of this Prospectus) to have agreed and given each of the following representations and warranties to the Bank and the Joint Underwriters and to any person acting on their behalf, unless in their sole discretion the Bank and the Joint Underwriters waive such requirement expressly in writing:

- he/she/it was a Shareholder as at 5:00 p.m. on the Record Date, or he/she/it lawfully acquired or may lawfully acquire the Nil Paid Rights, directly or indirectly, from such a person;
- he/she/it may lawfully be offered, take up, obtain, subscribe for and receive the Nil Paid Rights and/or the Rights Shares in the jurisdiction in which he/she/it resides or is currently located;
- he/she/it is not resident or located in the United States;
- he/she/it is not accepting an offer to acquire or take up the Nil Paid Rights or Rights Shares on a non-discretionary basis for a person who is resident or located in the United States at the time the instruction to accept was given;
- he/she/it is not taking up for the account of any person who is located in the United States, unless (a) the instruction to purchase or take up the Nil Paid Rights or to subscribe for or accept Rights Shares was received from a person outside the United States and (b) the person giving such instruction has confirmed that it (1) has the authority to give such instruction and (2) either (A) has investment discretion over such account or (B) is an investment manager or investment company that is acquiring the Nil Paid Rights and/or the Rights Shares in an “offshore transaction” within the meaning of Regulation S;
- he/she/it is acquiring the Nil Paid Rights and/or the Rights Shares in an “offshore transaction” as defined in Regulation S;
- he/she/it has not been offered the Rights Shares by means of any “directed selling efforts” as defined in Regulation S;
- he/she/it is not acquiring the Nil Paid Rights or Rights Shares with a view to the offer, sale, allotment, take up, exercise, resale, renouncement, pledge, transfer, delivery or distribution, directly or indirectly, of such Nil Paid Rights or Rights Shares into the United States; and
- he/she/it understands that neither the Nil Paid Rights nor the Rights Shares have been or will be registered under the U.S. Securities Act or with any securities regulatory authority of any state, territory, or possession of the United States and the Nil Paid Rights and Rights Shares are being distributed and offered only outside the United States in reliance on Regulation S. Consequently he/she/it understands the Nil Paid Rights or Rights Shares may not be offered, sold, allotted, taken up, exercised, resold, renounced, pledged, delivered, distributed or otherwise transferred in or into the United States, except in reliance on an exemption from, or in transactions not subject to, the registration requirements of the U.S. Securities Act.

For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the representations and warranties above.

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## NOTICES

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### FORWARD-LOOKING STATEMENTS

All statements in this Prospectus other than statements of historical fact are forward-looking statements. In some cases, forward-looking statements may be identified by the use of words such as “might”, “may”, “could”, “would”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “seek”, “continue”, “illustration”, “projection” or similar expressions and the negative thereof. Forward-looking statements in this Prospectus include, without limitation, statements in respect of the Group’s business strategies, product offerings, market position, competition, financial prospects, performance, liquidity and capital resources, as well as statements regarding trends in the relevant industries and markets in which the Group operates, technological advances, financial and economic developments, legal and regulatory changes and their interpretation and enforcement.

The forward-looking statements in this Prospectus are based on management’s present expectations about future events. Management’s present expectations reflect many assumptions regarding the Group’s strategy, operations, industry, developments in the credit and other financial markets and trading environment. By their nature, they are subject to known and unknown risks and uncertainties, which could cause actual results and future events to differ materially from those implied or expressed by forward-looking statements. Should one or more of these risks or uncertainties materialise, or should any assumptions underlying forward-looking statements prove to be incorrect, the Group’s actual results could differ materially from those expressed or implied by forward-looking statements. Additional risks not known to the Group or that the Group does not currently consider material could also cause the events and trends discussed in this Prospectus not to occur, and the estimates, illustrations and projections of financial performance not to be realised.

Prospective investors are cautioned that forward-looking statements speak only as at the date of publication of this Prospectus. Except as required by applicable law, the Group does not undertake, and expressly disclaims, any duty to revise any forward-looking statement in this Prospectus, be it as a result of new information, future events or otherwise.

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## CONTENTS

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	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>SUMMARY OF THE RIGHTS ISSUE</b> .....	6
<b>TERMINATION OF THE UNDERWRITING AGREEMENT</b> .....	7
<b>EXPECTED TIMETABLE</b> .....	10
<b>LETTER FROM THE BOARD</b> .....	12
<b>APPENDIX I INFORMATION ON THE GROUP</b> .....	I – 1
<b>APPENDIX II FINANCIAL INFORMATION OF THE GROUP</b> .....	II – 1
<b>APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION IN RESPECT OF THE RIGHTS ISSUE</b> .....	III – 1
<b>APPENDIX IV GENERAL INFORMATION</b> .....	IV – 1



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## DEFINITIONS

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In this Prospectus, unless the context otherwise requires, the following expressions have the following meanings:

<b>“Acceptance Date”</b>	Wednesday, 16 September 2015, or such other date as the Joint Underwriters may agree in writing with the Bank as the last date for acceptance of, and payment for, the Rights Shares
<b>“Announcement”</b>	the announcement of the Bank dated 17 August 2015 relating to the Rights Issue
<b>“associate”</b>	has the meaning ascribed to it in the Listing Rules
<b>“Bank”, “we” or “us”</b>	Chong Hing Bank Limited, a company incorporated in Hong Kong, the Shares (Stock Code: 01111) and debt securities (Stock Codes: 04327 and 05804) of which are listed on the Stock Exchange
<b>“Banking (Capital) Rules”</b>	the Banking (Capital) Rules (Chapter 155L of the Laws of Hong Kong), as amended from time to time
<b>“Banking Ordinance”</b>	the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), as amended from time to time
<b>“Beneficial Owner”</b>	any beneficial owner of Shares whose Shares are registered in the name of a Registered Owner
<b>“Board”</b>	the board of Directors
<b>“BOCI”</b>	BOCI Asia Limited (中銀國際亞洲有限公司), a corporation licensed under the SFO to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO
<b>“Business Day”</b>	any day (other than a Saturday and Sunday) on which licensed banks are open for normal banking business in Hong Kong
<b>“CCASS”</b>	the Central Clearing and Settlement System established and operated by HKSCC
<b>“CCASS Clearing Participant”</b>	a person admitted by HKSCC to participate in CCASS as a direct clearing participant or general clearing participant
<b>“CCASS Custodian Participant”</b>	a person admitted by HKSCC to participate in CCASS as a custodian participant
<b>“CCASS Investor Participant”</b>	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
<b>“CCASS Participant”</b>	a CCASS Clearing Participant, a CCASS Custodian Participant or a CCASS Investor Participant

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## DEFINITIONS

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“CEPA”	the Mainland and Hong Kong Closer Economic Partnership Arrangement
“ChinaClear”	China Securities Depository and Clearing Corporation Limited
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended from time to time
“connected person”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“CSRC”	the China Securities and Regulatory Commission
“CSRC Notice”	the notice of the CSRC “Filing Requirements for Hong Kong Listed Issuers Making Rights Issues to Mainland Shareholders through Shanghai-Hong Kong Stock Connect” (Announcement 2014 No.48)
“DBS”	DBS Asia Capital Limited (星展亞洲融資有限公司), a corporation licensed under the SFO to conduct Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO
“Director(s)”	the director(s) of the Bank
“EAF(s)” or “Excess Application Form(s)”	the excess application form(s) issued to the Qualifying Shareholders (other than the PRC Stock Connect Investors) in respect of applications for excess Rights Shares in connection with the Rights Issue
“Excluded Jurisdictions”	Canada, Japan and the PRC, being jurisdictions in respect of which the Directors have determined, in accordance with Rule 13.36(2)(a) of the Listing Rules, that it is necessary or expedient not to offer Rights Shares to Shareholders in such jurisdictions on account either of the legal restrictions under the laws of such jurisdictions or the requirements of a relevant regulatory body or stock exchange in such jurisdictions
“Group”	the Bank and its subsidiaries
“Guangzhou Yue Xiu Holdings”	Guangzhou Yue Xiu Holdings Limited* (廣州越秀集團有限公司), a limited liability company incorporated in the PRC which is beneficially wholly-owned by the Guangzhou Municipal People’s Government of the PRC
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKMA”	Hong Kong Monetary Authority
“HKSCC”	Hong Kong Securities Clearing Company Limited

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## DEFINITIONS

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<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China
<b>“Intermediary”</b>	in relation to a Beneficial Owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, means the Beneficial Owner’s broker, custodian, nominee or other relevant person who is a CCASS Participant or who has deposited the Beneficial Owner’s Shares with a CCASS Participant
<b>“Irrevocable Undertaking”</b>	the irrevocable undertaking dated 17 August 2015 given by Yue Xiu Enterprises and Yuexiu Financial Holdings in favour of the Bank and the Joint Underwriters to (in the case of Yuexiu Financial Holdings) subscribe or (in the case of Yue Xiu Enterprises) procure Yuexiu Financial Holdings to subscribe for the 163,125,000 Rights Shares to be provisionally allotted to Yuexiu Financial Holdings
<b>“Joint Global Coordinators” or “Joint Underwriters”</b>	BOCI, DBS and Nomura
<b>“Last Trading Day”</b>	Thursday, 13 August 2015, being the last full trading day of the Shares on the Stock Exchange immediately prior to the publication of the Announcement
<b>“Latest Practicable Date”</b>	Tuesday, 25 August 2015, being the latest practicable date prior to the printing of this Prospectus for ascertaining certain information contained herein
<b>“Latest Time for Termination”</b>	5:00 p.m. on the fourth Business Day following the Acceptance Date, which is expected to be on Tuesday, 22 September 2015
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange
<b>“Long Stop Date”</b>	Tuesday, 22 September 2015 (or such later date as the Bank and the Joint Underwriters may agree)
<b>“Nil Paid Rights”</b>	rights to subscribe for Rights Shares (in the form of Rights Shares in nil-paid form) before the Subscription Price is paid
<b>“Nomura”</b>	Nomura International (Hong Kong) Limited (野村國際(香港)有限公司), a corporation licensed under the SFO to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO
<b>“Non-Qualifying Shareholder(s)”</b>	those Shareholder(s) whose registered address(es) as shown on the register of members of the Bank at 5:00 p.m. on the Record Date was/were in any of the Excluded Jurisdictions, and any Shareholder(s) and Beneficial Owner(s) of Shares who is/are otherwise known to the Bank to be resident in any of the Excluded Jurisdictions (other than the PRC Stock Connect Investors)

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## DEFINITIONS

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<b>“Overseas Shareholder(s)”</b>	those Shareholder(s) whose name(s) appeared on the register of members of the Bank at 5:00 p.m. on the Record Date and whose address(es) as shown on such register was/were in a place(s) outside Hong Kong, and any Shareholder(s) and Beneficial Owner(s) of Shares at that time who is/are otherwise known to the Bank to be resident in a place(s) outside Hong Kong
<b>“PAL(s)” or “Provisional Allotment Letter(s)”</b>	the provisional allotment letter(s) issued to the Qualifying Shareholders in respect of their assured entitlements in connection with the Rights Issue
<b>“PRC”</b>	the People’s Republic of China, which for the purpose of this Prospectus excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
<b>“PRC Stock Connect Investor(s)”</b>	the PRC southbound trading investor(s) through Shanghai-Hong Kong Stock Connect who hold Shares through ChinaClear as nominee
<b>“Prospectus”</b>	this prospectus issued by the Bank in connection with the Rights Issue
<b>“Prospectus Documents”</b>	this Prospectus, the PAL and the EAF
<b>“Qualifying Shareholder(s)”</b>	Shareholder(s), other than the Non-Qualifying Shareholder(s), whose name(s) appeared on the register of members of the Bank at 5:00 p.m. on the Record Date
<b>“Record Date”</b>	Monday, 31 August 2015, or such other date as the Joint Underwriters may agree in writing with the Bank as the date by reference to which entitlements under the Rights Issue will be determined
<b>“Registered Owner”</b>	in respect of a Beneficial Owner, means a nominee, trustee, depository or any other authorised custodian or third party which is the registered holder in the register of members of the Bank of the Shares in which the Beneficial Owner is beneficially interested
<b>“Registrar”</b>	the Bank’s share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong
<b>“Regulation S”</b>	Regulation S under the U.S. Securities Act
<b>“Rights Issue”</b>	the proposed issue of the Rights Shares by the Bank at the Subscription Price on the basis of one Rights Share for every two Shares held on the Record Date, payable in full on acceptance and subject to the terms set out in the Prospectus Documents
<b>“Rights Share(s)”</b>	the new Share(s) proposed to be allotted and issued under the Rights Issue
<b>“SFO”</b>	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
<b>“Share(s)”</b>	ordinary share(s) in the capital of the Bank

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## DEFINITIONS

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“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$17.05 per Rights Share pursuant to the Rights Issue
“subsidiary”	has the meaning ascribed to it under the Companies Ordinance
“U.K.” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“Underwriting Agreement”	the underwriting agreement dated 17 August 2015 entered into between Bank and the Joint Underwriters in relation to the underwriting of the Underwritten Rights Shares and certain other arrangements in respect of the Rights Issue
“Underwritten Rights Share(s)”	all the Rights Shares other than the 163,125,000 Rights Shares to be subscribed for by Yuexiu Financial Holdings pursuant to the Irrevocable Undertaking
“U.S.” or “United States”	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
“U.S. Securities Act”	the U.S. Securities Act of 1933, as amended
“Yue Xiu Enterprises”	Yue Xiu Enterprises (Holdings) Limited (越秀企業(集團)有限公司), a company incorporated in Hong Kong which is wholly-owned by Guangzhou Yue Xiu Holdings
“Yue Xiu Group”	Guangzhou Yue Xiu Holdings and its subsidiaries from time to time (excluding the Group)
“Yuexiu Financial Holdings”	Yuexiu Financial Holdings Limited, a limited liability company incorporated in Hong Kong which is wholly-owned by Yue Xiu Enterprises and is the controlling shareholder of the Bank
“Yuexiu Property”	Yuexiu Property Company Limited (越秀地產股份有限公司), a company incorporated in Hong Kong with limited liability the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00123) and on The Singapore Exchange Securities Trading Limited, and which is a connected person of the Bank
“Yuexiu Transport Infrastructure”	Yuexiu Transport Infrastructure Limited (越秀交通基建有限公司), a company incorporated in Bermuda with limited liability the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 01052), and which is a connected person of the Bank
“%”	per cent.

\* for identification purpose only

In this Prospectus, unless the context otherwise requires, any reference to the singular includes the plural and *vice versa* and any reference to a gender includes a reference to the other gender and the neuter.

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## SUMMARY OF THE RIGHTS ISSUE

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The following information is derived from, and should be read in conjunction with, the full text of this Prospectus:

<b>Basis of Rights Issue:</b>	One Rights Share for every two existing Shares held at 5:00 p.m. on the Record Date
<b>Subscription Price:</b>	HK\$17.05 per Rights Share
<b>Number of Shares in issue on the Record Date:</b>	435,000,000 Shares
<b>Number of Rights Shares to be issued:</b>	217,500,000 Rights Shares
<b>Amount to be raised:</b>	Approximately HK\$3,708 million, before expenses, by way of the Rights Issue
<b>Latest time for payment and acceptance:</b>	4:00 p.m. on Wednesday, 16 September 2015 (or such other date as the Joint Underwriters may agree in writing with the Bank as the last date for acceptance of, and payment for, the Rights Shares)
<b>Excess applications:</b>	Qualifying Shareholders (other than the PRC Stock Connect Investors) may apply for Rights Shares in excess of their provisional allotments
<b>Status:</b>	The Rights Shares, when allotted, issued and fully paid, will rank <i>pari passu</i> in all respects with the Shares then in issue. Following the issuance of the fully paid Rights Shares, holders of the fully paid Rights Shares will be entitled to receive all future dividends and distributions the record dates of which are on or after the date of issue of the fully paid Rights Shares. <b>For the avoidance of doubt, the fully paid Rights Shares will not entitle the holders thereof to the Bank's 2015 interim cash dividend of HK\$0.21 per Share for the six months ended 30 June 2015 as announced by the Bank on 17 August 2015</b>
<b>Number of Underwritten Rights Shares:</b>	54,375,000 Rights Shares
<b>Joint Underwriters (in alphabetical order):</b>	BOCI, DBS and Nomura

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## TERMINATION OF THE UNDERWRITING AGREEMENT

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If at any time prior to the Latest Time for Termination:

- (i) any matter or circumstance arises as a result of which any of the conditions set out in the section headed “*Letter from the Board — Underwriting Arrangements for the Rights Issue — Conditions of the Rights Issue and the Underwriting Agreement*” has become incapable of satisfaction as at the required time;
- (ii) the fact that any of the representations, warranties or undertakings contained in the Underwriting Agreement is untrue, inaccurate, misleading in any respect comes to the knowledge of the Joint Underwriters, or there has been a breach on the part of the Bank of any other provision of the Underwriting Agreement or a breach on the part of each of Yuexiu Financial Holdings and Yue Xiu Enterprises of the Irrevocable Undertaking, or the Joint Underwriters have cause to believe that any such breach has occurred;
- (iii) any event occurs or matter arises or is discovered, which, if it had occurred before the date of the Underwriting Agreement or before any of the dates or before any time on which the representations, warranties and undertakings are deemed to be given pursuant to the Underwriting Agreement would have rendered any of those representations, warranties or undertakings untrue, inaccurate, incomplete or misleading in any respect;
- (iv) the Bank’s application to the Main Board of the Stock Exchange for permission for the listing of and to deal in the Rights Shares (in their nil-paid and fully-paid forms) on the Main Board of the Stock Exchange is withdrawn by the Bank and/or refused by the Stock Exchange;
- (v) any condition to enable the Nil Paid Rights to be admitted as eligible securities for deposit, clearance and settlement in CCASS is not satisfied or notification is received by the Bank from HKSCC that such admission or facility for holding and settlement has been or is to be refused; or
- (vi)
  - (a) any statement contained in the Announcement or a Prospectus Document has become or been discovered to be untrue, inaccurate, incomplete or misleading in any respect;
  - (b) any matter arises or is discovered which would, if the Announcement or an Prospectus Document was to be issued at the time, constitute an omission therefrom;
  - (c) any event, act or omission occurs which gives or is likely to give rise to any liability of the Bank pursuant to the indemnities referred to in the Underwriting Agreement;
  - (d) there is any adverse change or prospective adverse change in the business or in the financial or trading position or prospects of any member of the Group;
  - (e) there has occurred, happened, come into effect or become public knowledge any event, series of events or circumstances concerning or relating to (whether or not foreseeable): (i) a suspension or a material limitation in trading in securities generally on the New York Stock Exchange, the London Stock Exchange plc, the Stock Exchange and/or any other stock exchange on which the Bank’s securities are traded; (ii) a suspension or a material limitation in trading in the Bank’s securities on the Stock Exchange and/or any other stock exchange on which the Bank’s securities are traded (other than pending publication of announcing the Rights Issue or any other announcement relating to the Rights Issue); (iii) a general moratorium on commercial banking activities in the United States, Hong Kong, the PRC and/or the United Kingdom declared by the relevant authorities or a material disruption in commercial banking or securities settlement or

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## TERMINATION OF THE UNDERWRITING AGREEMENT

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clearance services in the United States, Hong Kong, the PRC or the United Kingdom; or (iv) a change or development involving a prospective change in taxation affecting the Bank, the Shares or the transfer thereof;

- (f) there shall have occurred any event or series of events (including without limitation the occurrence of any local, national or international outbreak or escalation of disaster, riot, public disorder, civil commotion, fire, flood, explosion, outbreak of an infectious disease, calamity, crisis, strike, lock-out, hostility, insurrection, armed conflict, act of terrorism, act of God or epidemic); or
- (g) the Bank is required to publish a supplementary prospectus in accordance with Rule 11.13 of the Listing Rules or otherwise,

which, in the sole opinion of the Joint Underwriters:

- (1) is or will be, or is likely to be, materially adverse to the general affairs, management, business, financial, trading or other condition or prospects of the Group or to any present or prospective Shareholder in its capacity as such;
- (2) has or will have or is likely to have a material adverse impact on the success of the Rights Issue or dealings in the Rights Shares in the secondary market; or
- (3) makes it impracticable, inadvisable or inexpedient to proceed with the Rights Issue on the terms and in the manner contemplated in the Announcement and the Prospectus Documents,

then in any such case the Joint Underwriters, acting jointly, may by notice in writing to the Bank, served prior to the Latest Time for Termination, rescind or terminate the Underwriting Agreement.

