

Main Features of Capital Instruments 31 December 2015

31 I	December 2015		Transaction and the state of th	
		Ordinary shares	USD300 million Undated Non-Cumulative Subordinated Additional Tier 1 Capital Securities	USD225 million 6% Subordinated Notes due 2020
1	Issuer	Chong Hing Bank Limited		Chong Hing Bank Limited
2	Unique identifier	The Stock Exchange of Hong Kong Limited's Stock Code: 01111	ISIN : XS1107229582	ISIN : XS055630216.
3	(eg CUSIP, ISIN or Bloomberg identifier for private placement) Governing law(s) of the instrument	Hong Kong law	English law / Hong Kong law	English law / Hong Kong lav
	Regulatory treatment			
4	Transitional Basel III rules [#]	Common Equity Tier 1	NA	Tier 2
5	Post-transitional Basel III rules ⁺	Common Equity Tier 1	Additional Tier 1	Ineligible
6	Eligible at solo*/group/group & solo Instrument type (types to be specified by each jurisdiction)	Solo and Group		Solo and Grou Other Tier 2 instrument
/	Instrument type (types to be specified by each jurisdiction) Amount recognised in regulatory capital	Ordinary shares (HKD million)		Other Her 2 instrument (HKD millior
8	(Currency in million, as of most recent reporting date)	5,435.9	· · · · · · · · · · · · · · · · · · ·	1,211.
	Par value of instrument	NA	USD300 million	The subordinated notes with total face value of USD 225 million issued in registered form in denominations of USD100,000 each and integral multiples of USD1,000 in excess thereof
10	Accounting classification	Shareholders' equity		Liability - amortised cos
11	Original date of issuance Perpetual or dated	Since incorporation Perpetual	1	4 November 2010 Date:
13	*	No maturity		4 November 202
_	Issuer call subject to prior supervisory approval	No		Ye
15	Optional call date, contingent call dates and redemption amount	NA	The First Call Date is on 25 September 2019. The Capital Securities have no fixed redemption date. Optional Redemption (on a designated date in 2019 or on any Distribution Payment Date thereafter), Tax Redemption and Regulatory Redemption are all subject to prior written consent of the Hong Kong Monetary Authority. Redemption amount will be the then prevailing principal amount.	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 accrued and unpaid interest to the date fixed for redemption, upon the occurrence of certain changes in taxation in Hong Kong requiring the payment of additional amounts. The Bank may at its option, having given not less than 30 nor more than 60 days' notice to the noteholders, redeem all the notes.
16	Subsequent call dates, if applicable	NA	NA	N _A
17	Coupons / dividends Fixed or floating dividend/coupon	Floating	Fived	Eiva
17	Fixed or floating dividend/coupon	Floating The final dividend is proposed by the board of directors of the Bank	Fixed	Fixe
18	. ,	and is subject to approval by the shareholders of the Bank in the annual general meeting. The interim dividend is declared by the board of directors of the Bank.	At a fixed rate of 6.5% per annum until 25 September 2019. Thereafter reset at: five years U.S. Treasury Rate + 4.628%	69
19	Existence of a dividend stopper	No		N
20	Fully discretionary, partially discretionary or mandatory Existence of step up or other incentive to redeem	Fully discretionary No	Fully discretionary No	Mandator N
22	Noncumulative or cumulative	Noncumulative		Cumulativ
	Convertible or non-convertible	Non-convertible Non-convertible		Convertibl
24	If convertible, conversion trigger (s)	NA	NA	fully qualifies as term subordinated debt for inclusion in Category III - Tier 2 capital of the Bank upon changes to regulatory requirements, the Bank may, at its option and subject to the prior written approval of the HKMA, exercise change of the status of the note by serving the "Change in Status Notice" to 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% pe annum. As the "Change in Status Notice" has not been served, the rate of interest on the note remains at 6% per
25	If convertible, fully or partially	NA	. NA	annum. Full
26	If convertible, conversion rate	NA	NA	1:
27	If convertible, mandatory or optional conversion	NA		Optiona
28	If convertible, specify instrument type convertible into	NA NA		Other: Senior not
29 30	If convertible, specify issuer of instrument it converts into Write-down feature	NA No		Chong Hing Bank Limiter
31	If write-down, write-down trigger(s)	NA	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 Distribution in respect of, each Capital Security (in each case in whole or in part) by an amount equal to the Non-Viability Event Write-off Amount per Capital Security. "Non-Viability Event" means the earlier of: (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; and (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.	N
32	If write-down, full or partial	NA	•	N
33	If write-down, permanent or temporary	NA	Permanent	N
34	If temporary write-down, description of write-up mechanism	NA	NA	N
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated to additional tier 1 capital securities	Subordinated to all claims of: (i) all unsubordinated creditors of the Bank (including depositors), (ii) creditors in respect of Tier 2 Capital Securities of the Bank, and (iii) all other Subordinated Creditors of the Bank whose claims are stated to rank senior to the Capital Securities or rank senior to the Capital Securities by operations of law or contract	Certificates of depor
	Non-compliant transitioned features	No		
37	If yes, specify non-compliant features	NA	. NA	No loss absorption provision at the point of non-viability

