

# The Shanghai Commercial & Savings Bank Ltd. Hong Kong Branch

Key Financial Information Disclosure Statement  
For the year ended 31 Dec 2018

# KEY FINANCIAL INFORMATION DISCLOSURE STATEMENT FOR THE YEAR ENDED 31 Dec 2018

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## DECLARATION

**SECTION A. INFORMATION OF THE BRANCH (HONG KONG BRANCH ONLY)**

**1. PROFIT AND LOSS INFORMATION FOR THE YEAR ENDED 31-Dec-18**

Figures in HKD Thousand

For the half year ended	31-Dec-18	31-Dec-17
Interest income	171,728	139,145
Interest expenses	(57,865)	(40,427)
Net interest income	<u>113,863</u>	<u>98,718</u>
Other operating income		
Gain less losses arising from trading in foreign currencies	12,279	10,360
Gains less losses on securities held for trading purposes	(452)	(3)
Net fee and commission income		
- Fee and commission income	25,063	18,939
- Fee and commission expenses	(801)	(991)
Others	16	111
	<u>36,105</u>	<u>28,416</u>
<b>Total Income</b>	149,968	127,134
Operating expenses		
Staff and rental expenses	(27,149)	(26,662)
Other expenses (less fees and commission expenses)	(10,742)	(9,464)
<b>Total expenses</b>	<u>(37,891)</u>	<u>(36,126)</u>
Impairment losses and provisions for impaired loans and receivable	(5,686)	(33,733)
Gain less losses from the disposal of property plant and equipment and investment properties	0	0
<b>Profit before taxation</b>	<u>106,391</u>	<u>57,275</u>
Taxation charge	(13,401)	(14,690)
<b>Profit after taxation</b>	<u>92,990</u>	<u>42,585</u>

## II. BALANCE SHEET INFORMATION AS AT 31-Dec-18

Figures in HKD Thousand

As at	31-Dec-18	30-Jun-18
<b>ASSETS</b>		
Cash and balances with banks (except those included in amount due from overseas offices)	1,990,995	1,781,553
Placement with banks and other financial institutions maturing between one and twelve months (except those included in amount due from overseas offices)	0	117,263
Amount due from overseas offices	161,182	708,057
Trade bills less impairment allowances	112,181	80,580
Loans and advances less impairment allowances	3,674,607	2,632,938
Certificates of deposit held		0
Available for sale debt securities less impairment allowances	98,805	198,992
Held to maturity debt securities		0
Other assets		
- accrued interest	17,135	16,054
- other accounts	132,216	18,624
Property, plant and equipment	19,372	18,943
<b>TOTAL ASSETS</b>	<b>6,206,493</b>	<b>5,573,004</b>
<b>LIABILITIES</b>		
Deposits and balances of banks and other financial institutions (except those included in amount due to overseas office)	674,996	0
Current, fixed, savings and other deposits from customers		
- Demand deposits and current accounts	164,941	71,862
- Savings deposits	2,814,225	2,906,528
- Time deposits	1,975,950	2,090,691
Amount due to overseas offices	59,043	29,549
Amount due to other bank outside Hong Kong	391,585	392,383
Other amounts and provisions	32,763	36,696
<b>TOTAL LIABILITIES</b>	<b>6,113,503</b>	<b>5,527,709</b>
Reserves and current profit / (loss)	92,990	45,295
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6,206,493</b>	<b>5,573,004</b>



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### III. SUPPLEMENTARY FINANCIAL INFORMATION

#### 1. TRADE BILLS AND IMPAIRMENT ALLOWANCES ON TRADE BILLS

Figures in HKD Thousand

As at	31-Dec-18	30-Jun-18
Trade bills	113,727	81,796
Collective impairment allowances	(1,546)	(1,216)
Gross trade bills less impairment allowances	112,181	80,580

#### 2. ADVANCES AND IMPAIRMENT ALLOWANCES ON ADVANCES

Figures in HKD Thousand

##### A. Advances to customers and impairment allowances on advances to customers

As at	31-Dec-18	30-Jun-18
Advances to customers	2,604,418	1,538,837
Advances to banks and other financial institutions	1,132,366	570,199
Total	3,736,784	2,109,036
Collective impairment allowances	(48,261)	(48,077)
Individual impairment allowances	(8,257)	(8,274)
Total	(56,518)	(56,351)
Gross advances less impairment allowances	3,680,266	2,052,685
Allowances as a percentage of gross advances		
- Collective impairment allowances	1.29%	2.28%
- Individual impairment allowances	0.22%	0.39%
Total	1.51%	2.67%