**If, prior to the Latest Time for Termination, any notice of rescission or termination is given by the Joint Underwriters in accordance with the Underwriting Agreement, the obligations of all parties under the Underwriting Agreement (save in respect of certain rights or obligations under the Underwriting Agreement) shall terminate forthwith and no party will have any claim against any other for costs, damages, compensation or otherwise, provided that such termination shall be without prejudice to the rights of the parties hereto in respect of any breach of the Underwriting Agreement occurring prior to such termination.**

### **WARNING OF THE RISKS OF DEALING IN SHARES AND NIL PAID RIGHTS**

**The Shares have been dealt in on an ex-rights basis from Friday, 21 August 2015. Dealings in the Nil Paid Rights are expected to take place from Friday, 4 September 2015 to Friday, 11 September 2015 (both days inclusive). The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms. If the Rights Issue does not become unconditional or is terminated in accordance with its terms, the Rights Issue will not proceed and the Bank will make an announcement at the relevant time.**

**Any Shareholders or other persons dealing in the Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Joint Underwriters' right of termination of the Underwriting Agreement ceases), which is expected to be 5:00 p.m. on Tuesday, 22 September 2015, and any persons dealing in the Nil Paid Rights during the period from Friday, 4 September 2015 to Friday, 11 September 2015 (both days inclusive), will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.**



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## TERMINATION OF THE UNDERWRITING AGREEMENT

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Any Shareholders or other persons contemplating selling or purchasing the Shares and/or the Nil Paid Rights are advised to exercise caution when dealing in the Shares and/or the Nil Paid Rights and if they are in any doubt about their position, they are recommended to consult their own professional advisers.

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## EXPECTED TIMETABLE

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### Expected Timetable

Record Date .....	Monday, 31 August 2015
Despatch of the Prospectus Documents .....	Tuesday, 1 September 2015
Register of members re-opens .....	Tuesday, 1 September 2015
Dealings in Nil Paid Rights commence .....	9:00 a.m. on Friday, 4 September 2015
Register of members closes <sup>(1)</sup> .....	Monday, 7 September 2015
Latest time for splitting of Nil Paid Rights .....	4:30 p.m. on Tuesday, 8 September 2015
Register of members re-opens .....	Tuesday, 8 September 2015
Dealings in Nil Paid Rights close .....	4:00 p.m. on Friday, 11 September 2015
Latest time for payment for and acceptance of Rights Shares and the application and payment for excess Rights Shares .....	4:00 p.m. on Wednesday, 16 September 2015
Rights Issue expected to become unconditional .....	5:00 p.m. on Tuesday, 22 September 2015
Announcement of results of acceptances of and excess applications for the Rights Issue .....	Wednesday, 23 September 2015
Despatch of refund cheques for wholly and partially unsuccessful excess applications on or before .....	Thursday, 24 September 2015
Despatch of share certificates for Rights Shares on or before .....	Thursday, 24 September 2015
Dealings in fully paid Rights Shares commence .....	9:00 a.m. on Friday, 25 September 2015

#### Notes:

- (1) The register of members of the Bank will be closed on Monday, 7 September 2015 to ascertain the Shareholders who are entitled to receive the 2015 interim cash dividend. In order to qualify for the 2015 interim cash dividend, all transfer documents along with relevant share certificates must be lodged for registration with the Registrar by not later than 4:30 p.m. on Friday, 4 September 2015. Further details of the closure of register of members in relation to the 2015 interim cash dividend are set out in the announcement of the Bank dated 17 August 2015.
- (2) Shareholders should note that the dates or deadlines specified in the expected timetable of the Rights Issue as set out above, and in other parts of this Prospectus, are indicative only and may be varied by agreement between the Bank and the Joint Underwriters. In the event any special circumstances arise, the Board may extend, or make adjustment to, the timetable if it considers it appropriate to do so. The Bank will make an announcement to notify Shareholders and the Stock Exchange of any such extension or adjustment to the expected timetable.
- (3) All times and dates in this Prospectus refer to Hong Kong local times and dates.

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## EXPECTED TIMETABLE

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### **Effect of Bad Weather on Latest Time for Acceptance of, and Payment for, Rights Shares and Excess Rights Shares**

The latest time for acceptance of, and payment for, the Rights Shares and for application of, and payment for, excess Rights Shares will not take place as shown in “*Expected Timetable*” above if there is a tropical cyclone warning signal no. 8 or above or a “black” rainstorm warning:

- (a) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Wednesday, 16 September 2015. Instead, the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will be extended to 5:00 p.m. on the same Business Day; and
- (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Wednesday, 16 September 2015. Instead, the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will be rescheduled to 4:00 p.m. on the next following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares does not take place on Wednesday, 16 September 2015, the dates as shown in “*Expected Timetable*” above may be affected. The Bank will notify Shareholders by way of announcement(s) of any change to the expected timetable as soon as practicable.

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LETTER FROM THE BOARD

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(a Hong Kong-incorporated limited liability company)

(Stock Code: 01111)

**Executive Directors**

Mrs. LEUNG Ko May Yee Margaret, SBS, JP

(Deputy Chairman and Managing Director)

Mr. LAU Wai Man

(Chief Executive Officer)

Mr. LIU Tit Shing Don

(Deputy Chief Executive Officer)

**Registered Office**

Ground Floor

Chong Hing Bank Centre

24 Des Voeux Road Central

Hong Kong

**Non-executive Directors**

Mr. ZHANG Zhaoxing

(Chairman)

Mr. ZHU Chunxiu

Mr. WANG Shuhui

Mr. LI Feng

Mr. CHOW Cheuk Yu Alfred, BBS, JP

**Independent Non-executive Directors**

Mr. CHIRANAKHORN Wanchai

Mr. CHENG Yuk Wo

Mr. MA Chiu Cheung Andrew

Mr. LEE Ka Lun

Mr. YU Lup Fat Joseph

1 September 2015

To the Qualifying Shareholders, and, for information only,  
certain Non-Qualifying Shareholders

Dear Sir or Madam,

**RIGHTS ISSUE OF 217,500,000 RIGHTS SHARES  
AT THE SUBSCRIPTION PRICE OF HK\$17.05 PER RIGHTS SHARE  
ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY TWO SHARES  
HELD ON THE RECORD DATE**

**INTRODUCTION**

On 17 August 2015, the Bank announced the Rights Issue. Subject to the fulfilment of the conditions of the Rights Issue, the Bank proposes to raise approximately HK\$3,708 million, before expenses, by way of the Rights Issue of 217,500,000 Rights Shares at the Subscription Price of HK\$17.05 per Rights Share.

The Bank has provisionally allotted one Nil Paid Right for every two Shares held by each Qualifying Shareholder on the Record Date on a *pro rata* basis. Fractional entitlements have not been provisionally allotted but will be aggregated and sold for the benefit of the Bank.

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## LETTER FROM THE BOARD

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The Rights Issue is not available to the Non-Qualifying Shareholders.

As at the Latest Practicable Date, the Bank had 435,000,000 Shares in issue.

Pursuant to the Underwriting Agreement, the Underwritten Rights Shares are underwritten in full by the Joint Underwriters, subject to the conditions set out in the Underwriting Agreement. The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms. If the Rights Issue does not become unconditional, the Rights Issue will not proceed.

The Bank intends to use the net proceeds of the Rights Issue as follows:

- to expand the Bank's business;
- to position the Bank for sustainable growth and to satisfy its capital adequacy requirements; and
- to reposition the Bank's branch network to focus on locations of strategic value and to upgrade the core banking information technology systems to enhance the Bank's infrastructure to support future growth.

The purpose of this Prospectus is to provide you with further details of the Rights Issue, including information on dealings in and transfers of the Nil Paid Rights, the procedure for the acceptance of provisional allotments of Rights Shares and certain financial and other information of the Group.

### 1. RIGHTS ISSUE

#### (A) TERMS OF THE RIGHTS ISSUE

##### Issue Statistics

<b>Basis of Rights Issue :</b>	One Rights Share for every two Shares held at 5:00 p.m. on the Record Date
<b>Subscription Price :</b>	HK\$17.05 per Rights Share
<b>Number of Shares in issue on the Record Date :</b>	435,000,000 Shares
<b>Number of Rights Shares to be issued :</b>	217,500,000 Rights Shares
<b>Excess applications :</b>	Qualifying Shareholders (other than the PRC Stock Connect Investors) may apply for Rights Shares in excess of their provisional allotment. The Rights Shares available for excess application would be those Rights Shares (if any) representing unsold aggregated fractional entitlements, any Rights Shares provisionally allotted but not validly accepted by Qualifying Shareholders or otherwise subscribed for by renounees or transferees of Nil Paid Rights and any Rights Shares representing any unsold entitlements of the Non-Qualifying Shareholders

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## LETTER FROM THE BOARD

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**Status :**

The Rights Shares, when allotted, issued and fully paid, will rank pari passu in all respects with the Shares then in issue. Following issuance of the fully paid Rights Shares, holders of the fully paid Rights Shares will be entitled to receive all future dividends and distributions the record dates of which are on or after the date of issue of the fully paid Rights Shares. **For the avoidance of doubt, the fully paid Rights Shares will not entitle the holders thereof to the Bank's 2015 interim cash dividend of HK\$0.21 per Share for the six months ended 30 June 2015 as announced by the Bank on 17 August 2015**

**Joint Underwriters (in alphabetical order):** BOCI, DBS and Nomura

As at the Latest Practicable Date, the Bank had no outstanding convertible securities, options or warrants in issue or similar rights which confer any right to subscribe for, or convert or exchange into, Shares.

Assuming no new Shares (other than the Rights Shares) are allotted and issued before the completion of the Rights Issue, the Nil Paid Rights proposed to be provisionally allotted represent:

- (i) 50.00% of the Bank's issued share capital as at the Latest Practicable Date; and
- (ii) approximately 33.33% of the Bank's enlarged issued share capital as enlarged by the issue of the Rights Shares.

**Subscription Price**

The Subscription Price for the Rights Shares is HK\$17.05 per Rights Share, payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of Rights Shares or, where applicable, upon application for excess Rights Shares under the Rights Issue, or when a renounee or transferee of Nil Paid Rights applies for the relevant Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 26.03% to the closing price of HK\$23.05 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 19.00% to the theoretical ex-rights price of HK\$21.05 per Share, which is calculated on the basis of the closing price of HK\$23.05 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 28.00% to the average of the closing prices per Share as quoted on the Stock Exchange for the five trading days ending on the Last Trading Day of approximately HK\$23.68 per Share;
- (iv) a discount of approximately 28.48% to the average of the closing prices per Share as quoted on the Stock Exchange for the ten trading days ending on the Last Trading Day of approximately HK\$23.84 per Share;
- (v) a discount of approximately 12.43% to the audited consolidated net asset value (excluding additional equity instruments and before the final dividend) attributable to shareholders of the Bank as at 31 December 2014 of approximately HK\$19.47 per Share; and

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## LETTER FROM THE BOARD

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- (vi) a discount of approximately 17.43% to the unaudited consolidated net asset value (excluding additional equity instruments and before the interim cash dividend) attributable to shareholders of the Bank as at 30 June 2015 of approximately HK\$20.65 per Share.

The Bank's 2015 interim cash dividend of HK\$0.21 per Share for the six months ended 30 June 2015 as announced by the Bank on 17 August 2015 has not been included in the calculation of the theoretical ex-rights price in (ii) above.

Each Rights Share has no par value.

The Subscription Price was determined by the Directors after arm's length negotiations between the Bank and the Joint Underwriters with reference to the market price of the Shares prior to and including the Last Trading Day. The Directors, having regard to the prevailing market condition, consider that the Subscription Price has been set at a reasonable discount to the recent closing price of the Shares in order to encourage existing Shareholders to take up their entitlements to participate in the potential growth of the Bank in the future while maintaining their pro rata shareholdings in the Bank.

After taking into consideration the reasons for the Rights Issue as stated in "*Reasons for the Rights Issue and Use of Proceeds of the Rights Issue*" below, the Directors (including the independent non-executive Directors) consider the terms of the Rights Issue, including the Subscription Price (and the discounts to the relative values as indicated above), to be fair and reasonable and to be in the interests of the Bank and the Shareholders as a whole.

### Qualifying Shareholders

To qualify for the Rights Issue, a Shareholder must :

- (i) have been registered as a member of the Bank; and
- (ii) be a Qualifying Shareholder.

Each Qualifying Shareholder is entitled to subscribe for the Rights Shares in proportion to his/her/its shareholding in the Bank held at 5:00 p.m. on the Record Date. Qualifying Shareholders who take up their *pro rata* entitlements in full will not suffer any dilution to their interests in the Bank (save in respect of fractions). If a Qualifying Shareholder does not take up his/her/its entitlement under the Rights Issue in full, his/her/its proportionate shareholding in the Bank will be diluted.

For the entitlement of the PRC Stock Connect Investors in participation of the Rights Issue, please refer to "*PRC Stock Connect Investors*" below.

### Basis of Provisional Allotment of Rights Shares

Qualifying Shareholders will receive a PAL in respect of the Rights Issue. The Rights Shares have been provisionally allotted on the *pro rata* basis of one Nil Paid Right for every two existing Shares held by a Qualifying Shareholder at 5:00 p.m. on the Record Date (i.e. the number of Rights Shares to be allotted to each Qualifying Shareholder shall be the number of Shares held at 5:00 p.m. on the Record Date multiplied by 1/2, rounded down to the nearest whole number). The board lot of the Nil Paid Rights will be 1,000 Shares.

Application for all of a Qualifying Shareholder's provisional allotment of Rights Shares should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for. Please refer to "*Procedures for Acceptance or Transfer*" below for further details.

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## LETTER FROM THE BOARD

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If a Qualifying Shareholder wishes to accept only part of, or to renounce or transfer a part of, the Rights Shares provisionally allotted to him/her/it under the PAL or to transfer his/her/its rights to more than one person, please refer to “*Procedures for Acceptance or Transfer — Transfers and “Splitting” of Nil Paid Rights*” below.

### **Distribution of this Prospectus and the other Prospectus Documents**

The Bank will only send this Prospectus accompanied by the other Prospectus Documents to the Qualifying Shareholders. However, to the extent reasonably practicable and legally permitted, the Bank will send this Prospectus, for information purposes only, to the Non-Qualifying Shareholders. The Bank will not send any PAL or EAF to the Non-Qualifying Shareholders.

This Prospectus will not be distributed to any Shareholders, and the Rights Shares will not be issued, in the Excluded Jurisdictions.

Distribution of this Prospectus and the other Prospectus Documents into jurisdictions other than Hong Kong may be restricted by law. Persons into whose possession the Prospectus Documents come (including, without limitation, agents, custodians, nominees and trustees) should inform themselves of and observe any such restriction. Any failure to comply with those restrictions may constitute a violation of the securities laws of any such jurisdiction. Any Shareholder or Beneficial Owner who is in any doubt as to his/her/its position should consult an appropriate professional adviser without delay. In particular, subject to certain exceptions as agreed between the Bank and the Joint Underwriters, this Prospectus and the other Prospectus Documents should not be distributed, forwarded to or transmitted in, into or from any of the Excluded Jurisdictions. The Bank reserves the right to refuse to permit any Shareholder to take up his/her/its Nil Paid Rights or apply for excess Rights Shares where it believes that doing so would violate applicable securities legislations or other laws or regulations of any jurisdiction.