37 If yes. 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



Main Features of Capital Instruments 31 December 2014

Solution of the content of the con	1 December 2014			
District Control Con		Ordinary shares		USD225 million 6% Subordinated Notes due 2020
Mathematics	1 Issuer	Chong Hing Bank Limited	•	Chong Hing Bank Limited
Section of the control of the contro		The Stock Exchange of Hong Kong Limited's Stock Code : 01111	ISIN · XS1107229582	ISIN : XS0556302163
March Processing Processi				
Proceedings of Fine Country To	C	Hong Kong law	English law / Hong Kong law	English law / Hong Kong law
Section Comment Comm	Ů,		NA.	T: 0
Description Section				Tier 2
Proceedings of the process of the				Ineligible
Section Control Cont	<u> </u>	•		Solo and Group
Processing the million and restrict reporting should be a control of trajecting should be a control of tra				
Por volunted increment 10 Por volunted increment 10 Por volunted increment 11 Digent and color of manusce 12 Digent and color of manusce 13 Digent and color of manusce 14 Digent and color of manusce 15 Digent and co		,		(HKD million) 1,388.2
The property of the content of the				The subordinated notes with total face value of USD 225 million issued in registered form in denominations of USD100,000 each and integral multiples of USD1,000 in
The property of the content of the				
To Prepare of August 1 Prepare of Control of Contro	č			Liability - amortised cost
Description of the content of the	E			4 November 2010
1 Source call subject to prior superviside growth approval No The Fact Call Date is not \$5 squared Same in the set will be excitated, of the sign for an extra will be excitated at the sign for a set will be excitated, at the sign for a set will be excitated at the sign for a set will be sign for a set will be a set w	*			Dated
Delicate and date, creatinged addiction and reterrities Solution and delicates and reterrities and delicates and reterrities and delicates and reterrities and any released and account to the solution and delicates and any released and account to the solution and delicates and account to the solution and account to the so				4 November 2020 Yes
Product of the control of the cont	Optional call date, contingent call dates and redemption amount	NA	The First Call Date is on 25 September 2019. The Capital Securities have no fixed redemption date. Optional Redemption (on a designated date in 2019 or on any Distribution Payment Date thereafter), Tax Redemption and Regulatory Redemption are all subject to prior written consent of the Hong Kong Monetary Authority. Redemption amount will be the then prevailing principal amount.	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 accrued and unpaid interest to the date fixed for redemption, upon the occurrence of certain changes in taxation in Hong Kong requiring the payment of additional amounts. The Bank may at its option, having given not less than 30 nor more than 60 days' notice to the noteholders, redeem all the notes.
Process of the content of any related index The fault disclosed as proposed by the bound of the content of the Dath and Software agreement by the content of the Dath and Software agreement by the Content of the Dath and Software agreement of the So		NA	NA	NA
The Controllation of property of the Section of the Balls in The internal following of the Balls in Section of the Balls in Se				Fixed
20 Edition of the graph of the controlled of the graph of the controlled by the per of	18 Coupon rate and any related index	The final dividend is proposed by the board of directors of the Bank and is subject to approval by the shareholders of the Bank in the annual general meeting. The interim dividend is declared by the board of directors of the	At a fixed rate of 6.5% per annum until 25 September 2019.	6%
Sections of step in pro-order incentive to pedemn Non-communities Non-communities Non-communities Non-communities				No
Second contention Seco		Fully discretionary	Fully discretionary	Mandatory
25 Convertible or non-conventible 1 at any time from or after 1 January 2013, to some full quantifies a steam unbedienced delife for intelligence of the product of the pr	1 1			No
Example of the state of the sta				
If convertible, fully or partially NA NA NA	24 If convertible, conversion trigger (s)	NA	NA	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 note by serving the "Change in Status Notice" to 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 the "Change in Status Notice" has not been served, the rate of interest on the note remains at 6% per
If convertible, mandatiny or optional conversion NA NA NA				•
