



玉山銀行
E.SUN BANK

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SWIFT/ESUNHKHH

E.SUN COMMERCIAL BANK, LIMITED
HONG KONG BRANCH

Key Financial Information Disclosure Statement
For The Whole Year Ended 31 December 2014

E.SUN COMMERCIAL BANK, LIMITED - HONG KONG BRANCH

Key Financial Information Disclosure Statement For The Whole Year Ended 31 December 2014

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E.SUN COMMERCIAL BANK, LIMITED - HONG KONG BRANCH**SECTION A - INFORMATION OF THE BRANCH (HONG KONG BRANCH ONLY)****I. PROFIT AND LOSS INFORMATION****HKS'000****FOR THE WHOLE YEAR ENDED 31 December 2014**

	For The Whole Year Ended	
	<u>31 December 2014</u>	<u>31 December 2013</u>
Interest Income	265,362	197,568
Interest Expense	(114,712)	(54,914)
Net Interest Income	<u>150,650</u>	<u>142,654</u>
Other Operating Income		
Gains less losses arising from trading in foreign currencies	141,778	25,525
Gains less losses on securities held for trading purposes	3,850	13,461
Gains less losses from other trading activities	6	-
Income from fees and commissions	66,593	33,357
Fees and commission expenses	(1,707)	(1,676)
Net fees and commission income	<u>64,886</u>	<u>31,681</u>
Others	(82,452)	1,598
TOTAL INCOME	<u>278,718</u>	<u>214,919</u>
OPERATING EXPENSES		
Staff and rental expenses	(49,301)	(34,108)
Other expenses	(12,787)	(11,994)
Net charges for other provisions	-	-
	<u>(62,088)</u>	<u>(46,102)</u>
NET (CHARGE) / CREDIT FOR DEBT PROVISION	(3,012)	(14,999)
TANGIBLE FIXED ASSETS WRITTEN OFF	-	-
PROFIT BEFORE TAXATION	<u>213,618</u>	<u>153,818</u>
TAXATION CHARGE	(33,197)	(28,958)
PROFIT AFTER TAXATION	<u>180,421</u>	<u>124,860</u>

E.SUN COMMERCIAL BANK, LIMITED - HONG KONG BRANCH

II. BALANCE SHEET INFORMATION

AS AT 31 December 2014

HKS'000

	<u>31 December 2014</u>	<u>30 June 2014</u>
ASSETS		
Cash and short term funds (Except those included in amount due from overseas offices)	785,361	653,746
Placement with banks and other financial institutions maturing between one and twelve months (Except those included in amount due from overseas offices)	-	-
Amount due from overseas offices	2,215,336	1,685,013
Account receivable under reverse repos	37,419	-
Trade bills	46,616	37,720
Held-to-Maturity Securities	678,949	586,621
Available-For-Sale Securities	2,677,978	2,819,527
Advances and other accounts (Net of provisions)	7,726,888	6,632,516
Tangible fixed assets	4,170	3,010
Total Assets	<u><u>14,172,717</u></u>	<u><u>12,418,153</u></u>
LIABILITIES		
Deposits and balances of banks and other financial institutions (Except those included in amount due to overseas offices)	174,678	122,102
Current, fixed, savings and other deposits from customers		
Demand deposits and current accounts	49,797	57,493
Savings deposits	4,661,369	3,983,765
Time deposits	5,334,768	4,291,572
Amount due to overseas offices	1,854,123	1,986,635
Other accounts	1,524,446	1,504,791
Total liabilities	<u><u>13,599,181</u></u>	<u><u>11,946,358</u></u>
Reserves and current profit	573,536	471,795
Total Equity And Liabilities	<u><u>14,172,717</u></u>	<u><u>12,418,153</u></u>

E.SUN COMMERCIAL BANK, LIMITED - HONG KONG BRANCH

III. ADDITIONAL BALANCE SHEET INFORMATION

HKS'000

ADVANCES AND OTHER ACCOUNTS	<u>31 December 2014</u>	<u>30 June 2014</u>
A.		
Advances to customers	6,629,503	6,210,068
Advances to banks and other financial institutions	32,000	32,000
Accrued interest and other accounts		
-Accrued interest	30,966	30,209
-Other accounts	1,101,500	423,037
Total	<u>7,793,969</u>	<u>6,695,314</u>
Less: Provisions against advances and other accounts		
General provisions	67,081	62,798
Specific provisions	-	-
Total	<u>67,081</u>	<u>62,798</u>
Total advances and other accounts less provisions	<u>7,726,888</u>	<u>6,632,516</u>
B.		
Details of the non-performing advances to customers (advances on which interest is being placed in suspense or has ceased to be accrued)		
	<u>31 December 2014</u>	<u>30 June 2014</u>
Gross advances to customers	-	-
Specific provisions	-	-
Total	<u>-</u>	<u>-</u>
Suspended interest	<u>-</u>	<u>-</u>
Value of collateral	<u>-</u>	<u>-</u>
Percentage of such advances to total gross advances to customers	<u>0.00%</u>	<u>0.00%</u>

