

Main features of regulatory capital instrument (unaudited)

		USD224 million 4.9% Tier 2 Subordinated Notes due 2032
1	Issuer	Chong Hing Bank Limited
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	ISIN: XS2487038650
3	Governing law(s) of the instrument	Hong Kong law
<i>Regulatory treatment</i>		
4	Transitional Basel III rules [#]	NA
5	Post-transitional Basel III rules ⁺	Tier 2
6	Eligible at solo*/group/group & solo	Solo and Group
7	Instrument type (types to be specified by each jurisdiction)	Other Tier 2 instruments
8	Amount recognised in regulatory capital (Currency in millions, as of most recent reporting date)	(HKD million) 1,756.0
9	Par value of instrument	The subordinated notes with total face value of USD 224 million issued in registered form in denominations of USD250,000 each and integral multiples of USD1,000 in excess thereof
10	Accounting classification	Liability - amortised cost
11	Original date of issuance	27 July 2022
12	Perpetual or dated	Dated
13	Original maturity date	27 July 2032
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	<p>The bank may redeem all, but not some only, of the Notes then outstanding on 27 July 2027, at their outstanding principal amount together with interest accrued to (but excluding) the date of redemption, subject to adjustments following the occurrence of a Non-Viability Event and prior written consent of the Hong Kong Monetary Authority.</p> <p>The notes will be redeemable at the option of the Bank in whole but not in part, at a redemption price equal to their principal amount together with interest accrued to (but excluding) the date fixed for redemption, upon the occurrence of a Capital Event (Regulatory Redemption), a Tax Deduction Event (Tax Deduction Redemption) or upon the occurrence of certain changes in taxation in Hong Kong requiring the payment of additional amounts (Tax Redemption), in each case, subject to adjustments following the occurrence of a Non-Viability Event.</p> <p>Tax Redemption, Tax Deduction Redemption and Regulatory Redemption are all subject to prior written consent of the Hong Kong Monetary Authority.</p>
16	Subsequent call dates, if applicable	NA
<i>Coupons / dividends</i>		
17	Fixed or floating dividend/coupon	Fixed
18	Coupon rate and any related index	At a fixed rate of 4.9% per annum until 27 July 2027. At a Reset Interest Rate from 27 July 2027 to (but excluding) 27 July 2032 (the "Maturity Date")
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No
22	Non-cumulative or cumulative	Cumulative
23	Convertible or non-convertible	Convertible
24	If convertible, conversion trigger (s)	Each Noteholder shall be subject to having the Notes being written off, cancelled, converted or modified, or to having the form of the Notes changed, in the exercise of any Hong Kong Resolution Authority Power by the relevant Hong Kong Resolution Authority without prior notice which may include (without limitation) the conversion of all or a part of the principal amount of, or interest on, the Notes into shares or other securities or other obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes.
25	If convertible, fully or partially	Full or partial
26	If convertible, conversion rate	NA
27	If convertible, mandatory or optional conversion	Mandatory
28	If convertible, specify instrument type convertible into	Shares or other securities or other obligations
29	If convertible, specify issuer of instrument it converts into	Chong Hing Bank Limited or another person
30	Write-down feature	Yes
31	If write-down, write-down trigger(s)	<p>If a Non-Viability Event occurs and is continuing, the Bank shall, upon the provision of a Non-Viability Event Notice, irrevocably reduce the then principal amount of, and cancel any accrued but unpaid interest in respect of, each Note (in each case in whole or in part) by an amount equal to the Non-Viability Event Write-off Amount per Note.</p> <p>"Non-Viability Event" means the earlier of:</p> <p>(i) the Hong Kong Monetary Authority notifying the Bank in writing that the Hong Kong Monetary Authority is of the opinion that a Write-off or conversion is necessary, without which the Bank would become non-viable; or</p> <p>(ii) the Hong Kong Monetary Authority notifying the Bank in writing that a decision has been made by the government body, a government officer or other relevant regulatory body with the authority to make such a decision, that a public sector injection of capital or equivalent support is necessary, without which the Bank would become non-viable.</p>
32	If write-down, full or partial	Full or partial
33	If write-down, permanent or temporary	Permanent
34	If temporary write-down, description of write-up mechanism	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	<p>In the event of a winding-up, the rights of the Noteholders to payment of principal and interest on the Notes, and any other obligations in respect of the Notes, shall rank:</p> <p>(a) Subordinate and junior in right of payment to, and of all claims of, (i) all unsubordinated creditors of the Bank (including depositors), and (ii) all other Non-Preferred Creditors of the Bank whose claims are stated to rank senior to the Notes or rank senior to the Notes by operations of law or contract;</p> <p>(b) Pari passu in right of payment to and of all claims of the holders of Parity Obligations; and</p> <p>(c) Senior in right of payment to and of all claims of, (i) the holders of any other instrument or other obligation issued, entered into, or guaranteed by the Bank that ranks or is expressed to rank junior to the Notes by operation of law or contract but senior to the holders of Junior Obligations, and (ii) the holders of Junior Obligations.</p>
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	NA

Footnote:
[#] Regulatory treatment of capital instruments subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

⁺ Regulatory treatment of capital instruments not subject to transitional arrangements provided for in Schedule 4H of the Banking (Capital) Rules

^{*} Include solo-consolidated

 The full terms and conditions of all capital instruments are available on the Bank's website: <http://www.chbank.com/en/personal/footer/about-ch-bank/regulatory-disclosures/terms-and-conditions/index.shtml>