It is the responsibility of any person (including, but not limited to, any agent, custodian, nominee or trustee) outside Hong Kong wishing to make an application for the Rights Shares to satisfy himself as to the full observance of the laws and regulations of the relevant territory or jurisdiction, including obtaining any governmental or other consents and to pay any taxes, duties and other amounts required to be paid in such territory or jurisdiction in connection therewith. Any acceptance of the offer of the Rights Shares by any person will be deemed to constitute a representation and warranty from such person to the Bank that these local laws and requirements have been fully complied with. Such persons should consult their own professional advisers if in doubt.

For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, the representations and warranties above.

The Prospectus Documents will not be registered under the applicable securities legislation of any jurisdiction other than: (i) the PRC, in accordance with the CSRC Notice after the approval from the Stock Exchange for the listing of the Rights Shares (in nil-paid and fully-paid forms) has been obtained; and (ii) Hong Kong.

### **Non-Qualifying Shareholders**

As at the Latest Practicable Date, the Bank had 11 Overseas Shareholders with registered addresses located in Australia, Canada, Japan, Macau, Panama, the PRC and the United Kingdom.

The Board has made due enquiries pursuant to Rule 13.36(2) of the Listing Rules as to the applicable securities legislation of the Excluded Jurisdictions and the requirements of any relevant regulatory body or stock



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## LETTER FROM THE BOARD

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exchange for the issue of the Rights Shares in the Excluded Jurisdictions. Having considered the circumstances, the Directors have formed the view that it is necessary or expedient not to offer either the Nil Paid Rights or the Rights Shares to Shareholders or Beneficial Owners in the Excluded Jurisdictions (other than the PRC Stock Connect Investors) due to the time and costs involved in the registration or filing of this Prospectus and/or approval required by the relevant authorities in the Excluded Jurisdictions and/or additional steps the Bank and/or Shareholders and/or Beneficial Owners need to take to comply with the local legal requirements and/or other requirements to be satisfied in order to comply with relevant local legal or regulatory requirements in the Excluded Jurisdictions.

Accordingly, for the purposes of the Rights Issue, Non-Qualifying Shareholders are:

- (i) Shareholders whose name(s) appeared in the register of members of the Bank on the Record Date and whose address(es) as shown in such register was/were in any of the Excluded Jurisdictions; and
- (ii) any Shareholders or Beneficial Owners (other than the PRC Stock Connect Investors) on the Record Date who are otherwise known by the Bank to be residing in any of the Excluded Jurisdictions.

Notwithstanding any other provision in this Prospectus or the PAL or the EAF, the Bank reserves the right to permit any Shareholder to take up his/her/its Nil Paid Rights and/or to apply for excess Rights Shares if the Bank, in its absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions in question.

Receipt of this Prospectus and/or a PAL and/or an EAF or the crediting of Nil Paid Rights to a stock account in CCASS does not and will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Prospectus and/or a PAL and/or an EAF must be treated as sent for information only and should not be copied or redistributed. Persons (including, without limitation, agents, custodians, nominees and trustees) who receive a copy of this Prospectus and/or a PAL and/or an EAF or whose stock account in CCASS is credited with Nil Paid Rights should not, in connection with the Rights Issue, distribute or send the same in, into or from, or transfer Nil Paid Rights to any person in, into or from, any of the Excluded Jurisdictions. If a PAL or an EAF or a credit of Nil Paid Rights in CCASS is received by any person in any such territory, or by his/her/its agent or nominee, he/she/it should not seek to take up the rights referred to in the PAL or transfer the PAL (or apply for any excess Rights Shares under the EAF) or transfer the Nil Paid Rights in CCASS unless the Bank and the Joint Underwriters determine that such actions would not violate applicable legal or regulatory requirements. Any person (including, without limitation, agents, custodians, nominees and trustees) who does forward this Prospectus or a PAL or an EAF in, into or from any of the Excluded Jurisdictions (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this section.

Arrangements will be made for the Nil Paid Rights which would otherwise have been allotted to Non-Qualifying Shareholders, had they been Qualifying Shareholders, to be provisionally allotted to BOCI Securities Limited or its nominee and be sold in the market after dealings in the Nil Paid Rights commence on the Stock Exchange and in any event before the latest time for acceptance of Rights Shares, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses and stamp duty, above HK\$100 will be paid to the relevant Non-Qualifying Shareholder(s) (*pro rata* to their entitlements at 5:00 p.m. on the Record Date). The Bank will retain individual amounts of HK\$100 or less for the benefit of the Bank. Any Rights Shares in respect of unsold entitlements of Non-Qualifying Shareholders, together with any Rights Shares (if any) representing unsold aggregated fractional entitlements and any Rights Shares in respect of Nil Paid Rights not taken up by the Qualifying Shareholders or otherwise not subscribed for by renounees or transferees of Nil Paid Rights, will be made available for excess application on EAFs by Qualifying Shareholders (other than the PRC Stock Connect Investors).

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## LETTER FROM THE BOARD

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The arrangements described in the above paragraph will not apply to any Shareholder or Beneficial Owner who resides in any of the Excluded Jurisdictions but (in the case of a Shareholder) whose address, or (in the case of a Beneficial Owner) who holds his/her/its interest in Shares through a Registered Owner whose address, was shown in the register of members of the Bank on the Record Date as not being in a Excluded Jurisdiction. Such Shareholders and Beneficial Owners are referred to herein as “**Non-Qualifying Beneficial Owners**” and may include Beneficial Owners holding interests in Shares through CCASS (which Shares are registered in the register of members of the Bank in the name of HKSCC Nominees Limited, a company incorporated in Hong Kong). The Bank is unable to extend those arrangements to such Non-Qualifying Beneficial Owners as the Bank does not have the necessary information in relation to such Non-Qualifying Beneficial Owners to make a unilateral determination as to whether those Shareholders or Beneficial Owners are Non-Qualifying Shareholders for the purposes of the Rights Issue. Instead of the arrangements described above, the Nil Paid Rights which would otherwise have been available to be taken up by those Non-Qualifying Beneficial Owners will not be sold in the market and the relevant Non-Qualifying Beneficial Owners will not receive the proceeds of any such sale. All Non-Qualifying Beneficial Owners are advised to seek their own legal advice as to whether or not they may be permitted, having regard to their own particular circumstances (including the laws and regulations of the relevant jurisdiction in which they are resident), to sell their Nil Paid Rights in the market. Any such Nil Paid Rights which are not sold in the market by Non-Qualifying Beneficial Owners will be made available for excess applications on EAFs by Qualifying Shareholders (other than the PRC Stock Connect Investors).

With respect to Non-Qualifying Shareholders who hold interests in Shares through CCASS, their nominees, custodians or other Intermediaries may sell, on such Non-Qualifying Shareholders’ behalf, their entitlements to the Nil Paid Rights in compliance with applicable securities laws and distribute the proceeds thereof as appropriate.

The Bank reserves the right to treat as invalid any acceptance of or application for the Nil Paid Rights where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Overseas Shareholders and Beneficial Owners who are residing outside Hong Kong should exercise caution when dealing in the Shares and/or the Nil Paid Rights.

### **PRC Stock Connect Investors**

According to the “CCASS Shareholding Search” available on the Stock Exchange’s website ([www.hkexnews.hk](http://www.hkexnews.hk)), as at the Latest Practicable Date, ChinaClear holds 2,401,000 Shares, representing approximately 0.55% of the total issued Shares. ChinaClear is a CCASS Participant with HKSCC Nominees Limited.

The Directors have made the relevant enquiries and were advised that the PRC Stock Connect Investors can participate in the Rights Issue through ChinaClear. ChinaClear will provide nominee services for the PRC Stock Connect Investors to (i) sell (in full or in part) their Nil-paid Rights on the Stock Exchange; and/or (ii) subscribe (in full or in part) for their pro-rata entitlement in respect of Shares held on the Record Date at the Subscription Price under the Rights Issue in accordance with the relevant laws and regulations. However, ChinaClear will not support applications by such PRC Stock Connect Investors for excess Rights Shares under the Rights Issue through Shanghai-Hong Kong Stock Connect. In addition, according to the PRC legal adviser of the Bank, the PRC Stock Connect Investors (or the relevant ChinaClear participants as the case may be) whose stock accounts in the ChinaClear are credited with Nil-paid Rights can only sell those Nil-paid Rights on the Stock Exchange under Shanghai-Hong Kong Stock Connect and can neither purchase any Nil-paid Rights nor transfer such Nil-paid Rights to other PRC Stock Connect Investors.

**The PRC Stock Connect Investors should seek advice from their Intermediary (including broker, custodian, nominee or ChinaClear participant) and/or other professional advisers for details of the**

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## LETTER FROM THE BOARD

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**logistical arrangements as required by ChinaClear, and provide instructions with such Intermediary in relation to the acceptance and/or sale of the Nil-paid Rights. Such instructions should be given in advance of the relevant dates stated in the section headed “Expected Timetable” of this Prospectus and otherwise in accordance with the requirements of the Intermediary of the PRC Stock Connect Investors and/or ChinaClear in order to allow sufficient time to ensure that such instructions are given effect.**

According to the PRC legal adviser of the Bank, as the Rights Issue Documents have not been and are not intended to be filed with or approved by the CSRC other than in accordance with the CSRC Notice, the Rights Shares (in both their nil-paid and fully-paid forms) shall not be offered and may not be offered or sold directly or indirectly in the PRC to any person or entity, unless such person or entity is a PRC Stock Connect Investor (subject to certain limitations in relation to its rights to participate in the Rights Issue as explained in this Prospectus), or it has otherwise been exempt by or has obtained the necessary and appropriate approvals from the relevant PRC authorities in accordance with the applicable PRC laws and regulations.

As such, the Rights Issue Documents may not be distributed in or forwarded to the PRC or used in connection with any offer for subscription or sale of the Rights Shares (in nil-paid and fully-paid forms) in the PRC, except that the same may be despatched to ChinaClear in the PRC or to the extent in compliance with applicable PRC laws and regulations, and the Rights Issue Documents may not be made publicly available in the PRC.

Save and except for the PRC Stock Connect Investors, based on the legal advice of the PRC legal adviser of the Bank, other Shareholders in the PRC are not entitled to participate in the Rights Issue.

### **Procedures for Acceptance or Transfer**

#### ***General***

Any person (including, without limitation, agents, nominees and trustees) wishing to take up his/her/its rights under the Rights Issue must satisfy himself/herself/itself as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories. The attention of Shareholders with registered addresses in, and Shareholders or Beneficial Owners who are otherwise residing in, any of the Excluded Jurisdictions (other than the PRC Stock Connect Investors) and persons holding Shares on behalf of persons with such addresses or residences is drawn to “*Non-Qualifying Shareholders*” above.

Each purchaser of Nil Paid Rights or subscriber for Rights Shares will be deemed (by accepting delivery of this Prospectus) to have agreed and given each of the following representations and warranties to the Bank and the Joint Underwriters and to any person acting on their behalf, unless in their sole discretion the Bank and the Joint Underwriters waive such requirement expressly in writing:

- (i) he/she/it was a Shareholder as at 5:00 p.m. on the Record Date, or he/she/it lawfully acquired or may lawfully acquire the Nil Paid Rights, directly or indirectly, from such a person;
- (ii) he/she/it may lawfully be offered, take up, obtain, subscribe for and receive the Nil Paid Rights and/or the Rights Shares in the jurisdiction in which he/she/it resides or is currently located;
- (iii) he/she/it is not resident or located in the United States;
- (iv) he/she/it is not accepting an offer to acquire or take up the Nil Paid Rights or Rights Shares on a non-discretionary basis for a person who is resident or located in the United States at the time the instruction to accept was given;

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## LETTER FROM THE BOARD

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- (v) he/she/it is not taking up for the account of any person who is located in the United States, unless (a) the instruction to purchase or take up the Nil Paid Rights or to subscribe for or accept Rights Shares was received from a person outside the United States and (b) the person giving such instruction has confirmed that it (1) has the authority to give such instruction and (2) either (A) has investment discretion over such account or (B) is an investment manager or investment company that is acquiring the Nil Paid Rights and/or the Rights Shares in an “offshore transaction” within the meaning of Regulation S;
- (vi) he/she/it is acquiring the Nil Paid Rights and/or the Rights Shares in an “offshore transaction” as defined in Regulation S;
- (vii) he/she/it has not been offered the Rights Shares by means of any “directed selling efforts” as defined in Regulation S;
- (viii) he/she/it is not acquiring the Nil Paid Rights or Rights Shares with a view to the offer, sale, allotment, take up, exercise, resale, renouncement, pledge, transfer, delivery or distribution, directly or indirectly, of such Nil Paid Rights or Rights Shares into the United States; and
- (ix) he/she/it understands that neither the Nil Paid Rights nor the Rights Shares have been or will be registered under the U.S. Securities Act or with any securities regulatory authority of any state, territory, or possession of the United States and the Nil Paid Rights and Rights Shares are being distributed and offered only outside the United States in reliance on Regulation S. Consequently he/she/it understands the Nil Paid Rights or Rights Shares may not be offered, sold, allotted, taken up, exercised, resold, renounced, pledged, delivered, distributed or otherwise transferred in or into the United States, except in reliance on an exemption from, or in transactions not subject to, the registration requirements of the U.S. Securities Act.

For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the representations and warranties above.

### *Action to be taken by Qualifying Shareholders*

#### *Subscription for all Rights Shares provisionally allotted*

For each Qualifying Shareholder, a PAL is enclosed with this Prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of the Rights Shares shown thereon. If a Qualifying Shareholder wishes to take up his/her/its right to subscribe for any or all of the Rights Shares provisionally allotted to him/her/it as specified in the PAL, he/she/it must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, by not later than 4:00 p.m. on the Acceptance Date, i.e. Wednesday, 16 September 2015. All remittances must be made in Hong Kong dollars and cheques must be drawn on a bank account with, or cashier’s orders issued by, a licensed bank in Hong Kong and made payable to “**Chong Hing Bank Limited — Rights Issue Account**” and crossed “**Account Payee Only**”.

It should be noted that unless the PAL, together with the appropriate remittance, has been lodged with the Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong by 4:00 p.m. on the Acceptance Date, whether by the original allottee or any person in whose favour the rights have been validly renounced or transferred, that provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled. The Bank may, at its discretion, treat a PAL as valid and

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## LETTER FROM THE BOARD

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binding on the person(s) by whom or on whose behalf it is lodged even if it has not been completed in accordance with the relevant instructions.

The PAL contains further information regarding the procedure to be followed for acceptance of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders.

All cheques and cashier's orders will be presented for payment following receipt and all interest earned on such monies will be retained for the benefit of the Bank. Any PAL in respect of which the cheque or cashier's order is dishonoured on first presentation is liable to be rejected, and in that event the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. Completion and return of a PAL together with a cheque or cashier's order in payment for the Rights Shares accepted will constitute a warranty by the applicant(s) that the cheque or cashier's order will be honoured on first presentation. If the Rights Issue does not proceed, the monies received in respect of the relevant provisional allotments will be refunded to the Qualifying Shareholders or such other person to whom the Nil Paid Rights have been validly renounced or transferred or, in the case of joint acceptances, to the first-named person, without interest and by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders or such other persons to their registered addresses by the Registrar on or before Thursday, 24 September 2015. No receipt will be given for such remittance.

### *Transfers and "Splitting" of Nil Paid Rights*

The Nil Paid Rights can be traded on the Stock Exchange. A Qualifying Shareholder can accept all of his/her/its provisional allotment of Rights Shares, or sell all of his/her/its provisional allotment on the Stock Exchange or accept only part of his/her/its provisional allotment and sell the remaining part on the Stock Exchange.

If a Qualifying Shareholder wishes to accept only part of, or to renounce or transfer a part of, the Rights Shares provisionally allotted to him/her/it under a PAL or to renounce or transfer his/her/its rights to more than one person, the entire PAL must be surrendered and lodged for cancellation together with a covering letter stating clearly the number of split PALs required and the number of Nil Paid Rights to be comprised in each split PAL (which, in aggregate, should be equal to the number of Rights Shares provisionally allotted to such holder as stated in Box B of the original PAL), by not later than 4:30 p.m. on Tuesday, 8 September 2015 to the Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. The Registrar will cancel the original PAL and issue new PALs in the denominations required which will be available for collection from the Registrar at the above address after 9:00 a.m. on the second Business Day after the surrender of the original PAL. This process is commonly known as "splitting" the Nil Paid Rights.

Having "split" the Nil Paid Rights, a Qualifying Shareholder who wishes to accept the provisional allotment of Rights Shares represented by a new PAL should do so in accordance with the instructions given above in "*Subscription for all Rights Shares provisionally allotted*" above.

If a Qualifying Shareholder wishes to renounce or transfer all of his/her/its Nil Paid Rights under a PAL (or a split PAL, as the case may be) to another person, he/she/it should complete and sign the "Form of Transfer and Nomination" (Form B) in the PAL and hand the PAL to the person to or through whom he/she/it is transferring his/her/its Nil Paid Rights. The transferee must then complete and sign the "Registration Application Form" (Form C) in the PAL and lodge the PAL intact together with a remittance for the full amount payable on acceptance with the Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, by not later than 4:00 p.m. Wednesday, 16 September 2015. No receipt will be given for such remittance.

It should be noted that Hong Kong stamp duty is payable by the transferor(s) and the transferee(s) in connection with the transfer of Nil Paid Rights to the transferee(s) and the acceptance by the transferee(s) of such rights.

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## LETTER FROM THE BOARD

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The PAL contains further information regarding the procedures to be followed for transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders.

The Bank reserves the right to refuse to register any transfer in favour of any person in respect of which the Bank believes such transfer may violate applicable legal or regulatory requirements.

### *Important notice and representations and warranties relating to Qualifying Shareholders in the Excluded Jurisdictions*

As described above, Shareholders with registered addresses in the Excluded Jurisdictions and Shareholders and Beneficial Owners who are otherwise known by the Bank to be residing in any of the Excluded Jurisdictions are only permitted to take up their rights under the Rights Issue if they fulfil the relevant requirements to the satisfaction of the Bank.