##### B. Impairment allowances

	Individual impairment allowances	Collective impairment allowances	Total
Balance as at 31-Dec-18			
- Advances to customers	8,257	36,937	45,194
- Advances to banks and other financial institutions	0	11,324	11,324
	8,257	48,261	56,518
Balance as at 30-Jun-18			
- Advances to customers	8,274	42,375	50,649
- Advances to banks and other financial institutions	0	5,702	5,702
	8,274	48,077	56,351

##### C. Impaired advances to customers

As at	31-Dec-18	30-Jun-18
Gross impaired advances to customers *	16,514	16,548
Individual impairment allowances	(8,257)	(8,274)
Total	8,257	8,274
Market value of collateral pledged	0	0
Covered portion of impaired advances	0	0
Uncovered portion of impaired advances	16,514	16,548
Gross impaired advances as a percentage of gross advances to customers	0.44%	0.78%
Individual impairment allowances as a percentage of gross impaired advances	50.00%	50.00%

There were no impaired advances to banks and other financial institutions, nor were there any individual impairment allowances made for them as at 31-Dec-18 and 30-Jun-18.

\* The advances have been offset by pledged deposits.

D Overdue and rescheduled advances to customers  
As at

	31-Dec-18	30-Jun-18
a Advances to customers overdue for more than 1 month and up to 3 months	0	0
more than 3 months and up to 6 months	0	0
more than 6 months and up to 1 year	0	0
more than 1 year	0	0
Individual impairment allowances made in respect of the above overdue advances	0	0
Market value of collateral held against the covered portion of all overdue advances	0	0
Covered portion of all overdue advances	0	0
Uncovered portion of all overdue advances *	0	0
b Rescheduled advances to customers (Net of those overdue advances which have been disclosed in above)	16,514	16,548

As a percentage of total gross advances to customers

	31-Dec-18	30-Jun-18
a Advances to customers overdue for more than 1 month and up to 3 months	0.00%	0.00%
more than 3 months and up to 6 months	0.00%	0.00%
more than 6 months and up to 1 year	0.00%	0.00%
more than 1 year	0.00%	0.00%
b Rescheduled advances to customers	0.44%	0.78%

\* The advances have been offset by pledged deposits

E Reconciliation for advances to customer between overdue advances and impaired advances is as follows

	31-Dec-18	30-Jun-18
Advances to customers overdue for more than 3 months	0	0
Less loans overdue but not impaired	0	0
Add overdue loans for 3 months or less than on which interests is being placed in suspense or interest ceased to accrue	0	0
Add impaired loans overdue for 3 months or less or not yet overdue and on which is still being accrued	0	0
Total impaired advances	0	0

There were no advances to banks and other financial institutions which were overdue or rescheduled as at 31-Dec-18 and 30-Jun-18

I Repossessed assets

As at 31-Dec-18 and 30-Jun-18, there were no repossessed assets held by our bank

### 3. DEBT SECURITIES HELD AND OTHER ACCOUNTS

Figures in HKD Thousand

#### A Available for sale securities

As at	31-Dec-18	30-Jun-18
Floating rate notes	-	-
Debt securities	98,805	198,992
Total	98,805	198,992
Issued by		
Bank in Hong Kong	0	0
Bank outside Hong Kong	0	0
Non Bank in Hong Kong	78,780	53,301
Non Bank outside Hong Kong	20,025	145,691
Total	98,805	198,992
Impairment allowances	0	0
Available for sale securities less impairment allowances	98,805	198,992
Impairment allowances as a percentage of available for sale securities	0%	0%

#### B Held-to-maturity securities

	31-Dec-18	30-Jun-18
Debt securities	0	0
Issued by		
Other financial institutions outside Hong Kong	0	0

#### C Overdue or impaired securities

Balance as at 31-Dec-18	0	0
- Neither overdue nor impaired	0	0
- Non-overdue but impaired	0	0
- Overdue and impaired	0	0
Total	0	0
Balance as at 30-Jun-18	0	0
- Neither overdue nor impaired	0	0
- Non-overdue but impaired	0	0
- Overdue and impaired	0	0
Total	0	0

#### D Other accounts

As at	31-Dec-18	30-Jun-18
Deposits in advanced	3,246	2,610
Prepaid expenses	1,576	781
Others	127,394	15,233
Total	132,216	18,624