ADVANCES AND OTHER ACCOUNTS - continued

C.

Overdue and rescheduled loans and advances to customers

	31 December 2014		30 June 2014	
	Amount	% of Total Loans	Amount	% of Total Loans
a. Advances to customers overdue for				
more than 3 months and up to 6 months	-	-	-	-
more than 6 months and up to 1 year	-	-	-	-
more than 1 year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
b. Rescheduled advances to customers (Net of those overdue advances disclosed above)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
c. Disclosure of value of collateral held against a. & b.				
current market value of collateral held	-		-	
covered portion of overdue loans and advances	-		-	
uncovered portion of overdue loans and advances	-		-	

There were no overdue and rescheduled advances to banks and other financial institutions as at 31 December 2014 and 30 June 2014

D.

Reconciliation for advances to customers
between overdue advances and non-performing advances

	31 December 2014	30 June 2014
	Amount	Amount
Advances to customer overdue for more than 3 months	-	-
Less: Overdue loans for more than 3 months and on which interest is still being accrued	-	-
Add: Overdue loans for 3 months or less and on which interest is being placed in suspense or interest accrual ceased	-	-
Total non-performing advances	<u>-</u>	<u>-</u>

E.

Reposessed assets

There were no reposessed assets held as at 31 December 2014 and 30 June 2014.

E.SUN COMMERCIAL BANK, LIMITED - HONG KONG BRANCH

IV. OFF-BALANCE SHEET INFORMATION

HKD'000

CONTINGENT LIABILITIES AND COMMITMENTS

The following is a summary of the contract amounts of each significant class of contingent liabilities and commitments:

	<u>31 December 2014</u>	<u>30 June 2014</u>
Direct credit substitutes	-	32,554
Transaction-related contingent items	20,972	24,114
Trade-related contingent items	70,514	83,671
Other commitments	2,909,729	2,579,190
Others	<u>77,577</u>	<u>589,075</u>
	<u>3,078,792</u>	<u>3,308,604</u>
Derivatives		
-Exchange rate contracts	70,031,818	60,788,527
-Interest rate contracts	<u>5,430</u>	<u>5,426</u>
	<u>70,037,248</u>	<u>60,793,953</u>
Replacement Costs of Derivatives (of the above derivatives)		
-Exchange rate contracts	86,094	280,930
-Interest rate contracts	<u>-</u>	<u>-</u>
	<u>86,094</u>	<u>280,930</u>

For contingent liabilities and commitments, the contract amounts at risk should the contract be fully drawn upon and the client default. The replacement costs represent the cost of replacing all contracts which have a positive value when marked to market. They do not take into account the effects of bilateral netting arrangements.

1 GROSS ADVANCES TO CUSTOMERS ANALYSED AND REPORTED BY INDUSTRY SECTOR

	<u>31 December 2014</u>		<u>30 June 2014</u>	
	Outstanding Amount	Balance covered by collateral	Outstanding Amount	Balance covered by collateral
A. Loans for use in Hong Kong				
Industrial, commercial and financial				
- Property development	618,135	57,000	293,068	58,200
- Property investment	-	-	200,000	-
- Financial concerns	195,635	-	192,858	-
- Stockbrokers	234,910	-	146,505	-
- Wholesale and retail trade	541,708	-	-	-
- Manufacturing	905,488	195,217	220,812	34,969
- Transport and transport equipment	96,399	-	127,588	-
- Others	140,873	14,972	200,225	2,480
B. Trade finance	43,661	-	47,078	-
C. Loan for use outside Hong Kong	3,852,694	270,415	4,781,934	277,097
Total	<u>6,629,503</u>	<u>537,604</u>	<u>6,210,068</u>	<u>372,746</u>