Any Qualifying Shareholder accepting and/or transferring a PAL or requesting registration of the Rights Shares comprised therein represents and warrants to the Bank that, except where proof has been provided to the satisfaction of the Bank that such person's use of the PAL will not result in the contravention of any applicable legal requirement in any jurisdiction, he/she/it: (i) is not accepting and/or transferring the PAL, or requesting registration of the relevant Nil Paid Rights or Rights Shares from within any of the Excluded Jurisdictions; (ii) is not in any of the Excluded Jurisdictions or in any territory in which it is otherwise unlawful to make or accept an offer to acquire the Nil Paid Rights or the Rights Shares or to use the PAL in any manner in which such person has used or will use it; (iii) is not acting on a non-discretionary basis for a person resident in any of the Excluded Jurisdictions at the time the instruction to accept or transfer was given; and (iv) is not acquiring the Nil Paid Rights or the Rights Shares with a view to the offer, sale, allotment, take up, exercise, resale, renouncement, pledge, transfer, delivery or distribution, directly or indirectly, of any such Nil Paid Rights or Rights Shares into any of the Excluded Jurisdictions.

The Bank may treat as invalid any acceptance or purported acceptance of the allotment of Rights Shares comprised in, or transfer or purported transfer of, a PAL if it: (a) appears to the Bank to have been executed in, or despatched from, any of the Excluded Jurisdictions and the acceptance or transfer may involve a breach of the laws of the relevant Excluded Jurisdiction or the acceptance or transfer is otherwise in a manner which may involve a breach of the laws of any jurisdiction or if it or its agents believe the same may violate any applicable legal or regulatory requirement; (b) provides an address in any of the Excluded Jurisdictions for delivery of definitive share certificates for Rights Shares and such delivery would be unlawful or provides an address for delivery of definitive share certificates in any other jurisdiction outside Hong Kong in which it would be unlawful to deliver such certificates; or (c) purports to exclude the representation and/or warranty required by the paragraph immediately above.

### ***Action to be taken by Beneficial Owners whose Shares are held by a Registered Owner (other than Shares deposited in CCASS)***

#### *Subscription for Rights Shares provisionally allotted and transfers and "splitting" of Nil Paid Rights*

If you are a Beneficial Owner whose Shares are registered in the name of a Registered Owner and you wish to subscribe for the Rights Shares provisionally allotted to such Registered Owner in respect of your Shares or sell the respective Nil Paid Rights or "split" those Nil Paid Rights and accept part of the provisional allotment and sell the remaining part, you should contact the Registered Owner and provide the Registered Owner with instructions or make arrangements with the Registered Owner in relation to the acceptance, transfer and/or "splitting" of the Nil Paid Rights.

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## LETTER FROM THE BOARD

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Such instructions and/or arrangements should be given or made in advance of the relevant dates stated in “*Expected Timetable*” and otherwise in accordance with the requirements of the Registered Owner in order to allow the Registered Owner sufficient time to ensure that your instructions are given effect.

*Important notice and representations and warranties relating to Beneficial Owners in the Excluded Jurisdictions whose Shares are held by a Registered Owner (other than HKSCC Nominees Limited)*

As described above, Beneficial Owners resident in any of the Excluded Jurisdictions are only permitted to take up their rights under the Rights Issue if they fulfil relevant requirements to the satisfaction of the Bank.

Any Beneficial Owner instructing a Registered Owner to accept and/or transfer a PAL or request registration of the Rights Shares comprised therein, and the Registered Owner accepting and/or transferring or requesting registration, represents and warrants to the Bank that, except where proof has been provided to the satisfaction of the Bank that such person’s use of the PAL will not result in the contravention of any applicable legal requirement in any jurisdiction, he/she/it: (i) is not accepting and/or renouncing the PAL, or requesting registration of the relevant Nil Paid Rights or Rights Shares from within any of the Excluded Jurisdictions; (ii) is not in any of the Excluded Jurisdictions or in any territory in which it is otherwise unlawful to make or accept an offer to acquire the Nil Paid Rights and/or the Rights Shares or to use the PAL in any manner in which such person has used or will use it; (iii) is not acting on a non-discretionary basis for a person resident in any of the Excluded Jurisdictions at the time the instruction to accept or transfer was given; and (iv) is not acquiring Nil Paid Rights and/or the Rights Shares with a view to the offer, sale, allotment, take up, exercise, resale, renouncement, pledge, transfer, delivery or distribution, directly or indirectly, of any such Nil Paid Rights and/or Rights Shares into any of the Excluded Jurisdictions.

The Bank may treat as invalid any acceptance or purported acceptance of the allotment of Rights Shares comprised in, or transfer or purported transfer of, a PAL if it: (a) appears to the Bank to have been executed in, or despatched from, any of the Excluded Jurisdictions and the acceptance or transfer may involve a breach of the laws of the relevant Excluded Jurisdiction or the acceptance or transfer is otherwise in a manner which may involve a breach of the laws of any jurisdiction or if it or its agents believe the same may violate any applicable legal or regulatory requirement; (b) provides an address in any of the Excluded Jurisdictions for delivery of definitive share certificates for Rights Shares and such delivery would be unlawful or provides an address for delivery of definitive share certificates in any other jurisdiction outside Hong Kong in which it would be unlawful to deliver such certificates; or (c) purports to exclude the representation and/or warranty required by the paragraph immediately above.

### ***Action to be taken by Beneficial Owners holding interests in Shares deposited in CCASS***

#### *Subscription for Rights Shares provisionally allotted and transfers and “splitting” of Nil Paid Rights*

If you are a Beneficial Owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, and you wish to subscribe for the Rights Shares provisionally allotted to HKSCC Nominees Limited in respect of your Shares, or sell the respective Nil Paid Rights or “split” those Nil Paid Rights and accept part of the provisional allotment and sell the remaining part, you should (unless you are a CCASS Investor Participant) contact your Intermediary and provide your Intermediary with instructions or make arrangements with your Intermediary in relation to the acceptance, transfer and/or “splitting” of your Nil Paid Rights.

Such instructions and/or arrangements should be given or made in advance of the relevant dates stated in the “*Expected Timetable*” and otherwise in accordance with the requirements of your Intermediary in order to allow your Intermediary sufficient time to ensure that your instructions are given effect. The procedure for acceptance, transfer and/or “splitting” by CCASS Participants of the Rights Shares provisionally allotted to

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## LETTER FROM THE BOARD

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CCASS stock accounts in respect of the Shares registered in the name of HKSCC Nominees Limited shall be in accordance with the “General Rules of CCASS”, the “CCASS Operational Procedures” and any other requirements of CCASS.

Beneficial Owners who are CCASS Investor Participants should contact CCASS and provide CCASS with instructions or make arrangements with CCASS in relation to the manner in which such Beneficial Owners’ interests in Rights Shares should be dealt with. The procedures for acceptance, transfer and/or “Splitting” of Rights Shares provisionally allotted to Beneficial Owners who have been admitted to participate in CCASS as CCASS Investor Participants shall be in accordance with “An Operating Guide for Investor Participants” and any other requirements of CCASS.

*Important notice and representations and warranties relating to Beneficial Owners in the Excluded Jurisdictions holding interests in Shares deposited in CCASS*

As described above, Beneficial Owners resident in any of the Excluded Jurisdictions are only permitted to take up their rights under the Rights Issue if they fulfil relevant requirements to the satisfaction of the Bank.

Any Beneficial Owner holding interests in Shares deposited in CCASS and any CCASS Participant who instructs its Intermediary to make an acceptance and/or transfer in accordance with the procedures set out above represents and warrants to the Bank that, except where proof has been provided to the satisfaction of the Bank that his/her/its acceptance or transfer will not result in the contravention of any applicable legal requirement in any jurisdiction, he/she/it: (i) is not accepting or requesting registration of the relevant Nil Paid Rights and/or Rights Shares from within any of the Excluded Jurisdictions; (ii) is not in any of the Excluded Jurisdictions or in any territory in which it is otherwise unlawful to make or accept an offer to acquire Nil Paid Rights or Rights Shares; (iii) is not acting on a non-discretionary basis for a person located within any of the Excluded Jurisdictions at the time the instruction to accept was given; and (iv) is not acquiring the Nil Paid Rights or Rights Shares with a view to the offer, sale, allotment, take up, exercise, resale, renouncement, pledge, transfer, delivery or distribution, directly or indirectly, of any such Nil Paid Rights or Rights Shares into any of the Excluded Jurisdictions.

The Bank may treat as invalid any instruction (a) which appears to the Bank to have been despatched from any of the Excluded Jurisdictions and which may involve a breach of the laws of the relevant Excluded Jurisdiction or any instruction which otherwise appears to the Bank may involve a breach of the laws of any jurisdiction; (b) if the Bank or its agents believes the same may violate any applicable legal or regulatory requirement; or (c) which purports to exclude the representation and/or warranty required by the paragraph immediately above.

For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the representations and warranties above.

### **Share Certificates and Refund Cheques for the Rights Issue**

Subject to the fulfilment of the conditions of the Rights Issue, share certificates for all Rights Shares are expected to be despatched on or before Thursday, 24 September 2015 to those applicants who have accepted and paid for the Rights Shares by ordinary post at their own risk. Applicant(s) will receive one share certificate for all Rights Shares allotted and issued to him/her/it.

Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be despatched on or before Thursday, 24 September 2015 by ordinary post to the applicants at their own risk.



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## LETTER FROM THE BOARD

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### Status of the Rights Shares

The Rights Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects with the Shares then in issue. Following issuance of the fully paid Rights Shares, holders of the fully paid Rights Shares will be entitled to receive all future dividends and distributions the record dates of which are on or after the date of issue of the fully paid Rights Shares. **For the avoidance of doubt, the fully paid Rights Shares will not entitle the holders thereof to the Bank's 2015 interim cash dividends of HK\$0.21 per Share for the six months ended 30 June 2015 as announced by the Bank on 17 August 2015.**

### Fractions of Rights Shares

The Bank will not provisionally allot or issue fractions of Rights Shares. All fractions of Rights Shares will be aggregated (rounded down to the nearest whole number). All Nil Paid Rights arising from such aggregation will be provisionally allotted to BOCI Securities Limited or its nominee, and will be sold in the market on behalf of the Bank if a premium (net of expenses) can be obtained, with the Bank retaining the proceeds for its own benefit. Any unsold fractions of Rights Shares will be made available to meet excess applications by Qualifying Shareholders other than the PRC Stock Connect Investors (please refer to “*Application for Excess Rights Shares*” below for details).

No odd lot matching services will be provided as the Directors are of the view that, having compared the fees to be charged by a designated securities broker and the market value of the odd lots of Shares, it will not be cost-effective for the Bank to appoint such a securities broker to provide matching services for odd lots of Shares.

### Application for Excess Rights Shares

Qualifying Shareholders (other than the PRC Stock Connect Investors) may apply, by way of excess applications, for any unsold entitlements of the Non-Qualifying Shareholders (if any), any unsold Rights Shares created by aggregating fractions of the Rights Shares (if any), and any Rights Shares provisionally allotted but not validly accepted by Qualifying Shareholders or otherwise subscribed for by renounees or transferees of Nil Paid Rights.

### *Action to be taken by Registered Shareholders who wish to apply for excess Rights Shares*

#### *Excess Rights Shares application procedures*

Applications for excess Rights Shares can be made only by Qualifying Shareholders (other than the PRC Stock Connect Investors). If a Qualifying Shareholder wishes to apply for any Rights Shares in addition to his/her/its provisional allotment, he/she/it may do so only by completing and signing the enclosed EAF in accordance with the instructions printed thereon and lodging it, together with a separate remittance for the amount payable on application in respect of the excess Rights Shares applied for, with the Registrar, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by not later than 4:00 p.m. on Wednesday, 16 September 2015 (or such later time and/or date as may be agreed between the Bank and the Joint Underwriters). All remittances must be made in Hong Kong dollars and cheques must be drawn on an account with, and cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to “**Chong Hing Bank Limited — Excess Application Account**” and crossed “**Account Payee Only**”.

The Directors will, upon consultation with the Joint Underwriters, allocate the excess Rights Shares at their discretion on a fair and equitable basis according to the principle that any excess Rights Shares will be allocated to Qualifying Shareholders (other than the PRC Stock Connect Investors) who apply for them on a pro rata basis

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## LETTER FROM THE BOARD

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by reference to the number of excess Rights Shares applied for, but no reference will be made to the number of Rights Shares applied for under a PAL or the existing number of Shares held by such Qualifying Shareholders. If the aggregate number of Rights Shares not taken up by the Qualifying Shareholders under PALs is greater than the aggregate number of excess Rights Shares applied for through EAFs, the Directors will allocate in full to each Qualifying Shareholder (other than the PRC Stock Connect Investors) the number of excess Rights Shares applied for under the EAFs. No preference will be given to topping up odd lots to whole board lots.

In applying the above principles, reference will only be made to the number of excess Rights Shares being applied for.

All cheques and cashier's orders will be presented for payment following receipt and all interest earned on such monies will be retained for the benefit of the Bank. Any EAF in respect of which a cheque or cashier's order is dishonoured on first presentation is liable to be rejected. Completion and return of an EAF together with a cheque or cashier's order in payment for the Rights Shares accepted will constitute a warranty by the applicant(s) that the cheque or cashier's order will be honoured on first presentation. The EAF is for use only by the person(s) to whom it is addressed and is not transferable. All documents, including cheques or cashier's orders for amounts due, will be sent at the risk of the person(s) entitled thereto to their registered addresses by the Registrar. The Bank may, at its discretion, treat an EAF as valid and binding on the person(s) by whom or on whose behalf it is lodged even if it has not been completed in accordance with the relevant instructions. No receipt will be given for such remittance.

If no excess Rights Shares are allotted and issued to a Qualifying Shareholder, the amount tendered on application is expected to be refunded to that Qualifying Shareholder in full without any interest by means of cheque(s) despatched by ordinary post and at the risk of such Shareholder on or before Thursday, 24 September 2015. If the number of excess Rights Shares allotted and issued to a Qualifying Shareholder is less than that applied for, the surplus application monies are also expected to be refunded to such Shareholder without any interest by means of cheque(s) despatched by ordinary post and at the risk of such Shareholder on or before Thursday, 24 September 2015.

If the Rights Issue does not proceed, the monies received in respect of relevant applications for excess Rights Shares will be refunded to the relevant persons without interest, by means of cheque(s) to be despatched by ordinary post at the risk of such persons on or before Thursday, 24 September 2015.

### *Important notice and representations and warranties relating to Qualifying Shareholders in the Excluded Jurisdictions*

The matters set out in "*Procedures for Acceptance or Transfer — Important notice and representations and warranties relating to Qualifying Shareholders in the Excluded Jurisdictions*" above also apply to applications for excess Rights Shares, with appropriate changes to reflect that the context is an application for excess Rights Shares.

### *Important notice to Beneficial Owners*

Beneficial Owners whose Shares are held by a Registered Owner, or which are held in CCASS, should note that the Board will regard the Registered Owner (including HKSCC Nominees Limited) as a single Shareholder on the register of members of the Bank. Accordingly, Beneficial Owners whose Shares are registered in the name of a Registered Owner, or which are held in CCASS, should note that the above arrangement in relation to the allocation of excess Rights Shares will not be extended to them individually.

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## LETTER FROM THE BOARD

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***Action to be taken by Beneficial Owners whose Shares are held by a Registered Owner (other than Shares deposited in CCASS) who wish to apply for excess Rights Shares***

*Excess Rights Shares application procedures*

If you are a Beneficial Owner whose Shares are registered in the name of a Registered Owner and you wish to apply for excess Rights Shares, you should contact the Registered Owner and provide the Registered Owner with instructions or make arrangements with the Registered Owner in relation to such application. Such instructions and/or arrangements should be given or made in advance of the latest time for application and payment for excess Rights Shares stated in “*Expected Timetable*” and otherwise in accordance with the requirements of the Registered Owner, in order to allow the Registered Owner sufficient time to ensure that your instructions are given effect.

*Important notice and representations and warranties relating to Beneficial Owners whose Shares are held by a Registered Owner (other than HKSCC Nominees Limited) in relation to the Excluded Jurisdictions*

The matters set out in “*Procedures for Acceptance or Transfer — Important notice and representations and warranties relating to Beneficial Owners in the Excluded Jurisdictions whose Shares are held by a Registered Owner (other than HKSCC Nominees Limited)*” also apply to applications for excess Rights Shares, with appropriate changes to reflect that the context is an application for excess Rights Shares.

***Action to be taken by Beneficial Owners holding interests in Shares deposited in CCASS who wish to apply for excess Rights Shares***

*Excess Rights Shares application procedures*

If you are a Beneficial Owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, and you wish to apply for excess Rights Shares, you should (unless you are a CCASS Investor Participant) contact your Intermediary and provide your Intermediary with instructions or make arrangements with your Intermediary in relation to the application for excess Rights Shares. Such instructions and/or arrangements should be given or made in advance of the date stated in “*Expected Timetable*” and otherwise in accordance with the requirements of your Intermediary, in order to allow your Intermediary sufficient time to ensure that your instructions are given effect.

Beneficial Owners who are CCASS Participants should contact CCASS and provide CCASS with instructions or make arrangements with CCASS in relation to any applications for excess Rights Shares. HKSCC Nominees Limited will allocate the excess Rights Shares it receives to the relevant CCASS Participants *pro rata* to the number of excess Rights Shares each has applied for, or in such other manner as HKSCC Nominees Limited considers fair and appropriate which is pursuant to the allocation basis stipulated in Rule 8.10.4(ix) of the CCASS Operational Procedures. The procedures for application for excess Rights Shares shall be in accordance with the “General Rules of CCASS”, the “CCASS Operational Procedures” and any other requirements of CCASS.