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#### 4. OFF BALANCE SHEET INFORMATION

Figures in HKD Thousand

##### A Contingent liabilities and commitments

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

As at	31-Dec-18	30-Jun-18
Direct credit substitutes	449,920	268,603
Trade-related contingencies		
- customer's liabilities under letter of credit	76,282	177,004
- customer's liabilities under guarantee	0	0
- customer's liabilities under acceptance	17,793	31,276
Forward forward deposits placed		
Other commitments		
- other commitments within an original maturity of not more than one year	2,061,537	2,317,140
- other commitments within an original maturity of more than one year	373,723	625,665
	<u>2,435,260</u>	<u>2,942,805</u>

##### B Derivative financial instruments

As at	31-Dec-18	30-Jun-18
	Contract/notional amount	Contract/notional amount
exchange rate contracts	908,477	1,060,031
interest rate swap contracts	0	0
	<u>908,477</u>	<u>1,060,031</u>
Replacement costs of derivatives (of the above derivatives)	Replacement costs	Replacement costs
exchange rate contracts	1,557	1,754
interest rate swap contracts	0	0
	<u>1,557</u>	<u>1,754</u>

The replacement costs represent the cost of replacing all contracts which have a positive value when marked to market.



## 5. GROSS ADVANCES TO CUSTOMERS ANALYSED AND REPORTED BY LOAN USAGE

The following information concerning advances to customers by industry sectors has been classified in accordance with industry categories contained in the banking returns of Quarterly Analysis of Loans and Advances and the Provisions MA (BS2A) and Assets and Liabilities of an Authorised Institution MA (BS1) submitted to the Hong Kong Monetary Authority

Figures in HKD Thousand

### A By loan usage

As at	31-Dec-18		30-Jun-18	
	Outstanding balance	Balance covered by collateral	Outstanding balance	Balance covered by collateral
<b>1 Loan and advances for use in Hong Kong</b>				
<b>1 Industrial, commercial and financial</b>				
property development	328,975	327,147	202,384	98,384
property investment	1,464	1,464	64,924	64,924
financial concerns	9,786	0	584,414	0
stockbrokers	2,383	0	32,578	0
wholesale and retail trade	14,682	7,510	32,325	27,084
manufacturing	620,276	388,414	438,635	232,870
transport and transport equipment	1,349	987	71,000	1,000
others	2,911		39,238	0
	<b>981,826</b>	<b>725,522</b>	<b>1,465,498</b>	<b>424,262</b>
<b>2 Individuals</b>				
loans for the purchase of other residential properties	-	-	-	-
Others	1,930	223	1,305	906
	<b>1,930</b>	<b>223</b>	<b>1,305</b>	<b>906</b>
<b>3 Trade finance</b>	<b>2,538,455</b>	<b>627,923</b>	<b>160,176</b>	<b>47,982</b>
<b>4 Loan for use outside Hong Kong</b>	<b>214,573</b>	<b>30,288</b>	<b>1,062,309</b>	<b>378,387</b>
<b>Total</b>	<b>3,736,784</b>	<b>1,383,956</b>	<b>2,689,288</b>	<b>851,537</b>

### B Analysis of impaired advances for the individual loan usage category

As at	31-Dec-18		30-Jun-18	
	Impaired advances	Individual impairment allowances	Impaired advances	Individual impairment allowances
Loan for use outside Hong Kong	0	5,482	0	5,493
Trade Finance	0	2,775	0	2,781
	<b>0</b>	<b>8,257</b>	<b>0</b>	<b>8,274</b>

### C By geographical area

After taking into account the transfer of risk, exposures to a single country exceeding 10% of the aggregate gross advances to customers which are disclosed as follows

As at	Outstanding balance	Advances overdue for		Impaired advances	Individual impairment
		over 1-3 months	over 3 months		
As at 31-Dec-18					
Hong Kong	2,342,159	0	0	0	5,482
Taiwan	120,559	0	0	0	2,775
China	899,732	0	0	0	0
others	374,334	0	0	0	0
	<b>3,736,784</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,257</b>
As at 30-Jun-18					
Hong Kong	1,613,098	0	0	0	5,493
Taiwan	111,785	0	0	0	2,781
China	607,428	0	0	0	0
others	356,978	0	0	0	0
	<b>2,689,289</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,274</b>

## 6. INTERNATIONAL CLAIMS DISCLOSURE

The information on international claims discloses exposures to foreign counterparties on which the ultimate risk lies, and is derived according to the location of the counterparties after taking into account the transfer of country risk. They are prepared in accordance with the HKMA banking return of International Banking Statistics MA(BS)21 completion instruction. Countries or geographical areas constituting 10% or more of the total cross-border claims are disclosed.

