



**玉山銀行**  
**E.SUN BANK**

**Hong Kong Branch** (INCORPORATED IN TAIWAN, WITH LIMITED LIABILITY)  
Suite 2805, 28/F., Tower 6, The Gateway, 9 Canton Road, Tsimshatsui, Kowloon, Hong Kong  
TEL: 852-3405-6168 FAX: 852-2511-8788  
SWIFT/ESUNHKHH

**E.SUN COMMERCIAL BANK, LIMITED**  
**HONG KONG BRANCH**

**Key Financial Information Disclosure Statement**  
**For The Whole Year Ended 31 December 2015**

# **E.SUN COMMERCIAL BANK, LIMITED - HONG KONG BRANCH**

## **Key Financial Information Disclosure Statement For The Whole Year Ended 31 December 2015**

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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

HK\$'000

#### FOR THE WHOLE YEAR ENDED 31 December 2015

	For The Whole Year Ended	
	31 December 2015	31 December 2014
Interest Income	284,884	265,362
Interest Expense	(99,508)	(114,712)
Net Interest Income	<u>185,376</u>	<u>150,650</u>
Other Operating Income		
Gains less losses arising from trading in foreign currencies	41,319	59,326
Gains less losses on securities held for trading purposes	(1,461)	3,850
Gains less losses from other trading activities	262	6
Income from fees and commissions	89,303	66,593
Fees and commission expenses	(2,320)	(1,707)
Net fees and commission income	<u>86,983</u>	<u>64,886</u>
Others	1	-
<b>TOTAL INCOME</b>	<u>312,480</u>	<u>278,718</u>
<b>OPERATING EXPENSES</b>		
Staff and rental expenses	(61,985)	(49,301)
Other expenses	(16,523)	(12,787)
Net charges for other provisions	-	-
	<u>(78,508)</u>	<u>(62,088)</u>
<b>NET (CHARGE) / CREDIT FOR DEBT PROVISION</b>	2,552	(3,012)
<b>TANGIBLE FIXED ASSETS WRITTEN OFF</b>	-	-
<b>PROFIT BEFORE TAXATION</b>	<u>236,524</u>	<u>213,618</u>
<b>TAXATION CHARGE</b>	(43,716)	(33,197)
<b>PROFIT AFTER TAXATION</b>	<u>192,808</u>	<u>180,421</u>

# E.SUN COMMERCIAL BANK, LIMITED - HONG KONG BRANCH

## II. BALANCE SHEET INFORMATION

AS AT 31 December 2015

HKS'000

	<u>31 December 2015</u>	<u>30 June 2015</u>
<b>ASSETS</b>		
Cash and short term funds (Except those included in amount due from overseas offices)	1,445,520	570,666
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	3,720,864	2,293,665
Account receivable under reverse repos	211,285	189,482
Trade bills	9,169	5,531
Held-to-Maturity Securities	566,511	643,433
Available-For-Sale Securities	3,899,307	3,803,801
Advances and other accounts (Net of provisions)	8,209,551	7,409,749
Tangible fixed assets	6,849	7,874
<b>Total Assets</b>	<u><u>18,069,056</u></u>	<u><u>14,924,201</u></u>
<b>LIABILITIES</b>		
Deposits and balances of banks and other financial institutions (Except those included in amount due to overseas offices)	435,311	137,407
Current, fixed, savings and other deposits from customers		
Demand deposits and current accounts	70,128	78,918
Savings deposits	7,399,426	5,326,656
Time deposits	5,879,232	6,133,029
Amount due to overseas offices	2,254,542	1,699,071
Other accounts	1,264,073	877,286
<b>Total liabilities</b>	<u><u>17,302,712</u></u>	<u><u>14,252,367</u></u>
Reserves and current profit	766,344	671,834
<b>Total Equity And Liabilities</b>	<u><u>18,069,056</u></u>	<u><u>14,924,201</u></u>

## E.SUN COMMERCIAL BANK, LIMITED - HONG KONG BRANCH

### III. ADDITIONAL BALANCE SHEET INFORMATION

HK\$'000

ADVANCES AND OTHER ACCOUNTS	<u>31 December 2015</u>	<u>30 June 2015</u>
<b>A.</b>		
Advances to customers	6,920,855	6,619,516
Advances to banks and other financial institutions	-	-
Accrued interest and other accounts		
-Accrued interest	45,354	39,519
-Other accounts	1,312,939	817,499
Total	<u>8,279,148</u>	<u>7,476,534</u>
Less: Provisions against advances and other accounts		
General provisions	69,597	66,785
Specific provisions	-	-
Total	<u>69,597</u>	<u>66,785</u>
Total advances and other accounts less provisions	<u>8,209,551</u>	<u>7,409,749</u>
<b>B.</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 2015</u>	<u>30 June 2015</u>
Gross advances to customers	-	-
Specific provisions	-	-
Total	<u>-</u>	<u>-</u>
Suspended interest	-	-
Value of collateral	-	-
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

	<u>31 December 2015</u>		<u>30 June 2015</u>	
	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 2015 and 30 June 2015.