For the avoidance of doubt, ChinaClear, a CCASS Participant, will not support applications by the PRC Stock Connect Investors for excess Rights Shares under the Rights Issue through Shanghai-Hong Kong Stock Connect.

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## LETTER FROM THE BOARD

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*Important notice and representations and warranties relating to Beneficial Owners in the Excluded Jurisdictions holding interests in Shares deposited in CCASS*

Please note that the contents of “*Procedures for Acceptance or Transfer — Important notice and representations and warranties relating to Beneficial Owners in the Excluded Jurisdictions holding interests in Shares through CCASS*” also apply to applications for excess Rights Shares, with appropriate changes to reflect that the context is an application for excess Rights Shares.

### **Application for Listing and Dealings of the Rights Shares**

The Bank has made an application to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Nil Paid Rights and the Rights Shares on the Stock Exchange. It is expected that dealings in the Nil Paid Rights will take place from Friday, 4 September 2015 to Friday, 11 September 2015 (both days inclusive).

No part of the securities of the Bank in issue or for which listing or permission to deal is being or is proposed to be sought is listed or dealt in or on any stock exchange (other than the Stock Exchange).

The Rights Shares shall have the same board lot size as the Shares (i.e. 1,000 Shares in one board lot).

Dealings in the Nil Paid Rights and the Rights Shares will be subject to the payment of stamp duty and any other applicable fees and charges in Hong Kong.

### **Rights Shares will be Eligible for Admission into CCASS**

Subject to the granting of listing of, and permission to deal in, the Nil Paid Rights and the Rights Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Nil Paid Rights and the Rights Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Nil Paid Rights and the Rights Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

## **(B) UNDERWRITING ARRANGEMENTS FOR THE RIGHTS ISSUE**

### **Undertaking by Yuexiu Financial Holdings and Yue Xiu Enterprises**

Pursuant to the Irrevocable Undertaking, each of Yuexiu Financial Holdings (which was interested as at the Latest Practicable Date in 326,250,000 Shares representing 75.0% of the total issued share capital of the Bank), and Yue Xiu Enterprises (which holds 100% of Yuexiu Financial Holdings) has irrevocably undertaken to the Bank and the Joint Underwriters that it will (in the case of Yuexiu Financial Holdings) subscribe or (in the case of Yue Xiu Enterprises) procure Yuexiu Financial Holdings to subscribe for the 163,125,000 Rights Shares to be provisionally allotted to Yuexiu Financial Holdings, subject to the terms and conditions of the Rights Issue.

As at the Latest Practicable Date, save for the Irrevocable Undertaking, the Bank had not obtained undertakings from any other Shareholders that they will subscribe for any or all of the Rights Shares to be provisionally allotted to them.

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## LETTER FROM THE BOARD

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### Principal Terms of the Underwriting Agreement

The Joint Underwriters have agreed to underwrite in full the Underwritten Rights Shares, subject to the terms and conditions of the Underwriting Agreement described below.

<b>Date:</b>	17 August 2015
<b>Issuer:</b>	The Bank
<b>Joint Underwriters:</b> <i>(in alphabetical order)</i>	BOCI, DBS and Nomura
<b>Number of Rights Shares underwritten:</b>	All of the Underwritten Rights Shares, being all the Rights Shares other than the 163,125,000 Rights Shares to be subscribed for by Yuexiu Financial Holdings pursuant to the Irrevocable Undertaking
<b>Respective commitment of each Joint Underwriter:</b>	The obligations of the Joint Underwriters are several and not joint or joint and several, and each Joint Underwriter shall be responsible only for its respective proportion of the Underwritten Rights Shares (namely, 33.34% for BOCI, 33.33% for DBS and 33.33% for Nomura)
<b>Commission:</b>	(i) An underwriting commission of 2.40% of the aggregate Subscription Price of the Underwritten Rights Shares; and (ii) at the sole discretion of the Bank, a discretionary incentive of 0.5% of the aggregate Subscription Price of the Underwritten Rights Shares

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, each of the Joint Underwriters and their respective ultimate beneficial owners are third parties which are independent of the Bank and its connected persons.

The Directors consider that the Underwriting Agreement is (i) on normal commercial terms; and (ii) fair and reasonable so far as the Shareholders are concerned.

### Conditions of the Rights Issue and the Underwriting Agreement

The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms.

The obligations of the Joint Underwriters to underwrite the Rights Issue are conditional upon the fulfilment of the following conditions:

- (i) permission for the listing of and to deal in the Rights Shares (in their nil-paid and fully-paid forms) on the Main Board of the Stock Exchange being granted (subject only to allotment and despatch of the appropriate documents of title) by no later than the Business Day prior to the commencement of trading of the Rights Shares (in their nil-paid and fully-paid forms, respectively), and such permission not being withdrawn or amended prior to the Latest Time for Termination;
- (ii) the Stock Exchange issuing a certificate authorising registration of the Prospectus with the Hong Kong Companies Registry under section 38D of the Companies (Winding Up and Miscellaneous Provisions) Ordinance not later than the Business Day prior to the date of the Prospectus (or such later time and/or

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## LETTER FROM THE BOARD

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date as the Bank and the Joint Underwriters may agree in writing) and, following registration of the Prospectus as referred to in (iii) below, a copy of the Prospectus having been submitted to the Stock Exchange for publication on its website not later than the date of the Prospectus (or such later time and/or date as the Bank and the Joint Underwriters may agree in writing);

- (iii) a duly certified copy of the Prospectus (and other required documents) having been lodged with the Hong Kong Companies Registry not later than the Business Day prior to the date of the Prospectus (or such later time and/or date as the Bank and the Joint Underwriters may agree in writing), and the Hong Kong Companies Registry issuing a confirmation of registration letter not later than the Business Day prior to the date of the Prospectus (or such later time and/or date as the Bank and the Joint Underwriters may agree in writing);
- (iv) each condition to enable the Nil Paid Rights to be admitted as eligible securities for deposit, clearance and settlement in CCASS having been satisfied on or before the Business Day prior to the commencement of trading of the Rights Shares (in their nil-paid and fully-paid forms, respectively) and no notification having been received by the Bank from HKSCC by such time that such admission or facility for holding and settlement has been or is to be refused;
- (v) the representations, warranties or undertakings contained in the Underwriting Agreement being true and accurate and not misleading in any respect on and as of the date of the Underwriting Agreement and at any time before the Latest Time for Termination, as though they had been given and made at such time by reference to the facts and circumstances then subsisting;
- (vi) compliance by the Bank with its obligations under the Underwriting Agreement, including, without limitation:
  - (a) to publish the Announcement in accordance with the Underwriting Agreement by the time specified therein;
  - (b) to provisionally allot the Rights Shares in accordance with the Underwriting Agreement by the time specified therein;
  - (c) to despatch the Prospectus Documents to the Qualifying Shareholders in accordance with the Underwriting Agreement by the time specified therein; and
  - (d) to deliver to the Joint Underwriters the deliverables as provided in the Underwriting Agreement in accordance with the timing specified therein;
- (vii) compliance by each of Yuexiu Financial Holdings and Yue Xiu Enterprises with its obligations under the Irrevocable Undertaking and the Irrevocable Undertaking remaining in full force and effect; and
- (viii) clearance of the timetable for the Rights Issue by the Stock Exchange.

If any of the above conditions of the Underwriting Agreement is not fulfilled, or becomes incapable of fulfilment, on or prior to the relevant time and date specified in the Underwriting Agreement or, if no such date is so specified or referred to, is not fulfilled on or prior to the Latest Time for Termination (or such later date or dates as the Joint Underwriters may agree with the Bank in writing), the Underwriting Agreement (save in respect of certain rights and obligations under the Underwriting Agreement) shall terminate and no party will have any claim against any other for costs, damages, compensation or otherwise, provided that such termination shall be without prejudice to the rights of the parties in respect of any breach of the Underwriting Agreement occurring prior to such termination.

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## LETTER FROM THE BOARD

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### Termination of the Underwriting Agreement

If at any time prior to the Latest Time for Termination:

- (i) any matter or circumstance arises as a result of which any of the conditions set out in the section headed “*Conditions of the Rights Issue and the Underwriting Agreement*” above has become incapable of satisfaction as at the required time;
- (ii) the fact that any of the representations, warranties or undertakings contained in the Underwriting Agreement is untrue, inaccurate, misleading in any respect comes to the knowledge of the Joint Underwriters, or there has been a breach on the part of the Bank of any other provision of the Underwriting Agreement or a breach on the part of each of Yuexiu Financial Holdings and Yue Xiu Enterprises of the Irrevocable Undertaking, or the Joint Underwriters have cause to believe that any such breach has occurred;
- (iii) any event occurs or matter arises or is discovered, which, if it had occurred before the date of the Underwriting Agreement or before any of the dates or before any time on which the representations, warranties and undertakings are deemed to be given pursuant to the Underwriting Agreement would have rendered any of those representations, warranties or undertakings untrue, inaccurate, incomplete or misleading in any respect;
- (iv) the Bank’s application to the Stock Exchange for permission for the listing of and to deal in the Rights Shares (in their nil-paid and fully-paid forms) on the Main Board of the Stock Exchange is withdrawn by the Bank and/or refused by the Stock Exchange;
- (v) any condition to enable the Nil Paid Rights to be admitted as eligible securities for deposit, clearance and settlement in CCASS is not satisfied or notification is received by the Bank from HKSCC that such admission or facility for holding and settlement has been or is to be refused; or
- (vi)
  - (a) any statement contained in the Announcement or a Prospectus Document has become or been discovered to be untrue, inaccurate, incomplete or misleading in any respect;
  - (b) any matter arises or is discovered which would, if the Announcement or a Prospectus Document was to be issued at the time, constitute an omission therefrom;
  - (c) any event, act or omission occurs which gives or is likely to give rise to any liability of the Bank pursuant to the indemnities referred to in the Underwriting Agreement;
  - (d) there is any adverse change or prospective adverse change in the business or in the financial or trading position or prospects of any member of the Group;
  - (e) there has occurred, happened, come into effect or become public knowledge any event, series of events or circumstances concerning or relating to (whether or not foreseeable): (a) a suspension or a material limitation in trading in securities generally on the New York Stock Exchange, the London Stock Exchange plc, the Stock Exchange and/or any other stock exchange on which the Bank’s securities are traded; (b) a suspension or a material limitation in trading in the Bank’s securities on the Stock Exchange and/or any other stock exchange on which the Bank’s securities are traded (other than pending publication of announcing the Rights Issue or any other announcement relating to the Rights Issue); (c) a general moratorium on commercial banking activities in the United States, Hong Kong, the PRC and/or the United Kingdom declared by the

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## LETTER FROM THE BOARD

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relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States, Hong Kong or the United Kingdom; or (d) a change or development involving a prospective change in taxation affecting the Bank, the Shares or the transfer thereof;

- (f) there shall have occurred any event or series of events (including without limitation the occurrence of any local, national or international outbreak or escalation of disaster, riot, public disorder, civil commotion, fire, flood, explosion, outbreak of an infectious disease, calamity, crisis, strike, lock-out, hostility, insurrection, armed conflict, act of terrorism, act of God or epidemic); or
- (g) the Bank is required to publish a supplementary prospectus in accordance with Rule 11.13 of the Listing Rules or otherwise,

which, in the sole opinion of the Joint Underwriters:

- (1) is or will be, or is likely to be, materially adverse to the general affairs, management, business, financial, trading or other condition or prospects of the Group or to any present or prospective Shareholder in its capacity as such;
- (2) has or will have or is likely to have a material adverse impact on the success of the Rights Issue or dealings in the Rights Shares in the secondary market; or
- (3) makes it impracticable, inadvisable or inexpedient to proceed with the Rights Issue on the terms and in the manner contemplated in the Announcement and the Prospectus Documents,

then in any such case the Joint Underwriters, acting jointly, may by notice in writing to the Bank, served prior to the Latest Time for Termination, rescind or terminate the Underwriting Agreement.

**If, prior to the Latest Time for Termination, any notice is given by the Joint Underwriters in accordance with the Underwriting Agreement, the obligations of all parties under the Underwriting Agreement (save in respect of certain rights or obligations under the Underwriting Agreement) shall terminate forthwith and no party will have any claim against any other for costs, damages, compensation or otherwise, provided that such termination shall be without prejudice to the rights of the parties hereto in respect of any breach of the Underwriting Agreement occurring prior to such termination.**

**If the Underwriting Agreement does not become unconditional or is terminated, the Rights Issue will not proceed and a further announcement will be made by the Bank.**

### **Lock-up Undertakings**

Pursuant to the Underwriting Agreement, the Bank has undertaken to the Joint Underwriters that for the period from the date of the Underwriting Agreement and ending on the date which is 90 days after the first day of trading of the Rights Shares on the Stock Exchange, except with the prior written consent of the Joint Underwriters, it shall not:

- (i) except for the Rights Shares, undertake any consolidation or subdivision of its share capital, allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares or any interests in Shares or any securities convertible into or exercisable or exchangeable for or substantially similar to any Shares or interest in Shares;



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## LETTER FROM THE BOARD

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- (ii) agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transactions described in (i) above; or
- (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above,

provided that the above restrictions shall cease to apply if the Underwriting Agreement (a) does not become unconditional and is terminated; or (b) is terminated by the Joint Underwriters pursuant to the Underwriting Agreement.

Pursuant to the Irrevocable Undertaking, each of Yue Xiu Enterprises and Yue Xiu Financial Holdings has undertaken to the Bank and the Joint Underwriters that, from the date of the Irrevocable Undertaking up to 90 calendar days after the first day of trading of the Rights Shares on the Stock Exchange it will not (in the case of Yue Xiu Financial Holdings) or it will procure Yue Xiu Financial Holdings will not (in the case of Yue Xiu Enterprises), among other things:

- (i) sell, offer to sell, contract or agree to sell, lend, grant any option, warrant, contract or right to purchase, purchase any option, warrant, contract or right to sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, directly or indirectly, conditionally or unconditionally, any Shares held by, or any Rights Shares provisionally allotted to, us or any interest therein (including, without limitation, any securities which are convertible into or exchangeable or exercisable for, or represent the right to receive, or any warrants or other rights to purchase, any such Shares); or
- (ii) enter into any swap or other transaction that transfers, in whole or in part, the economic consequences of ownership of any such Shares; or
- (iii) enter into any transaction with the same economic effect as any transaction described in (i) or (ii) above; or
- (iv) offer to or agree to or announce any intention to enter in or effect any transaction described in (i), (ii) or (iii) above,

in each case, whether any of the transactions described in (i), (ii) or (iii) above is to be settled by delivery of Shares, in cash or otherwise.

### **Irrevocable Undertaking**

Pursuant to the Irrevocable Undertaking, each of Yue Xiu Enterprises and Yue Xiu Financial Holdings has undertaken to the Bank and the Joint Underwriters that, it will not or (in the case of Yue Xiu Enterprises) it will procure Yue Xiu Financial Holdings will not, among other things:

- (i) subscribe or apply for any Rights Shares by way of excess application;
- (ii) acquire any further Shares on or before the Record Date; and
- (iii) acquire any further Shares on or before completion of the Rights Issue if such acquisition would trigger an obligation to make a mandatory general offer under the Hong Kong Code on Takeovers and Mergers.

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## LETTER FROM THE BOARD

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### WARNING OF THE RISKS OF DEALING IN SHARES AND NIL PAID RIGHTS

The Shares have been dealt in on an ex-rights basis from Friday, 21 August 2015. Dealings in the Nil Paid Rights are expected to take place from Friday, 4 September 2015 to Friday, 11 September 2015 (both days inclusive). The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms. If the Rights Issue does not become unconditional or is not terminated in accordance with its terms, the Rights Issue will not proceed and the Bank will make an announcement at the relevant time.

Any Shareholders or other persons dealing in the Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Joint Underwriters' right of termination of the Underwriting Agreement ceases), which is expected to be 5:00 p.m. on Tuesday, 22 September 2015, and any persons dealing in the Nil Paid Rights during the period from Friday, 4 September 2015 to Friday, 11 September 2015 (both days inclusive), will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Any Shareholders or other persons contemplating selling or purchasing the Shares and/or the Nil Paid Rights are advised to exercise caution when dealing in the Shares and/or the Nil Paid Rights and if they are in any doubt about their position, they are recommended to consult their own professional advisers.

### 2. REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS OF THE RIGHTS ISSUE

The estimated gross proceeds of the Rights Issue will be approximately HK\$3,708 million.

The estimated net proceeds of the Rights Issue are expected to be approximately HK\$3,675 million after the deduction of all estimated expenses.

The Bank intends to use the net proceeds of the Rights Issue as follows:

- to expand the Bank's business;
- to position the Bank for sustainable growth and to satisfy its capital adequacy requirements; and
- to reposition the Bank's branch network to focus on locations of strategic value and to upgrade the core banking information technology systems to enhance the Bank's infrastructure to support future growth.

The estimated expenses of the Rights Issue (including underwriting fees, printing, registration, translation, legal and accounting charges and other related expenses) amount to approximately HK\$33 million and will be borne by the Bank.

The net subscription price per Rights Share upon full acceptance of the relevant provisional allotment of Rights Shares is expected to be approximately HK\$16.90 per Rights Share.

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## LETTER FROM THE BOARD

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### 3. EFFECT OF RIGHTS ISSUE ON SHAREHOLDINGS IN THE BANK

Set out below is the shareholding structure of the Bank as at the Latest Practicable Date and immediately after completion of the Rights Issue assuming there is no issue of any Shares (other than the Rights Shares) on or before completion of the Rights Issue and assuming there is no change in the shareholding structure of the Bank from the Latest Practicable Date to immediately before completion of the Rights Issue.