Figures in HKD Million  
As at 31 Dec-18

	Banks	Official sector	Non-bank financial institutions	Non-financial private sector	Others	Total
Offshore centres						
- Hong Kong SAR	741	0	0	1,521	0	2,262
Developing Asia and Pacific						
- China	0	0	0	132	0	132
- Taiwan	1,208	0	0	9	0	1,217
	<u>1,949</u>	<u>0</u>	<u>0</u>	<u>1,662</u>	<u>0</u>	<u>3,611</u>

As at 30 Jun-18

	Banks	Official sector	Non-bank financial institutions	Non-financial private sector	Others	Total
Offshore centres						
- Hong Kong SAR	1,025	0	0	918	0	1,943
Developing Asia and Pacific						
- China	47	54	0	99	0	200
- Taiwan	731	0	0	8	0	739
	<u>1,803</u>	<u>54</u>	<u>0</u>	<u>1,025</u>	<u>0</u>	<u>2,882</u>

## 7. NON-BANK MAINLAND CHINA EXPOSURES

Non-bank counterparties are identified in accordance with the definitions set out in the banking return of Mainland Activities MA(BS)20 issued by HKMA. Exposure in Mainland China arising from non-bank counterparties are summarized as follows:

Figures in HKD Million

As at 31 Dec-18

	On-balance sheet exposures	Off-balance sheet	Total exposures
Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	314	0	314
Local governments, local government-owned entities and their subsidiaries and PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries	0	178	178
Other entities of central government not reported in item 1 above	719	19	738
Other entities of local government not reported in item 2 above	0	0	0
PRC nationals residing outside mainland China or entities incorporated outside mainland China where the credit is granted for use in mainland China	0	0	0
Other counterparties where the exposures are considered by the reporting institution to be non-bank	1,340	514	1,854
Total	<u>2,373</u>	<u>711</u>	<u>3,084</u>

Total assets after provision

6,206

On-balance sheet exposures as percentage of total assets

38.24%

As at 30 Jun-18

	On-balance sheet exposures	Off-balance sheet	Total exposures
Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	370	0	370
Local governments, local government-owned entities and their subsidiaries and PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries	228	0	228
Other entities of central government not reported in item 1 above	118	17	135
Other entities of local government not reported in item 2 above	0	0	0
PRC nationals residing outside mainland China or entities incorporated outside mainland China where the credit is granted for use in mainland China	0	0	0
Other counterparties where the exposures are considered by the reporting institution to be non-bank	1,167	777	1,944
Total	<u>1,883</u>	<u>794</u>	<u>2,677</u>

Total assets after provision

5,573

On-balance sheet exposures as percentage of total assets

33.79%

## 8. FOREIGN CURRENCY POSITION

The foreign currency exposures are prepared in accordance with the HKMA banking return of "Foreign Currency Position" completion instructions. The net position in foreign currencies are disclosed as follows

Figures in HKD Million

As at 31-Dec-18

	USD	GBP	JPY	EUR	CNY	AUD	NZD	Total
Spot assets	3,646	5	138	108	608	8	0	4,513
Spot liabilities	(4,549)	(6)	(138)	(114)	(611)	(8)	0	(5,426)
Forward purchases	908	0	0	6	0	0	0	914
Forward sales	(6)	0	0	0	0	0	0	(6)
Net option position	0	0	0	0	0	0	0	0
Net long (short) position	(1)	(1)	0	0	(3)	0	0	(5)

As at 30-Jun-18

	USD	GBP	JPY	EUR	CNY	AUD	NZD	Total
Spot assets	3,442	5	136	129	640	10	0	4,362
Spot liabilities	(4,323)	(6)	(136)	(129)	(747)	(10)	0	(5,351)
Forward purchases	962	0	0	1	107	0	0	1,070
Forward sales	(83)	0	0	0	(2)	0	0	(85)
Net option position	0	0	0	0	0	0	0	0
Net long (short) position	(2)	(1)	0	1	(2)	0	0	(4)