## D.

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

	<u>31 December 2015</u>	<u>30 June 2015</u>
	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 2015 and 30 June 2015.

# E.SUN COMMERCIAL BANK, LIMITED - HONG KONG BRANCH

## IV. OFF-BALANCE SHEET INFORMATION

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### 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 2015</u>	<u>30 June 2015</u>
Direct credit substitutes	-	-
Transaction-related contingent items	1,391	20,408
Trade-related contingent items	112,980	92,271
Other commitments	5,472,369	3,718,153
Others	-	-
	<u>5,586,740</u>	<u>3,830,832</u>
Derivatives		
-Exchange rate contracts	47,113,129	57,272,212
-Interest rate contracts	5,426	5,427
	<u>47,118,555</u>	<u>57,277,639</u>
Replacement Costs of Derivatives (of the above derivatives)		
-Exchange rate contracts	834,826	550,401
-Interest rate contracts	-	-
	<u>834,826</u>	<u>550,401</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 2015</u>		<u>30 June 2015</u>	
	Outstanding Amount	Balance covered by collateral	Outstanding Amount	Balance covered by collateral
<b>A. Loans for use in Hong Kong</b>				
Industrial, commercial and financial				
- Property development	490,635	-	589,135	-
- Property investment	-	-	-	-
- Financial concerns	455,252	-	210,016	-
- Stockbrokers	206,710	-	235,881	-
- Wholesale and retail trade	170,881	64,072	404,208	63,275
- Manufacturing	569,771	128,637	340,392	8,287
- Transport and transport equipment	24,000	-	12,000	-
- Others	185,963	39,297	105,805	3,179
Individuals				
- Others	10,076	-	-	-
<b>B. Trade finance</b>	13,698	-	29,276	-
<b>C. Loan for use outside Hong Kong</b>	4,793,869	220,604	4,692,803	300,540
<b>Total</b>	<u>6,920,855</u>	<u>452,610</u>	<u>6,619,516</u>	<u>375,281</u>

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

	<u>31 December 2015</u>	<u>30 June 2015</u>
-Hong Kong	3,328,600	3,330,759
-United States	1,022,938	881,196
-Cayman Islands	691,871	704,309
-Others	1,877,446	1,703,252
	<u>6,920,855</u>	<u>6,619,516</u>

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

	<u>31 December 2015</u>	<u>30 June 2015</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 INTERNATIONAL CLAIMS

The following tables analyze international claims by types of counterparties. Country or geographical classification is based upon the locations of counterparties after taking into account the transfer of country risk. Since June 2015, the HKMA Return "Cross-border Claims" has been replaced by "Return of International Banking Statistics". So the following tables together with comparative figures have been prepared in accordance with the completion instruction of the new return. Countries or geographical areas constituting 10% or more of the total international claims are disclosed.

As at 31 December 2015	Banks	Official Sector	Non-bank private sector		Others	Total
			Non-bank financial institutions	Non-financial private sector		
1. Developed countries	2,627	444	1,239	856	-	5,166
of which:- United States	712	444	1,068	684	-	2,908
2. Offshore centres	306	-	519	1,477	-	2,302
of which:- Hong Kong	228	-	500	690	-	1,418
3. Developing Europe	-	-	-	-	-	-
4. Developing Latin America and Caribbean	-	-	-	160	-	160
5. Developing Africa and Middle East	3	-	-	120	-	123
6. Developing Asia-Pacific	5,810	274	803	618	-	7,505
of which:- China	800	274	803	135	-	2,012
Taiwan	4,873	-	-	389	-	5,262
7. International organisations	-	-	-	-	-	-
8. Unallocated by country	-	-	-	-	-	-

As at 30 June 2015	Banks	Official Sector	Non-bank private sector		Others	Total
			Non-bank financial institutions	Non-financial private sector		
1. Developed countries	1,439	347	-	2,529	-	4,315
of which:- United States	223	347	-	1,890	-	2,460
2. Offshore centres	526	267	835	2,992	-	4,620
of which:- Hong Kong	149	267	752	1,589	-	2,757
3. Developing Europe	-	-	-	-	-	-
4. Developing Latin America and Caribbean	-	-	-	190	-	190
5. Developing Africa and Middle East	2	-	-	50	-	52
6. Developing Asia-Pacific	3,543	381	318	770	-	5,012
of which:- China	1,560	381	240	78	-	2,259
Taiwan	1,922	-	78	447	-	2,447
7. International organisations	-	-	-	-	-	-
8. Unallocated by country	-	-	-	-	-	-