Shareholders	As at the Latest Practicable Date		Immediately after completion of the Rights Issue			
			Assuming all Rights Shares are fully subscribed for by Qualifying Shareholders		Assuming no Qualifying Shareholders other than Yuexiu Financial Holdings subscribe for Rights Shares	
	<i>No. of Shares</i>	<i>% of issued Shares (Note 1)</i>	<i>No. of Shares</i>	<i>% of issued Shares (Note 1)</i>	<i>No. of Shares</i>	<i>% of issued Shares (Note 1)</i>
Yuexiu Financial Holdings	326,250,000	75.0%	489,375,000	75.0%	489,375,000	75.0%
Joint Underwriters (Note 2)	—	—	—	—	54,375,000	8.3%
Other Shareholders (being public Shareholders)	108,750,000	25.0%	163,125,000	25.0%	108,750,000	16.7%
<b>Total</b>	<u>435,000,000</u>	<u>100.0%</u>	<u>652,500,000</u>	<u>100.0%</u>	<u>652,500,000</u>	<u>100.0%</u>

Notes:

- (1) Certain percentage figures included in the table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.
- (2) The Joint Underwriters will hold the Shares in proportion to their respective underwriting commitment and will also be regarded as public Shareholders.

### 4. EQUITY FUND RAISING BY THE BANK IN THE PAST 12 MONTHS

Save for the Rights Issue, the Bank has not raised any funds by an issue of equity securities in the 12 months preceding the Latest Practicable Date.

### 5. BUSINESS REVIEW, TRENDS AND PROSPECTS OF THE GROUP

#### Overview

The Bank is a full-service bank which operates primarily in Hong Kong. As at the date of the Announcement, the Bank had a network comprising a head office and 49 branches, including 47 branches in Hong Kong, a branch in each of Shantou and Macau, as well as a sub-branch in each of Guangzhou and Foshan and a representative office in each of Shanghai and San Francisco. The Bank is a constituent stock of the Hang Seng Composite Index with a market capitalisation of approximately HK\$11.16 billion (US\$1.4 billion) as at the Latest Practicable Date.

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## LETTER FROM THE BOARD

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### Financial Performance

For the six months ended 30 June 2015, the Bank achieved rapid growth in terms of profits while maintaining a sound assets quality.

The Bank's operating profit after impairment allowances primarily includes net interest income, net fee and commission income, net trading income and operating expenses. Net interest income was approximately HK\$845 million for the six months ended 30 June 2015, representing an increase of 36.5% from the corresponding period in 2014, whilst net interest margin remained relatively stable at 1.51% for the six months ended 30 June 2015. Net fee and commission income was approximately HK\$185 million for the six months ended 30 June 2015, representing an increase of 85.6% from the corresponding period in 2014, whilst fee and commission income from securities dealings was approximately HK\$111 million for the six months ended 30 June 2015, representing an increase of 86.2% from the corresponding period in 2014. Net trading income was approximately HK\$42 million for the six months ended 30 June 2015, representing an increase of 14.1% from the corresponding period in 2014, whilst foreign exchange income was approximately HK\$47 million for the six months ended 30 June 2015, representing an increase of 27.3% from the corresponding period in 2014. Operating profit after impairment allowances was approximately HK\$604 million for the six months ended 30 June 2015, representing an increase of 33.7% from the corresponding period in 2014. The Bank's profit attributable to equity owners was approximately HK\$726 million for the six months ended 30 June 2015, representing an increase of 87.2% from the corresponding period in 2014 after excluding the net gains in an amount of approximately HK\$1,950 million (net of tax) on disposal of Chong Hing Bank Centre in 2014.

The majority of the Bank's assets are loans and advances to customers which were HK\$62,333 million as at 30 June 2015, representing an increase of 9.5% from 31 December 2014. As of 30 June 2015, the impaired loan ratio was 0.05%; the provision coverage of impaired loans and advances was 891.52%; and the rescheduled loan ratio remained at 0.01%.

In addition, the Bank's total advances to customers, total customers' deposits, total assets and total equity increased steadily from 2013 to 2014 and during the first six months in 2015. The Bank expects that upon receipt of the proceeds of the Rights Issue, the capital and financial position of the Bank will be further strengthened.

### Relationship with Yue Xiu Group

In February 2014, Yue Xiu Group completed its acquisition of a 75.0% shareholding interest in the Bank. Since then, the Bank has become a subsidiary of Guangzhou Yue Xiu Holdings. With the combination of the resources from a state-owned enterprise and the Bank's management ability and corporate governance, the Bank has a unique advantage compared to its competitors in Hong Kong and South China.

Guangzhou Yue Xiu Holdings is the largest state-owned enterprise in Guangzhou in terms of total assets as at 31 December 2014. Besides the banking business operated by the Bank, Yue Xiu Group has business segments including real estate, transport infrastructure, securities, paper, building material and assets management. Subject to applicable laws and regulations, it is expected that Yue Xiu Group is able to refer business opportunities to the Bank as well as to provide financial support to the Bank, when necessary.

The Bank has more than 60 years of experience in the banking industry in Hong Kong, one of the top international financial centres in the world. Leveraging on its superior business management and corporate governance, the Bank will continue to utilise the resources of Yue Xiu Enterprises to expand its business in both Hong Kong and the South China region with presence in strategic locations in other parts of the PRC as well as overseas.

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## LETTER FROM THE BOARD

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### **Business Environment**

In the first half of 2015, the global economy experienced modest recovery. Monetary policies of major central banks around the world remained eased amid the continuing low interest rate environment. Facing a complicated and dynamic international environment, the economic growth in the PRC slowed down, and the PRC's economy entered into an economic development stage, commonly referred to as the "new normal". The People's Bank of China twice reduced interest rates and lowered the reserve requirement ratio ("RRR") during the period from February to May in 2015. On 27 June 2015, the People's Bank of China, for the first time within seven years, announced a reduction of 25 basis points in the deposit and loan interest rates for financial institutions and a directional cut of 50 basis points in the RRR. On 25 August 2015, the People's Bank of China further announced a reduction of 25 basis points in the deposit and loan interest rates for financial institutions effective from 26 August 2015, and a directional cut of 50 basis points in the RRR effective from 6 September 2015, aimed at further reducing enterprise financing costs and stimulating development in the real economy, thereby promoting structural adjustments.

There are business opportunities arising from the closer trade relationship between Hong Kong and the PRC, supported by various national policies which will enable Hong Kong to play a significant role in the investment and financing sectors and thereby consolidate Hong Kong's position as an international financial centre and the biggest offshore Renminbi centre.

Shanghai-Hong Kong Stock Connect has operated smoothly since its launch in November 2014, with the southbound investment in Hong Kong-listed stocks setting a new record for single-day transactions by volume in April 2015. "Mutual Recognition of Funds", a policy encouraging qualified PRC and Hong Kong funds to be established on either side of the border and greatly simplifying that process, was officially launched on 1 July 2015, which is expected to open up new areas of asset management in the PRC and Hong Kong and to strengthen financial ties on both sides. "Shenzhen-Hong Kong Connect", another mechanism promoting interconnectedness, is expected to be launched by the end of 2015. These three financial industry drivers are expected to bring fresh momentum to the Hong Kong economy in the second half of 2015.

This year is the seventh consecutive year that China's Ministry of Finance has issued sovereign bonds in Hong Kong in the total amount of RMB28 billion, demonstrating the Central Government's commitment to developing Hong Kong into an offshore Renminbi business centre. The newly established Asian Infrastructure Investment Bank, together with the "One Belt, One Road" policy, will build regional economic cooperation and integration and further internationalise the Renminbi, creating new opportunities in corporate financing for the banking industry. In addition, cooperation and integration between the PRC and Hong Kong is expected to continue. With the establishment of the Guangdong free trade zone, an important cross-border Renminbi business platform will be established, which is expected to encourage trade co-operation between Guangdong and Hong Kong, promote its investment and financing, and usher Hong Kong into a new era of cross-border Renminbi business development.

### **Business Development**

Hong Kong will continue to be the main source of growth for the Bank in the near future. The Bank plans to provide a wider range of products and services to diversify its sources of income and to cater for the various needs of corporate and personal customers. These plans include (i) developing new products focusing on Renminbi-related services, (ii) developing cross-border banking products and services and (iii) increasing cross-selling, in particular, mortgage, wealth management, retail brokerage and insurance services. The Bank also plans to deepen its customer segmentation through customer retention and new customer acquisition, to develop additional businesses with selected customer segments (such as Hong Kong corporates), to develop a small- and medium-sized enterprises model, and to reposition its branch network with more strategic locations in Hong

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## LETTER FROM THE BOARD

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Kong and an increased number of both in-branch and offsite ATMs. Further, the Bank intends to upgrade its core banking information technology systems to enhance its infrastructure, and to strengthen other electronic channels to satisfy the increasing demand for internet and mobile banking services.

Subject to regulatory approval, the Bank intends to further expand its network in the PRC, particularly in Guangdong Province, and to acquire more quality customers. The Bank also plans to develop its corporate banking and inter-banking businesses by focusing on companies with cross-border operations and cross-border banking needs, and to grow its wealth management business for personal banking targeting mainly high net worth individuals. To achieve its growth plans in the PRC at a similar pace as its Hong Kong business, the Bank is recruiting more high-quality banking professionals to build up its talent pool, upgrading its core banking information technology systems to enhance its internet platform and infrastructure to support future growth, and actively seizing state-owned enterprise business through referrals from Yue Xiu Enterprises.

Looking ahead, the Bank will enhance its banking services for its customers and continue to build its business network in the PRC by utilising its superior business management, corporate governance and risk management, the extensive resources provided by Yue Xiu Enterprises and the beneficial policies between Hong Kong and the PRC.

### 6. TAXATION

Qualifying Shareholders are advised to consult their own professional advisers if they are in any doubt as to the taxation implications of holding or disposal of, or dealing in the Rights Shares and, as regards the Non-Qualifying Shareholders (if any), their receipt of the net proceeds of sale of the Nil Paid Rights on their behalf.

It is emphasised that none of the Bank, the Directors, the Joint Underwriters or any other parties involved in the Rights Issue accept responsibility for any tax effects or liability of holders of the Rights Shares resulting from the purchase, holding or disposal of, or dealing in the Rights Shares.

### 7. SHAREHOLDERS' APPROVAL IS NOT REQUIRED

As the Rights Issue will not increase the issued capital or the market capitalisation of the Bank by more than 50%, the Rights Issue is not subject to the approval of the Shareholders in general meeting.

### 8. GENERAL

If you have questions in relation to the Rights Issue, please address your questions to the Registrar, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong during business hours from 9:00 a.m. to 6:00 p.m., Monday to Friday (other than Hong Kong Public holidays).

### 9. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in Appendices I to IV to this Prospectus.

Yours faithfully,  
For and on behalf of the Board of  
**Chong Hing Bank Limited**  
**Zhang Zhaoxing**  
*Chairman*

**1. PROFILE OF DIRECTORS AND SENIOR MANAGEMENT****Executive Directors****Mrs. LEUNG Ko May Yee Margaret, SBS, JP**

LEUNG Ko May Yee Margaret, aged 63, has been the Deputy Chairman, Managing Director and an Executive Director of the Bank and the Vice-chairman, an Executive Director and the Chief Executive Officer of Yuexiu Financial Holdings since 14 February 2014. Mrs. Leung is an Independent Non-executive Director of China Construction Bank Corporation (Stock Code: 00939), First Pacific Company Limited (Stock Code: 00142), Li & Fung Limited (Stock Code: 00494), Sun Hung Kai Properties Limited (Stock Code: 00016) and Hong Kong Exchanges and Clearing Limited (Stock Code: 00388), all of which are companies listed on the Stock Exchange. In addition, Mrs. Leung is an Independent Non-executive Director of QBE Insurance Group Limited, a company listed on the Australian Securities Exchange (Stock Code: QBE). Mrs. Leung is a member of the Board of Directors and the Finance Committee of the Hospital Authority; a council member, Treasurer, and the Chairman of the Finance Committee and a member of Business School Board of Directors of the University of Hong Kong; a member of the Business School Advisory Board of the Hong Kong University of Science and Technology; a Steward of The Hong Kong Jockey Club; and a member of the National Committee of the Chinese People's Political Consultative Conference, the Guangzhou Municipal Committee of the Chinese People's Political Consultative Conference and the Standing Committee of the Henan Provincial Committee of the Chinese People's Political Consultative Conference. Prior to joining the Bank, Mrs. Leung was the Deputy Chairman and Chief Executive of Hang Seng Bank Limited (Stock Code: 00011) which is listed on the Stock Exchange, and was General Manager of HSBC Group.

**Mr. LAU Wai Man**

LAU Wai Man, aged 57, an Executive Director, has been the Chief Executive Officer of the Bank since 7 March 2013. Mr. Lau has been an Executive Director and Alternate Chief Executive Officer of Yuexiu Financial Holdings since 14 February 2014. He holds a Bachelor of Law degree and a Master of Business Administration degree. Mr. Lau is a Vice President of the Council of the Hong Kong Institute of Bankers, a Certified Financial Planner<sup>CM</sup> and a member of the Hong Kong Institute of Certified Public Accountants. He was a fellow of the Association of Chartered Certified Accountants and a senior associate of the Australian Institute of Bankers. Mr. Lau joined the Bank as the Chief Auditor in 1988 and became a Director of the Bank in August 2001. He was a Deputy Chief Executive Officer of the Bank from 11 July 2007 to 6 March 2013. Before joining the Bank, he had worked for an international bank and an international accounting firm.

**Mr. LIU Tit Shing Don**

LIU Tit Shing Don, aged 53, is an Executive Director and Deputy Chief Executive Officer supervising of Commercial Banking and Wealth Management of the Bank. Mr. Liu has been an Executive Director and Alternate Chief Executive Officer of Yuexiu Financial Holdings since 14 February 2014. He graduated from Oxford University and is an associate member of the Institute of Chartered Accountants in England & Wales and a fellow of the Hong Kong Institute of Certified Public Accountants. Mr. Liu joined the Bank in 1992.

**Non-executive Directors****Mr. ZHANG Zhaoxing**

ZHANG Zhaoxing, aged 52, has been the Chairman and a Non-executive Director of the Bank since 14 February 2014. Mr. Zhang is the Chairman and a Director of Guangzhou Yue Xiu Holdings and Yue Xiu

Enterprises, and the Chairman and a Non-executive Director of Yuexiu Financial Holdings. He is also an Executive Director and the Chairman of Yuexiu Property. Mr. Zhang holds an Executive Master of Business Administration degree awarded by Huazhong University of Science and Technology, and possesses the qualification of senior accountant in the PRC. He has extensive experience in the financial management, industrial operation, capital operation and corporate culture development of large enterprises. Prior to joining Yue Xiu in 2008, Mr. Zhang was the Director and General Manager of Guangzhou Radio Group Co., Ltd., Chairman and General Manager of Haihua Electronics Enterprise (China) Corporation, Chairman of Guangzhou Guangdian Real Estate Development Co., Ltd. and a Director of GRG Banking Equipment Co., Ltd., a company listed on the Shenzhen Stock Exchange (Stock Code: 002152). He was also the Chairman and Executive Director of Yuexiu Transport Infrastructure, from 31 July 2008 to 18 March 2014 and General Manager of Yuexiu Property, from 31 July 2008 to 20 March 2014. Mr. Zhang is a deputy of the 12th National People's Congress of the People's Republic of China.

**Mr. ZHU Chunxiu**

ZHU Chunxiu, aged 53, has been a Non-executive Director of the Bank since 14 February 2014. Mr. Zhu has been the Chairman and an Executive Director of Yuexiu Transport Infrastructure since 19 March 2014. Besides, Mr. Zhu is the Vice-chairman and General Manager of Guangzhou Yue Xiu Holdings and Yue Xiu Enterprises. He is also a Non-executive Director of Yuexiu Financial Holdings and the Vice-chairman and an Executive Director of Yuexiu Property. Mr. Zhu was a Director of Guangzhou Rural Commercial Bank (formerly known as "Guangzhou Rural Credit Union"). Prior to joining Yue Xiu Enterprises in 2013, Mr. Zhu was the Vice-chairman and General Manager of Guangzhou Finance Holdings Group Co., Ltd. (formerly known as "Guangzhou International Holding Group Co., Ltd."). Mr. Zhu was awarded the Degree in Executive Master of Business Administration by Sun Yat-Sen University. Mr. Zhu holds the economist qualification in the PRC and has extensive experience in the operation and management of large financial institutions and banks. He is a deputy of the 14th session of the Guangzhou City People's Congress.

**Mr. WANG Shuhui**

WANG Shuhui, aged 43, has been a Non-executive Director of the Bank since 14 February 2014. Mr. Wang is a Director and a Deputy General Manager of Guangzhou Yue Xiu Holdings and Yue Xiu Enterprises. He is also a Non-executive Director of Yuexiu Financial Holdings. He is also the Chairman of Guangzhou International Trust & Investment Corp.. Mr. Wang was an Executive Director of Yuexiu Transport Infrastructure from 3 November 2009 to 18 March 2014. Mr. Wang graduated from the School of Finance of the Southwestern University of Finance and Economics and holds a Master degree in Monetary Economics and Banking, and an economist qualification, from Jinan University. Before joining Yue Xiu Enterprises in May 2006, Mr. Wang had over 13 years of experience in Guangzhou Securities Co., Ltd. and had held senior management positions (including the Project Manager of the Securities Issuance Consultancy Department, Manager of the Research and Development Department, Director of the Office of the CEO, General Manager of the Human Resource Department and the Assistant to the CEO, Board Secretary, Vice President) in that company. Mr. Wang has solid knowledge and extensive professional experiences in financial industry and is familiar with the practice in the financial markets of the PRC and the practice of listed company business operation.