2 A. GROSS ADVANCES TO CUSTOMERS ANALYSED AND REPORTED BY COUNTRIES OR GEOGRAPHICAL AREAS

	<u>31 December 2014</u>	<u>30 June 2014</u>
-Hong Kong	3,169,147	3,008,167
-United States	918,672	716,509
-Cayman Islands	742,354	967,658
-Others	1,799,330	1,517,734
	<u>6,629,503</u>	<u>6,210,068</u>

B. OVERDUE AND NON-PERFORMING LOANS ANALYSED AND REPORTED BY COUNTRY GEOGRAPHICAL AREAS

	<u>31 December 2014</u>	<u>30 June 2014</u>
-Hong Kong	-	-
-Others	-	-
	<u>-</u>	<u>-</u>

The above analysis has been classified according to categories and definitions used by the Hong Kong Monetary Authority. Only exposures to a single country outside Hong Kong exceeding 10% of the aggregate gross amount of advances to customer as at the above respective reporting dates are disclosed.

3 CROSS-BORDER CLAIM DISCLOSURE

The following tables analysis cross-border claim by types of counterparties. Country or geographical classification is based upon the locations of counterparties after taking into account the transfer of country risk. They are prepared in accordance with the HKMA Return of "Cross-border Claims" completion instructions. Countries or geographical areas constituting 10% or more of the total cross-border claims are disclosed.

<u>As at 31 December 2014</u>	<u>Banks</u>	<u>Public sector entities</u>	<u>Others</u>	<u>Total</u>
1. Asia Pacific excluding Hong Kong	2,568	410	2,696	5,674
of which:- Taiwan	2,218	-	308	2,526
China	63	332	1,675	2,070
2. North America	447	352	1,367	2,166
of which:- United States	441	352	1,352	2,145
3. West Europe	925	-	311	1,236
4. Caribbean	-	-	1,411	1,411
5. Others	3	-	343	346
<u>As at 30 June 2014</u>	<u>Banks</u>	<u>Public sector entities</u>	<u>Others</u>	<u>Total</u>
1. Asia Pacific excluding Hong Kong	2,449	307	3,565	6,321
of which:- Taiwan	1,686	-	1,324	3,010
China	448	307	1,739	2,494
2. North America	153	90	926	1,169
of which:- United States	151	90	926	1,167
3. West Europe	795	-	311	1,106
4. Caribbean	-	-	1,356	1,356
5. Others	3	-	309	312

4 NON-BANK MAINLAND CHINA EXPOSURE

<u>As at 31 December 2014</u>	<u>On-balance sheet exposure</u>	<u>Off-balance sheet exposure</u>	<u>Total Exposure</u>
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	793	-	793
2. Local governments, local government-owned entities and their subsidiaries and JVs	90	-	90
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	870	174	1,044
4. Other entities of central government not reported in item 1 above	117	-	117
5. Other entities of local governments not reported in item 2 above	-	-	-
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	1,698	372	2,070
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	123	55	178
Total	3,691	601	4,292
Total assets after provision	14,173		
On-balance sheet exposures as percentage of total assets	26.04%		
<u>As at 30 June 2014</u>	<u>On-balance sheet exposure</u>	<u>Off-balance sheet exposure</u>	<u>Total Exposure</u>
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	757	-	757
2. Local governments, local government-owned entities and their subsidiaries and JVs	90	-	90
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	1,072	113	1,185
4. Other entities of central government not reported in item 1 above	-	-	-
5. Other entities of local governments not reported in item 2 above	-	-	-
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	2,686	893	3,579
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	4,605	1,006	5,611
Total assets after provision	12,418		
On-balance sheet exposures as percentage of total assets	37.08%		

The comparative figures have been re-classified in accordance with new reporting format.

E.SUN COMMERCIAL BANK, LIMITED - HONG KONG BRANCH

V. OTHER FINANCIAL INFORMATION - continued

HK\$Million

5 FOREIGN CURRENCY POSITION

The foreign currency exposures are prepared in accordance with the HKMA Return of "Foreign Currency Position" completion instructions. The net position (regardless of sign) for each foreign currency which constitutes 10% or more of the total net position in all foreign currencies are disclosed.