## 4 NON-BANK MAINLAND CHINA EXPOSURE

<u>As at 31 December 2015</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)	775	-	775
2. Local governments, local government-owned entities and their subsidiaries and JVs	190	-	190
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	1,408	352	1,760
4. Other entities of central government not reported in item 1 above	390	-	390
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	1,982	1,708	3,690
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	175	232	407
Total	<u>4,920</u>	<u>2,292</u>	<u>7,212</u>
Total assets after provision	<u>18,069</u>		
On-balance sheet exposures as percentage of total assets	<u>27.23%</u>		
<u>As at 30 June 2015</u>			
1. Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	778	-	778
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	896	103	999
4. Other entities of central government not reported in item 1 above	633	-	633
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	2,081	1,339	3,420
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	67	196	263
Total	<u>4,545</u>	<u>1,638</u>	<u>6,183</u>
Total assets after provision	<u>14,924</u>		
On-balance sheet exposures as percentage of total assets	<u>30.46%</u>		

## 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.

<u>As at 31 December 2015</u>	<u>USD</u>	<u>CNY</u>	<u>OTHER</u>	<u>TOTAL</u>
Spot assets	13,059	1,251	1,272	15,582
Spot liabilities	(12,936)	(1,743)	(1,319)	(15,998)
Forward purchases	2,707	661	1,277	4,645
Forward sales	(1,920)	(169)	(2,017)	(4,106)
Net option position	(770)	-	770	-
Net long (short) position	<u>140</u>	<u>-</u>	<u>(17)</u>	<u>123</u>

<u>As at 30 June 2015</u>	<u>USD</u>	<u>CNY</u>	<u>OTHER</u>	<u>TOTAL</u>
Spot assets	10,508	1,153	1,160	12,821
Spot Liabilities	(10,226)	(2,120)	(710)	(13,056)
Forward purchases	3,436	1,120	1,531	6,087
Forward sales	(2,609)	(155)	(3,018)	(5,782)
Net option position	(1,070)	43	1,027	-
Net long (short) position	<u>39</u>	<u>41</u>	<u>(10)</u>	<u>70</u>

There were no foreign currency structural positions as at 31 December 2015 and 30 June 2015.

## VI. LIQUIDITY RATIO

	For The Whole Year Ended	
	<u>31 December 2015</u>	<u>31 December 2014</u>
	<u>%</u>	<u>%</u>
Average liquidity ratio for the year	N/A	39.63%
Average liquidity maintenance ratio for the year	<u>38.63%</u>	<u>N/A</u>

The Liquidity Ratio specified under section 102 of the Banking Ordinance, which was replaced by the Liquidity Maintenance Ratio ("LMR") on 1 January 2015. LMR was complied in accordance with the Banking (Liquidity) Rules issued by the HKMA with effective from 1 January 2015 for the implementation of the Basel III capital framework.

The average ratio is calculated based on the arithmetic mean of the average value of its liquidity position return for each month during the reporting period.

Hong Kong Branch has also set Liquidity Risk Management Policy Statement, Strategy and System which are regulated under E.Sun Commercial Bank "Hong Kong Branch Liquidity Management Policy and Procedure".

## 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 2015</u> %	<u>30 June 2015</u> %
A. Capital adequacy ratio	<u>13.33%</u>	<u>13.34%</u>
	NTD'000	NTD'000
B. Aggregate amount of shareholders' funds	<u>117,125,102</u>	<u>111,002,809</u>

The capital adequacy ratio is computed in accordance with the "Regulations Governing the Capital Adequacy Ratio of Banks" and "Explanation of Methods for Calculating the Eligible Capital and Risk - Weighted Assets of Banks" in Taiwan after taken into account for credit risk, market risk and operational risk.

#### II. OTHER FINANCIAL INFORMATION

NTD'000

	<u>31 December 2015</u>	<u>30 June 2015</u>
Total Assets	<u>1,760,401,370</u>	<u>1,672,520,817</u>
Total Liabilities	<u>1,643,276,268</u>	<u>1,561,518,008</u>
Total Advances	<u>1,021,994,720</u>	<u>986,149,409</u>
Total Customer Deposits	<u>1,459,086,105</u>	<u>1,396,106,222</u>
For The Whole Year ended	<u>31 December 2015</u>	<u>31 December 2014</u>
Profit/(Loss) before taxation	<u>13,762,938</u>	<u>12,104,552</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.

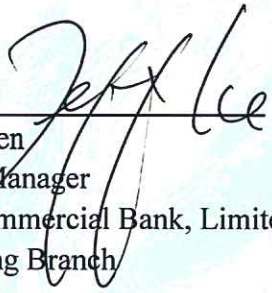


**玉山銀行**  
**E.SUN BANK**

**Hong Kong Branch** (INCORPORATED IN TAIWAN, WITH LIMITED LIABILITY)  
Suite 2805, 28/F., Tower 6, The Gateway, 9 Canton Road, Tsimshatsui, Kowloon, Hong Kong  
TEL: 852-3405-6168 FAX: 852-2511-8788  
SWIFT/ESUNHKHH

## 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 2015. 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 August 2015, 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 2016

\_\_\_\_\_  
Date