**Mr. LI Feng**

LI Feng, aged 47, has been a Non-executive Director of the Bank since 14 February 2014. Mr. Li has been appointed an Executive Director of Yuexiu Property since 21 March 2014. He is also a Non-executive Director of Yuexiu REIT Asset Management Limited (the Manager of Yuexiu Real Estate Investment Trust (Stock Code: 00405) which is listed on the Stock Exchange) since June 2012. Besides, Mr. Li is the Chief Capital Officer of,



as well as the General Manager of the Capital Department of, Guangzhou Yue Xiu Holdings and Yue Xiu Enterprises, and a Director of Guangzhou City Construction & Development Co., Ltd., mainly responsible for organizing and implementing Guangzhou Yue Xiu Holdings group's major capital operation plans and coordinating investor relations for Guangzhou Yue Xiu Holdings group's listed companies. Mr. Li was a director of Yue Xiu Securities Company Limited. Mr. Li graduated from the Faculty of Naval Architecture and Ocean Engineering of South China University of Technology majoring in Naval Architecture, and obtained a Master of Business Administration degree from Jinan University. He holds the qualification of a Senior Engineer in the PRC. Mr. Li joined Yue Xiu Enterprises in December 2001 and successively held positions including Assistant Manager of Corporate Management Department, Assistant to General Manager of Supervision and Auditing Department, Deputy General Manager of Capital Department and Deputy General Manager of Yue Xiu International Development Limited. Mr. Li is familiar with business of listed companies and the operations of capital markets. Since 2008, he has participated in all of the major capital operation projects of the Guangzhou Yue Xiu Holdings group; before that, he was also engaged in the successful listing of Yuexiu Real Estate Investment Trust, and has extensive practical experience in capital operations.

**Mr. CHOW Cheuk Yu Alfred, BBS, JP**

CHOW Cheuk Yu Alfred, aged 64, has been as a member of the Board since February 2003, was redesignated from Independent Non-executive Director to Non-executive Director of the Bank in September 2004. Mr. Chow has been a Non-executive Director of Yuexiu Financial Holdings since 14 February 2014. He graduated from the University of Hong Kong with a Bachelor of Laws degree and a Master of Social Sciences (Public Administration) degree. With 17 years' working experience in the civil service and over 30 years as a solicitor, Mr. Chow is presently the senior partner of Kwan & Chow, Solicitors in Hong Kong and he is also a China-Appointed Attesting Officer. Mr. Chow is a director and legal advisor of Hong Kong Chiu Chow Chamber of Commerce Limited and Federation of HK Chiu Chow Community Organizations Limited; and legal advisor to Jao Tsung-I Petite Ecole Fan Club and various community bodies. He was the Chairman of the HKSAR Passports Appeal Board and Chief Adjudicator of the Registration of Persons Tribunal, and currently serves on other statutory boards.

**Independent Non-executive Directors**

**Mr. CHIRANAKHORN Wanchai**

CHIRANAKHORN Wanchai, aged 75, has been an Independent Non-executive Director of the Bank since September 1998. Mr. Chiranakhorn has also been an Independent Non-executive Director of Yuexiu Financial Holdings since 14 February 2014 and is the Chairman of Executive Board of Directors of C Wans Assets Co, Ltd. He has more than 25 years' experience as an international banker. Upon graduation from Baptist College, Hong Kong in 1964, he served in banks in Hong Kong, London, Bangkok and Malaysia. He joined the Bank in 1985 and became a Director in 1987. Before his departure in May 1995, Mr. Chiranakhorn served as an Executive Director in charge of the Overseas Business Development Department. He was a Non-executive Director from May 1995 to September 1998.

**Mr. CHENG Yuk Wo**

CHENG Yuk Wo, aged 54, has been an Independent Non-executive Director of the Bank since September 2004. He has also been an Independent Non-executive Director of Yuexiu Financial Holdings since 14 February 2014. Mr. Cheng, a co-founder of a Hong Kong merchant banking firm, is currently the proprietor of a certified public accountant practice in Hong Kong. Mr. Cheng obtained a Master of Science (Economics) degree in Accounting and Finance from the London School of Economics, England and a Bachelor of Arts (Honours)

degree in Accounting from the University of Kent, England. He is a fellow of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants, and a member of the Institute of Chartered Professional Accountants of Canada. Mr. Cheng has more than 30 years of expertise in financial and corporate advisory services in mergers, acquisitions and investments. He had worked at Coopers and Lybrand (now known as PricewaterhouseCoopers) in London and Swiss Bank Corporation (now known as UBS AG) in Toronto, and held senior management positions in a number of Hong Kong listed companies.

In addition to his directorship in the Bank, Mr. Cheng has been a Non-executive Director of CSI Properties Limited since 26 November 2002 before his redesignation as its Independent Non-executive Director with effect from 23 September 2004, a public company listed on the Stock Exchange. Mr. Cheng has been an Independent Non-executive Director too of HKC (Holdings) Limited, C.P. Lotus Corporation, Goldbond Group Holdings Limited, CPMC Holdings Limited, Imagi International Holdings Limited, Top Spring International Holdings Limited, Liu Chong Hing Investment Limited and Chia Tai Enterprises International Limited (a public company listed on the Stock Exchange since 3 July 2015) since 14 July 2004, 27 September 2004, 1 November 2007, 23 June 2008, 1 July 2010, 30 November 2010, 7 March 2014 and 15 September 2014 respectively, all of which are public companies listed on the Stock Exchange. Besides, Mr. Cheng was an Independent Non-executive Director of South China Land Limited, a public company listed on the Stock Exchange from 17 September 2004 to 6 May 2013 and was an Executive Director of 21 Holdings Limited, a public company listed on the Stock Exchange, from 1 May 2010 to 30 December 2013.

#### **Mr. MA Chiu Cheung Andrew**

MA Chiu Cheung Andrew, aged 73, has been an Independent Non-executive Director of the Bank since August 2007 and an Independent Non-executive Director of Yuexiu Financial Holdings since 14 February 2014. Mr. Ma is a founder and former director of AMA CPA Limited (formerly known as Andrew Ma DFK (CPA) Limited). He is presently a Director of Mayee Management Limited and also Directors of several other private companies. Mr. Ma has more than 30 years' experience in the fields of accounting, auditing and finance. He received his Bachelor's degree in Economics from The London School of Economics and Political Science (University of London) in England. Mr. Ma is a fellow member of the Institute of Chartered Accountants in England and Wales, the Hong Kong Institute of Certified Public Accountants, The Hong Kong Institute of Directors, The Taxation Institute of Hong Kong and The Society of Chinese Accountants & Auditors.

In addition to his directorship in the Bank, Mr. Ma was on 20 May 2014 appointed a Director of Asiaray Media Group Limited, which is a public company listed on the Stock Exchange on 15 January 2015, and has been designated as an Independent Non-executive Director since 12 June 2014. Mr. Ma is also an Independent Non-executive Director of several other listed companies in Hong Kong, including Asia Financial Holdings Limited, China Resources Power Holdings Company Limited and C.P. Pokphand Co. Ltd., all of which are public companies listed on the Stock Exchange. Mr. Ma was an Independent Non-executive Director of Asian Citrus Holdings Limited from 7 August 2004 to 12 November 2013, which is a public company listed on both the Stock Exchange and AIM of The London Stock Exchange. Mr. Ma was also an Independent Non-executive Director of Beijing Properties (Holdings) Limited (formerly known as Peaktop International Holdings Limited) from 23 September 2004 to 3 December 2014 and Southwest Securities International Securities Limited (formerly known as Tanrich Financial Holdings Limited) from 14 April 2005 to 27 January 2015, both of which are public companies listed on the Stock Exchange.

#### **Mr. LEE Ka Lun**

LEE Ka Lun, aged 60, has been an Independent Non-executive Director of the Bank since 14 February 2014. Mr. Lee is an Independent Non-executive Director of Yuexiu Financial Holdings. He has also been an Independent Non-executive Director of Yuexiu Property since April 2000. He is an accountant by profession.

Mr. Lee is a fellow of the Association of Chartered Certified Accountants in UK and has over 20 years' experience in banking and auditing. He has been an Independent Non-executive Director of Chow Sang Sang Holdings International Limited (Stock Code: 00116) since September 2004, REXLot Holdings Limited (Stock Code: 00555) since April 2007 and Medicskin Holdings Limited (Stock Code: 08307) since December 2014, all of which are companies listed on the Stock Exchange.

#### **Mr. YU Lup Fat Joseph**

YU Lup Fat Joseph, aged 67, has been an Independent Non-executive Director of the Bank since 4 August 2015. He has also been appointed Independent Non-executive Director of Yuexiu Property and serves as the Chairman of Audit Committee and Remuneration Committee since October 1993. Mr. Yu holds a Master Degree in Applied Finance from Macquarie University in Australia, a Diploma of Management Studies from the University of Hong Kong and a Diploma from the Association of International Bond Dealers. Mr. Yu was the Founding President of the Hong Kong Forex Club from 1974 to 1975. Mr. Yu was also the Founding Deputy Chairman of the Hong Kong Capital Markets Association and Asia Chairman of the Association of International Bond Dealers. Mr. Yu has held numerous senior managerial and advisory positions and has more than 40 years of experience in investment, banking and finance.

#### **Senior Management**

#### **Mr. ZONG Jian Xin**

ZONG Jianxin, aged 49, has been appointed the Deputy Managing Director and Head of China Business of the Bank since 20 May 2015. He was appointed a Deputy General Manager in January 2010 and then was appointed from 4 October 2010 to 7 May 2015 a Director, Deputy Chief Executive and an Alternate Chief Executive of Industrial and Commercial Bank of China (Asia) Limited ("ICBC"). Mr. Zong was the Vice President of Industrial and Commercial Bank of China Limited, Shenzhen Branch and was also a Director of Chinese Mercantile Bank, ICBC (Asia) Futures Company Limited, ICBC (Asia) Investment Management Company Limited, ICBC (Asia) Nominee Limited and ICBC (Asia) Wa Pei Nominees Limited, all of which are wholly-owned subsidiaries of ICBC. Mr. Zong holds a Master Degree in Business Administration awarded by Shanghai Jiao Tong University and possesses the economist qualification. Mr. Zong has more than 19 years of banking experience, specialising in corporate banking, international business and investment banking business.

#### **Mr. TANG Nai Pan**

TANG Nai Pan, aged 53, has been appointed a General Manager and the Chief Risk Officer of the Bank since 1 June 2014. Mr. Tang holds a Bachelor of Arts degree in Mathematics and Statistics from the University of Minnesota and a Master of Science degree in Statistics from The University of Chicago, and is a Doctor of Philosophy Candidate in Finance from Kellogg School, Northwestern University, USA. Before joining the banking industry, Mr. Tang worked for different universities as Assistant Professor and Lecturer in Hong Kong, Canada and USA. Since 1994, Mr. Tang has worked for a few major international and Chinese banks in Hong Kong, Singapore and the PRC and has more than 20 years' banking experience in treasury, compliance and risk management.

#### **Mr. CHAN Hoi Kit Frederick**

CHAN Hoi Kit Frederick, aged 55, General Manager, has been appointed the Chief Financial Officer of the Bank since 23 May 2013. He graduated from Imperial College, University of London in Computing Science and obtained a Master of Business Administration degree from Henley Management College, United Kingdom. He is

a fellow of the Institute of Chartered Accountants in England & Wales, a member of BCS The Chartered Institute for IT and a fellow of the Hong Kong Institute of Certified Public Accountants. Mr. Chan has more than 30 years' experience in the financial services industry and worked for an international accounting firm and major international banks in London and Hong Kong in financial reporting and strategic management before joining the Bank in 2004.

**Mr. TSANG Chiu Wing**

TSANG Chiu Wing, aged 58, has been appointed the Deputy Chief Executive Officer and Chief Operating Officer of the Bank since 7 March 2013 and 23 May 2013 respectively, and is in charge of the Information Technology and various operational departments. He holds a Master of Science degree in Electronic Commerce and Internet Computing from the University of Hong Kong, and is a member of the Institute of Chartered Accountants in England & Wales and a fellow member of the Hong Kong Institute of Certified Public Accountants. Mr. Tsang joined the Bank in 2000. He was an Executive Director of the Bank from 17 August 2005 to 30 December 2012. Before joining the Bank, he held senior positions in an international accounting firm and a major international bank in Hong Kong.

**Mrs. NG Yu Kam Ping Alice**

NG Yu Kam Ping Alice, aged 54, General Manager, is the head of Personal Banking. She holds a Master Degree of Business and Administration from the University of Adelaide, Australia. Mrs. Ng is also a Certified Financial Planner (CFP<sup>CM</sup>), Associate of the Institute of Financial Services, United Kingdom (Aifs) and Associate of the Hong Kong Institute of Bankers (AHKIB<sup>TM</sup>). She possesses more than 30 years' experience in retail banking, and has held different senior positions with major international banks in managing retail and private banking teams. Mrs. Ng has specialty in wealth management business development and has rich experience in operation control, quality assurance, cost control and project management. Mrs. Ng joined the Bank in August 2014.

**Mr. CHU Wai Hung Kevin**

CHU Wai Hung Kevin, aged 57, General Manager, is the head of Wealth Management. He graduated from Columbia University with a Master degree in Engineering. He has over 30 years' financial services experience and worked for a number of major international banks in their corporate banking and private banking departments. Mr. Chu joined the Bank in April 2008.

**Ms. LEE Yuen Wah Teresa**

LEE Yuen Wah Teresa, aged 61, General Manager, is the head of Commercial Banking. She holds a Bachelor of Social Sciences degree in Economics, Business Administration and Finance from the University of Hong Kong and a MBA degree from the Chinese University of Hong Kong. She has more than 30 years' experience in the banking industry in Hong Kong and Australia. She has held various senior positions with two major international banks and a major local bank prior to joining the Bank in 2005.

**Mr. YIP Kui Yin Frederick**

YIP Kui Yin Frederick, aged 45, General Manager, has been appointed Co-head of Credit Risk after joining the Bank on 1 September 2014. Mr. Yip holds a Master of Corporate Finance degree and a Bachelor of Arts degree in Business Studies from the Hong Kong Polytechnic University and has completed Oxford Strategic Leadership Programme from the Said Business School of the University of Oxford. He is also a Certified

Specialist of Documentary Credit (CDCS®) and holds the Certificate in International Trade and Finance (CITF®). Since 1997, Mr. Yip has held managerial positions with a number of major international and Chinese banks. Mr. Yip has more than 18 years of experience in credit risk management and has been appointed to join various overseas training and conferences.

### ***Company Secretary***

#### **Ms. LAI Wing Nga**

LAI Wing Nga, aged 51, General Manager, has been appointed the Company Secretary of the Bank since 4 August 2015. Ms. Lai has had over 20 years of working experience in the corporate secretariat and governance areas of sizable listed companies and financial institutions. Prior to joining the Bank, Ms. Lai was the company secretary of AIA Group Limited from April 2010 to July 2015, which is a company listed on the Stock Exchange (Stock Code: 01299). She was the company secretary of Standard Chartered Bank (Hong Kong) Limited from April 2005 to March 2010 and before that was the company secretary of Industrial and Commercial Bank of China (Asia) Limited from April 2000 to April 2005. Ms. Lai obtained a master of business degree from the University of Newcastle in Australia in 2008. She also obtained a postgraduate diploma in corporate finance from the Hong Kong Polytechnic University in 2004. Ms. Lai has been an associate member of both the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators since 1999 and was admitted as a fellow in February 2010.

### **Addresses of Directors and Senior Management**

The business address of the Directors and the senior management of the Group is the same as the address of the Bank's registered office at Ground Floor, Chong Hing Bank Centre, 24 Des Voeux Road Central, Hong Kong.

## **2. CORPORATE INFORMATION**

<b>Registered office:</b>	Ground Floor, Chong Hing Bank Centre 24 Des Voeux Road Central, Hong Kong
<b>Company Secretary:</b>	Ms. LAI Wing Nga
<b>Authorised representatives:</b>	Mrs. LEUNG Ko May Yee Margaret Mr. LAU Wai Man
<b>Legal advisers to the Bank:</b>	<i>As to Hong Kong and U.S. laws:</i> Freshfields Bruckhaus Deringer 11th Floor, Two Exchange Square Hong Kong
<b>Auditor:</b>	PricewaterhouseCoopers <i>Certified Public Accountants</i> 22nd Floor, Prince's Building Central Hong Kong
<b>Registrar:</b>	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17th Floor, Hopewell Centre 183 Queen's Road East Wanchai Hong Kong

<b>Principal banker:</b>	Chong Hing Bank Limited Ground Floor, Chong Hing Bank Centre 24 Des Voeux Road Central, Hong Kong
<b>Joint Underwriters:</b> <i>(in alphabetical order)</i>	BOCI Asia Limited 26/F, Bank of China Tower 1 Garden Road Central Hong Kong
	DBS Asia Capital Limited 17/F, The Center 99 Queen's Road Central Hong Kong
	Nomura International (Hong Kong) Limited 30/F, Two International Finance Centre 8 Finance Street Central Hong Kong
<b>Legal advisers to the Joint Underwriters:</b>	<i>As to Hong Kong and U.S. laws:</i> Linklaters 10th Floor, Alexandra House 18 Chater Road Hong Kong

### 3. SHARE CAPITAL AND SHARE OPTIONS

#### Share capital

As at the Latest Practicable Date, the number of issued shares of the Bank was, and immediately following completion of the Rights Issue (assuming no further issue of Shares from the Latest Practicable Date to the completion of the Rights Issue) will be, as follows:

Shares in issue as at the Latest Practicable Date	435,000,000
Rights Shares to be allotted and issued under the Rights Issue	<u>217,500,000</u>
Shares in issue immediately after completion of the Rights Issue	<u>652,500,000</u>

All of the Shares currently in issue rank *pari passu* in all respects with each other, including, in particular, as to dividends, voting rights and capital. The Shares in issue are listed on the Stock Exchange.

All of the Rights Shares to be allotted and issued will, subject to the Articles of Association of the Bank, rank *pari passu* in all respects with each other, including, in particular, as to dividends, voting and capital, and with all Shares in issue as at the date of allotment and issue of Rights Shares such that holders of Rights Shares will be entitled to receive all future dividends and distributions the record dates of which are on or after the date of issue of the Rights Shares. **For the avoidance of doubt, the fully paid Rights Shares will not entitle the holders thereof to the Bank's 2015 interim cash dividend of HK\$0.21 per Share for the six months ended 30 June 2015 as announced by the Bank on 17 August 2015.**

No part of the share capital or any other securities of the Bank is listed or dealt in on any stock exchange (other than the Stock Exchange) and no application is being made or is currently proposed or sought for the Shares or Rights Shares or any other securities of the Bank to be listed or dealt in on any stock exchange (other than the Stock Exchange).