As at 31 December 2014	USD	EUR	JPY	CNY	AUD	CAD	OTHER	TOTAL
Spot assets	9,011	28	111	1,479	746	6	22	11,403
Spot liabilities	(9,008)	(78)	(99)	(2,247)	(547)	(31)	(118)	(12,128)
Forward purchases	2,544	857	1,134	1,121	643	522	103	6,924
Forward sales	(2,201)	(805)	(1,164)	(361)	(839)	(500)	(304)	(6,174)
Net option position	(407)	(3)	-	118	-	-	292	-
Net long (short) position	<u>(61)</u>	<u>(1)</u>	<u>(18)</u>	<u>110</u>	<u>3</u>	<u>(3)</u>	<u>(5)</u>	<u>25</u>
As at 30 June 2014	USD	EUR	JPY	CNY	AUD	CAD	OTHER	TOTAL
Spot assets	7,649	46	2	1,704	811	2	25	10,239
Spot Liabilities	(7,624)	(87)	(78)	(2,146)	(739)	(36)	(165)	(10,875)
Forward purchases	4,506	2,307	1,835	766	1,539	327	153	11,433
Forward sales	(3,836)	(2,283)	(1,755)	(401)	(1,613)	(296)	(559)	(10,743)
Net option position	(583)	-	(12)	56	(9)	-	548	-
Net long (short) position	<u>112</u>	<u>(17)</u>	<u>(8)</u>	<u>(21)</u>	<u>(11)</u>	<u>(3)</u>	<u>2</u>	<u>54</u>

There were no foreign currency structural positions as at 31 December 2014 and 30 June 2014.

VI. LIQUIDITY RATIO

	For The Whole Year Ended	
	31 December 2014	31 December 2013
	%	%
The average liquidity ratio for the year	<u>39.63%</u>	<u>41.14%</u>

The branch's average liquidity ratio for the year is the simple average of each calendar month's average liquidity ratio, which is computed in accordance with the Fourth Schedule to the Hong Kong Banking Ordinance.

VII. DISCLOSURE ON REMUNERATION OF SENIOR MANAGEMENT

In accordance with the disclosure requirement under the HKMA's Supervisory Policy Manual "Guideline on a Sound Remuneration System", please refer to annual report of the Bank.

E.SUN COMMERCIAL BANK, LIMITED - HONG KONG BRANCH

SECTION B. - INFORMATION OF THE BANK (CONSOLIDATED BASIS)

E. Sun Commercial Bank Limited

I. CAPITAL AND CAPITAL ADEQUACY RATIO

	<u>31 December 2014</u> %	<u>30 June 2014</u> %
A. Capital adequacy ratio	<u>12.75%</u>	<u>13.08%</u>
	NTD'000	NTD'000
B. Aggregate amount of shareholders' funds	<u>105,507,845</u>	<u>99,573,226</u>

The capital adequacy ratio is computed in accordance with the Basel II Capital Accord framework after taken into account for credit risk, market risk and operational risk.

II. OTHER FINANCIAL INFORMATION

NTD'000

	<u>31 December 2014</u>	<u>30 June 2014</u>
Total Assets	<u>1,551,944,214</u>	<u>1,497,334,931</u>
Total Liabilities	<u>1,446,436,369</u>	<u>1,397,761,705</u>
Total Advances	<u>934,613,524</u>	<u>884,728,900</u>
Total Customer Deposits	<u>1,284,727,612</u>	<u>1,217,723,861</u>
For The Whole Year ended	<u>31 December 2014</u>	<u>31 December 2013</u>
Profit/(Loss) before taxation	<u>12,094,748</u>	<u>10,527,668</u>

Our financial Statements together with the comparative figures have been prepared in accordance with the IFRS, IAS, IFRIC and SIC translated by the Accounting Research Development Foundation (ARDF) and issued by the Financial Supervisory Commission (FSC) since 2013. For details, please refer to annual report of The Bank.




玉山銀行
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Declaration

According to the requirement of the Hong Kong Monetary Authority on Key Financial Information Disclosure Statement of Authorized Institutions incorporated outside Hong Kong, we have pleasure in presenting the Key Financial Information Disclosure Statements of E.Sun Commercial Bank, Limited, Hong Kong Branch for The Whole Year ended 31 December 2014. We confirmed that the information contained therein complies, in all material aspects, with the relevant requirements for financial disclosure by overseas incorporated authorized institutions as set out in the supervisory policy manual CA-D-1 "Guideline on the Application of the Banking (Disclosure) Rules" issued in May 2007, and to the best of my knowledge and belief, it is not false or misleading.



Ke Tsun Jen
General Manager
E.Sun Commercial Bank, Limited
Hong Kong Branch

30 MAR 2015

Date