If convertible, gazefit instrument type convertible into NA				Fully
If convertible, specify instrument type convertible into NA NA NA NA				1:1
If write-down, write-down frager(s) If write-down, write-down frager(s)				Optional
Write-down feature	1 7 71			Other: Senior note
If a Non-Viability Event occurs and is continuing, the Bank shall, upon the provision of a Non-Viability Event Notice, irrevocably reduce the the principal amount of, and cancel any accrued but unpaid Distribution in respect of, each Capital Socurity (in each case in whole or in partly an amount equal to the Non-Viability Event Write-off Amount per Capital Socurity (in each case in whole or in partly an amount equal to the Non-Viability Event Write-off Amount per Capital Socurity (in each case in whole or in partly and amount equal to the Non-Viability Event Write-off Amount per Capital Socurity (in each case in whole or in partly an amount equal to the Non-Viability Event Write-off Amount per Capital Socurity (in each case in whole or in partly and amount equal to the Non-Viability Event Write-off Amount per Capital Socurity (in each case in whole or in partly and amount equal to the Non-Viability Event Write-off Amount per Capital Socurity (in each case in whole in partly and the submit of the principal of the opinion that a Write-off or conversion is necessary, without which the Bank would become non-viable. If write-down, full or partial NA Full or partial If write-down, description of write-up NA Subordinated to all claims of: (a) all unsubordinated creditors of the Bank (including depositors), (i) eventors in respect of Fer 2 Capital Securities or the Bank, and (iii) all or partial securities or the Rank whose claims are stated to roak serior to the Capital Securities or the Rank whose claims are stated to roak serior to the Capital Securities or the Rank whose claims are stated to roak serior to the Capital Securities or nate				Chong Hing Bank Limited
If temporary write-down, description of write-up mechanism NA Subordinated to additional tier 1 capital securities of the Bank whose claims are stated to rank senior to the Capital Securities of the Bank whose claims are stated to rank senior to the Capital Securities or rank seni		NA	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 Distribution in respect of, each Capital Security (in each case in whole or in part) by an amount equal to the Non-Viability Event Write-off Amount per Capital Security. "Non-Viability Event" means the earlier of: (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; and (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	NA
If temporary write-down, description of write-up mechanism NA Subordinated to all claims of: (i) all unsubordinated creditors of the Bank (including depositors), (ii) creditors in respect of Tier 2 Capital Securities of the Bank, and (iii) all other Subordinated Creditors of the Bank whose claims are stated to rank senior to the Capital Securities or rank senior to the Capital Securities by operations of law or contract No No-compliant transitioned features No No No No No No No No No N				NA NA
mechanism Subordinated to all claims of: (i) all unsubordinated creditors of the Bank (including depositors), (ii) creditors in respect of Tier 2 Capital Securities of the Bank, and (iii) all other Subordinated Creditors of the Bank whose claims are stated to rank senior to the Capital Securities or rank senior to the Capital Securities by operations of law or contract No No-compliant transitioned features No No No	If temporary write-down description of write-up			
Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) Subordinated to additional tier 1 capital securities (ii) creditors in respect of Tier 2 Capital Securities of the Bank, and (iii) all other Subordinated Creditors of the Bank whose claims are stated to rank senior to the Capital Securities or rank senior to the Capital Securities by operations of law or contract No Non-compliant transitioned features	341	NA	Subordinated to all claims of:	NA
	instrument type immediately senior to instrument)		(ii) creditors in respect of Tier 2 Capital Securities of the Bank, and (iii) all other Subordinated Creditors of the Bank whose claims are stated to rank senior to the Capital Securities or rank senior to the Capital Securities by operations of law or contract	Certificates of deposit
37 If yes, specify non-compliant features NA No loss absorption provision at the point of no				Yes
Footnote:	1 1 1	NA	NA	No loss absorption provision at the point of non-viability

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 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