Dealings in the Shares may be settled through CCASS and Shareholders should consult their stockbrokers or other registered dealer of securities, bank manager, solicitors, professional accountants or other professional advisers for details of these settlement arrangements and how such arrangements may affect their rights and interests.

### Share options

As at the Latest Practicable Date, the Bank had no outstanding options, convertible securities or rights affecting the Shares and no capital of any member of the Group was under option, or agreed conditionally or unconditionally to be put under option.

## 4. INDEBTEDNESS

At the close of business on 31 July 2015, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this Prospectus, the Group had the following outstanding borrowings:

- (a) a subordinated fixed rate note (the “**Note**”) in a principal amount of US\$225,000,000 issued by the Bank on 5 November 2010 that qualifies as Tier 2 capital under Basel II. The Note will mature on 4 November 2020. If at any time on or after 1 January 2013 the Note no longer fully qualifies as term subordinated debt for inclusion in Category II — Supplementary Capital of the Bank as a result of changes to regulatory requirements, the Bank may, at its option and subject to the prior written approval of the HKMA, exercise a change of the status of the notes by serving a “Change in Status Notice” on the noteholders. Upon a “Change in Status Notice” becoming effective, the Note shall thereafter constitute unsubordinated obligations and the rate of interest on the Note shall be reduced from 6% per annum to 5.5% per annum. As a “Change in Status Notice” has not been served at the time of the printing of this Prospectus, the rate of interest on the Note currently remains at 6% per annum; and
- (b) deposits from customers, deposits and balances of banks, certificates of deposit issued, financial assets sold under repurchase agreements, direct credit substitutes, forward asset purchases, trade-related contingencies, undrawn formal standby facilities, credit lines and other commitments that arise from the normal course of the Bank’s banking business.

The Note mentioned in (a) above has not included the undated non-cumulative subordinated additional tier 1 capital securities (“**Additional Tier 1 Capital Securities**”) with a face value of US\$300,000,000 (equivalent to HK\$2,312,030,000 net of related issuance costs) which are classified as additional equity instruments in the Group’s consolidated statement of financial position. The Additional Tier 1 Capital Securities are undated and bear a 6.5% coupon until the first call date on 25 September 2019. The coupon will be reset every five years if the Additional Tier 1 Capital Securities are not redeemed to a fixed rate equivalent to the then-prevailing five-year US Treasury rate plus 4.628% per annum.

Save as set out above or otherwise disclosed in this Prospectus, and apart from intra-group liabilities, the Group did not have any outstanding loan capital issued or agreed to be issued, bank overdrafts, loans, debt securities, borrowing or other similar indebtedness, liabilities under acceptance (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, finance leases, hire purchase commitments, guarantees or other material contingent liabilities as at the close of business on 31 July 2015.

To the best of the knowledge of the Directors, having made all reasonable enquiries, there had been no material change in the level of indebtedness of the Group since 31 July 2015 and up to the Latest Practicable Date.

## 5. WORKING CAPITAL

Rules 7.22, 9.20(1) and 11.06 of, and paragraph 30 of Appendix 1B to, the Listing Rules require a prospectus to include a statement by the Directors that, in their opinion, the working capital available to the Bank is sufficient or, if not, how it is proposed to provide the additional working capital that the Directors consider to be necessary.

The Bank is of the view that the working capital statement would not provide significant information for the Shareholders and the Bank's investors because "working capital" is not an appropriate indicator of solvency or liquidity for a bank. The more appropriate financial indicator for banking businesses is the capital adequacy ratio, which is widely used by regulators in the banking industry to assess and monitor a bank's solvency and is also a key indicator to assess a bank's financial condition, strength and ability to meet its liabilities and other risks.

In view of the above and the extensive resources required to provide for such a statement, the Bank has applied for, and the Stock Exchange has granted the Bank, a waiver from complying with the working capital statement requirements under Rules 7.22, 9.20(1) and 11.06 of, and paragraph 30 of Appendix 1B to, the Listing Rules.

The Bank's solvency and capital adequacy are subject to prudential supervision by the relevant regulatory bodies. The Bank is an authorised institution supervised by the HKMA under the Banking Ordinance. Capital adequacy and the use of regulatory capital are monitored regularly by the Group's management, based on the Banking (Capital) Rules. The required information is filed with the HKMA on a quarterly basis. The HKMA requires each bank (as defined in the Banking (Capital) Rules) or banking group to maintain a ratio of total regulatory capital to the risk-weighted asset (the capital adequacy ratio) at or above the minimum as stipulated in the Banking (Capital) Rules. In addition, overseas branches of the Bank are directly regulated and supervised by their local banking regulatory bodies, which may differ from country to country. Subsidiaries of the Group are also subject to the statutory capital requirements of other regulatory bodies, including the Securities and Futures Commission and the Insurance Authority in Hong Kong.

For the implementation of the "Basel III" capital accord, which became effective on 1 January 2013, the Banking (Capital) Rules require that the total capital ratio (expressed as a percentage, of the amount of the authorised institution's total capital to the sum of the authorised institution's risk-weighted amount for credit risk, risk-weighted amount for market risk and risk-weighted amount for operational risk), the tier 1 capital ratio (expressed as a percentage, of the amount of the authorised institution's tier 1 capital to the sum of the authorised institution's risk-weighted amount for credit risk, risk-weighted amount for market risk and risk-weighted amount for operational risk) and the common equity tier 1 capital ratio (expressed as a percentage, of the amount of the authorised institution's common equity tier 1 capital to the sum of the authorised institution's risk-weighted amount for credit risk, risk-weighted amount for market risk and risk-weighted amount for operational risk) for an authorised institution must not be less than 8%, 4.5% and 3.5%, respectively, for the year ended 31 December 2013 and the total capital ratio, the tier 1 capital ratio and the common equity tier 1 capital ratio for an authorised institution must not be less than 8%, 5.5% and 4%, respectively, for the year ended 31 December 2014.

The total capital ratio of the Bank for the years ended 31 December 2013 and 2014 and the six months ended 30 June 2015 was 14.57%, 15.94% and 14.14%, respectively. The tier 1 capital ratio of the Bank for the years ended 31 December 2013 and 2014 and the six months ended 30 June 2015 was 10.82%, 12.77% and



11.43%, respectively. The common equity tier 1 capital ratio of the Bank for the years ended 31 December 2013 and 2014 and the six months ended 30 June 2015 was 10.82%, 9.60% and 8.65%, respectively. The capital adequacy ratio and the core capital ratio of the Bank for the year ended 31 December 2012 was 15.34% and 10.57%, respectively.

The Group has complied with all regulatory capital adequacy ratio requirements applicable to it for the years ended 31 December 2012, 2013 and 2014 and the six months ended 30 June 2015.

**FINANCIAL RESULTS**

Financial information of the Group for each of the three years ended 31 December 2014 and the six months ended 30 June 2015 is disclosed separately in the following documents which have been published on the Bank's website at [www.chbank.com/en/about-ch-bank/investor-relations/financial-reports/index.shtml](http://www.chbank.com/en/about-ch-bank/investor-relations/financial-reports/index.shtml) and the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk):

- (a) the annual report of the Bank for the year ended 31 December 2012 (pages 69 to 214);
- (b) the annual report of the Bank for the year ended 31 December 2013 (pages 79 to 253);
- (c) the annual report of the Bank for the year ended 31 December 2014 (pages 105 to 282); and
- (d) the interim results announcement of the Bank for the six months ended 30 June 2015.

For illustrative purposes, financial information prepared in accordance with paragraph 4.29 of the Listing Rules is set out here to provide prospective investors with further information about how the financial information of the Group might be affected by completion of the Rights Issue as if the Rights Issue had been completed on 30 June 2015. The statement has been prepared for illustrative purposes only and, because of its nature, it may not give a true picture of the Group's financial condition on the completion of the Rights Issue.

**(A) UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP**

The following is an illustrative and unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Bank which has been prepared on the basis of the notes set out below, for the purpose of illustrating the effect of the Rights Issue as if it had taken place on 30 June 2015. This unaudited pro forma statement of adjusted consolidated net tangible assets has been prepared for illustrative purposes only and, because of its hypothetical nature, may not give a true picture of the financial position of the Group had the Rights Issue been completed as at 30 June 2015 or at any future date.

	<b>Unaudited consolidated net tangible assets of the Group attributable to the owners of the Bank as at 30 June 2015<sup>(Note 1)</sup> HK\$'000</b>	<b>Estimated net proceeds from Rights Issue<sup>(Note 2)</sup> HK\$'000</b>	<b>Unaudited pro forma adjusted consolidated net tangible assets attributable to the owners of the Bank as at 30 June 2015 HK\$'000</b>	<b>Unaudited pro forma adjusted consolidated net tangible assets per Share<sup>(Note 3)</sup> HK\$</b>
Based on 217,500,000 Rights Shares to be issued at a subscription price of HK\$17.05 per Rights Share	11,245,156	3,675,439	14,920,595	22.9

*Notes:*

- (1) The consolidated net tangible assets of the Group attributable to the owners of the Bank as at 30 June 2015 is based on the consolidated net assets of the Group attributable to the owners of the Bank at 30 June 2015 of HK\$11,296 million with adjustment for goodwill of HK\$51 million, as extracted from the published interim results announcement for the six months ended 30 June 2015. Accordingly, the consolidated net tangible assets per Share as at 30 June 2015 is HK\$25.85.
- (2) The estimated net proceeds from the Rights Issue are based on 217,500,000 Rights Shares to be issued at the subscription price of HK\$17.05 per Rights Share, after deduction of the related expenses of approximately HK\$33 million.
- (3) The unaudited pro forma consolidated net tangible assets per Share is arrived at after aggregating the consolidated net tangible assets of the Group of HK\$11,296 million with adjustment for goodwill of HK\$51 million and the estimated net proceeds of HK\$3,675 million from the Rights Issue (Note 2) and on the basis that 435,000,000 Shares were in issue as at 30 June 2015 and 217,500,000 Shares were issued under the Rights Issue, assuming the Rights Issue had been completed on 30 June 2015.
- (4) No adjustment has been made to the unaudited pro forma adjusted consolidated net tangible assets of the Group to reflect any trading results or other transactions of the Group entered into subsequent to 30 June 2015.

**(B) REPORT FROM THE REPORTING ACCOUNTANT ON THE UNAUDITED PRO FORMA  
FINANCIAL INFORMATION OF THE GROUP**

*The following is the text of a report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this prospectus.*



羅兵咸永道

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION  
OF UNAUDITED PRO FORMA FINANCIAL INFORMATION INCLUDED IN A PROSPECTUS**

TO THE DIRECTORS OF CHONG HING BANK LIMITED

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Chong Hing Bank Limited (the "Bank") and its subsidiaries (collectively the "Group") by the directors for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted net tangible assets of the Group as at 30 June 2015, and related notes (the "Unaudited Pro Forma Financial Information") as set out on page III – 1 of the Bank's prospectus dated 1 September 2015, in connection with the proposed rights issue of the Bank. The applicable criteria on the basis of which the directors have compiled the Unaudited Pro Forma Financial Information are described on page III – 1.

The Unaudited Pro Forma Financial Information has been compiled by the directors to illustrate the impact of the proposed rights issue on the Group's financial position as at 30 June 2015 as if the proposed rights issue had taken place at 30 June 2015. As part of this process, information about the Group's financial position has been extracted by the directors from the Group's financial information for the six months ended 30 June 2015, on which the interim results announcement has been published.

*Directors' Responsibility for the Unaudited Pro Forma Financial Information*

The directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

*Reporting Accountant's Responsibilities*

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus", issued by the HKICPA. This standard requires that the reporting accountant complies with ethical

requirements and plans and performs procedures to obtain reasonable assurance about whether the directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of unaudited pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the proposed rights issue at 30 June 2015 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the company, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Opinion*

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Bank on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

**PricewaterhouseCoopers**  
Certified Public Accountants  
Hong Kong, 1 September 2015

## 1. RESPONSIBILITY OF THE DIRECTORS

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Bank. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other facts the omission of which would make any statement herein misleading or this Prospectus misleading.

## 2. DIRECTORS' INTERESTS

Save as disclosed below, as at the Latest Practicable Date, none of the Directors and chief executive of the Bank or their respective associates had any interest or short position in the Shares, underlying shares and debentures of the Bank or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Bank and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required to be notified to the Bank and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules:

### Interests in securities

Director	Associated Corporation	Long/short position	Number of ordinary shares held			
			Personal interests	Spousal interests	Corporate interests	Total interests
Li Feng	Yuexiu Property	Long Position	172,900	—	—	172,900
Lee Ka Lun	Yuexiu Property	Long Position	3,200,000	—	—	3,200,000

As at the Latest Practicable Date, neither the Directors nor the chief executive of the Bank held any short positions (as defined under the SFO) which are required to be recorded in the register of directors' and chief executives' interests and short positions.

## 3. SUBSTANTIAL SHAREHOLDERS' INTERESTS

Save as disclosed below, as at the Latest Practicable Date, the Directors and chief executive of the Bank were not aware of any person (other than a Director or chief executive of the Bank) who had interests or short positions in the Shares and underlying shares of the Bank which would fall to be disclosed to the Bank under the provisions of Divisions 2 and 3 of Part XV of the SFO or were directly or indirectly interested in 10% or more of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Bank:

Shareholder	Long/short position	Capacity	Percentage of interests in	
			Number of Shares held	the issued share capital
Yuexiu Financial Holdings	Long Position	Beneficial owner	326,250,000	75%
Yue Xiu Enterprises	Long Position	Interest of a controlled corporation	326,250,000	75%
Guangzhou Yue Xiu Holdings	Long Position	Interest of a controlled corporation	326,250,000	75%

*Note:* Yuexiu Financial Holdings is wholly-owned by Yue Xiu Enterprises, which is in turn wholly-owned by Guangzhou Yue Xiu Holdings.

As at the Latest Practicable Date, no short positions were recorded in the register of Shareholders' interests in shares and short positions.

#### **4. MATERIAL ADVERSE CHANGES**

As at the Latest Practicable Date, the Directors were not aware of any material adverse changes in the financial or trading position of the Bank since 31 December 2014, being the date to which the latest published audited financial results of the Group were made up.

#### **5. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with the Bank or any of its subsidiaries which is not terminable within one year without payment of compensation (other than statutory compensation).

#### **6. OTHER ARRANGEMENTS INVOLVING DIRECTORS**

As at the Latest Practicable Date:

- (a) none of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date and which was significant in relation to the business of the Group; and
- (b) none of the Directors had any direct or indirect interest in any assets which had been since 31 December 2014 (the date to which the latest audited accounts of the Bank were made up) (i) acquired or disposed of by, (ii) leased to, (iii) are proposed to be acquired or disposed of by or (iv) are proposed to be leased to any member of the Group.

#### **7. LITIGATION**

As at the Latest Practicable Date, neither the Bank nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against the Bank or any other member of the Group.

#### **8. MATERIAL CONTRACTS**

The following contracts (not being contracts in the ordinary course of business) were entered into by the Group within the period commencing two years preceding the date of this Prospectus and up to the Latest Practicable Date and are, or may be, material:

- (a) the property purchase agreement dated 25 October 2013 entered into between Chong Hing Bank Limited and Liu Chong Hing Investment Limited pursuant to which Chong Hing Bank Limited agreed to transfer its premises registered in the Land Registry as the Remaining Portion of Section A of Marine Lot No.62 and appurtenances to Liu Chong Hing Investment Limited for a consideration of HK\$2,230,000,000; and
- (b) the Underwriting Agreement.

## 9. EXPERT'S QUALIFICATION AND CONSENT

The following is the qualification of the expert who has given an opinions or advice, which is contained or referred to in this Prospectus:

Name	Qualification
PricewaterhouseCoopers	Certified Public Accountants

As at the Latest Practicable Date, PricewaterhouseCoopers:

- (a) had given and had not withdrawn its written consent to the issue of this Prospectus with the inclusion of its letter and the reference to its name, in the form and context in which it appears;
- (b) did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (c) did not have any direct or indirect interest in any assets which had been since 31 December 2014 (the date to which the latest audited accounts of the Bank were made up) acquired or disposed of by, or leased to, any member of the Group or were proposed to be acquired or disposed of by, or leased to, any member of the Group.

## 10. MISCELLANEOUS

- (a) The company secretary of the Bank is Ms. LAI Wing Nga.
- (b) This Prospectus is prepared in both English and Chinese. In the event of inconsistency, the English text shall prevail.
- (c) As at the Latest Practicable Date, the Directors were not aware of any restriction affecting the remittance of profits or repatriation of capital into Hong Kong from outside Hong Kong which materially affects the business of the Group as a whole.

## 11. DOCUMENT DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of each of the Prospectus Documents and the written consents of the expert referred to in “— *Expert's Qualification and Consent*” above have been delivered to the Registrar of Companies of Hong Kong for registration pursuant to section 38D of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

## 12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays) at the registered office of the Bank at Ground Floor, Chong Hing Bank Centre, 24 Des Voeux Road Central, Hong Kong up to and including Tuesday, 15 September 2015:

- (a) the Articles of Association of the Bank;
- (b) the report from PricewaterhouseCoopers in respect of the unaudited pro forma financial information of the Group in respect of the Rights Issue, the text of which is set out in Appendix III;



- (c) the material contracts referred to in “— *Material Contracts*” above;
- (d) the written consents referred to in “— *Expert’s Qualification and Consent*” above;
- (e) the annual reports of the Bank for the three financial years ended 31 December 2012, 2013 and 2014;
- (f) the interim results announcement of the Bank for the six months ended 30 June 2015; and
- (g) this Prospectus.