## 9. Liquidity information

The average liquidity maintenance ratio ("LMR") for each quarter in 2018 is the simple average of 3 months' average ratio during the quarter in the "Return of Liquidity Position of an Authorized Institution -MA(BS) I" calculated for the purpose of the Banking Ordinance

The average LMR for the year ended is calculated as the simple average of 12 months' average ratio during the period in the "Return of Liquidity Position of an Authorized Institution -MA(BS) I E" calculated for the purpose of the Banking Ordinance

Average liquidity maintenance ratio for the period of January to March 2018	41.36%
Average liquidity maintenance ratio for the period of April to June 2018	42.74%
Average liquidity maintenance ratio for the period of July to September 2018	40.10%
Average liquidity maintenance ratio for the period of October to December 2018	35.37%
Average liquidity maintenance ratio for the period of January to December 2018	39.90%
Average liquidity maintenance ratio for the period of January to December 2017	41.40%

## 10. Interest rate exposures in banking book

Interest rate risk is the risk resulting from adverse movement in interest rates. It primarily results from the timing differences in the re-pricing of interest-bearing assets, liabilities, and off-balance sheet items in the

In determining the level of interest rate risk, assessments are made for the repricing risk, basis risk, options risk, and yield curve risk. The Group manages the interest rate risk on the banking book primarily by focusing on re-pricing mismatches. Gap analysis provides a static view of the maturity and re-pricing characteristics of the Group's assets, liabilities, and off-balance sheet positions. Re-pricing gap limits are set to control the Group's interest rate risk.

The Group uses sensitivity analysis to measure the potential effect of changes in interest rates on our net interest income and economic value change. Sensitivity analysis in relation to the impact of changes in interest rate on earnings and economic value is assessed through a hypothetical interest rate shock of 100 basis points across the yield curve on the Group's assets, liabilities, and off-balance sheet positions.

The sensitivity analysis shown below is indicative and based on scenario and assumption prescribed by HKMA under completion instruction for the return of Interest Rate Risk Exposure (MA(BS)12), which is completed and reported quarterly on solo basis according to MA(BS)12. The HKMA applies a hypothetical interest rate shock of 200 basis points across the yield curve on the assets, liabilities, and off-balance sheet positions. This sensitivity analysis, which is based on a static interest rate risk profile of assets and liabilities, is used for risk management purposes only. The analysis is based on the following assumptions:

- (i) there is a parallel shift in the yield curve and in interest rates,
- (ii) there are no other changes to the
- (iii) no loan prepayment is assumed as the majority of loans is on a floating rate basis, and
- (iv) deposits without fixed maturity dates are assumed to reprice on the next day.

Sensitivity Analysis for 2018 and 2017

	2018				2017			
	HKD	USD	RMB	GBP	HKD	USD	RMB	GBP
	HK\$Mn	HK\$Mn	HK\$Mn	HK\$Mn	HK\$Mn	HK\$Mn	HK\$Mn	HK\$Mn
Impact on earnings over the next 12 months if interest rates rise by 200 basis point	4	4	0	0	4	6	16	0
Impact on economic value over the next 12 months if interest rates rise by 200 basis point	0	(3)	1	0	(1)	0	0	0

## IV OTHER INFORMATION

### 1. DISCLOSURE OF REMUNERATION

#### A. Remuneration system

The reward system of our Branch is designed and reviewed by our Head Office. The basis of determining the emoluments payable by the Branch to senior management is mainly by reference to the level of emoluments normally paid by comparable banks and employees' performance. Total compensation comprises a fixed component, allowance and benefits. The reward to be expensed as cash settled, no award as shared-based compensation plan.

#### B. Remuneration of senior management

For the year ended	31-Dec-18	31-Dec-17
Persons	11	9

Figures in HKD Thousand  
For the year ended

	31-Dec-18	31-Dec-17
Basis salaries, allowances and benefits	6,451	5,310
Variable remuneration	0	0
Deferred remuneration	0	0

### 2. LIQUIDITY RISK MANAGEMENT

#### A. Policy Statement of Liquidity risk management

a. The purpose of liquidity risk management is to ensure our abilities with sufficient cash flows to meet obligations payable to our customers and interbank counterparties. And our Branch should always hold an adequate quantity of high quality liquid assets in order to handle the situation of liquidity shortfalls.

b. Our Branch obeys "Hong Kong Branch Liquidity Management Policy", and other related regulations from our Head office to manage the liquidity risk.

c. Our Branch manages the liquidity on a prudent basis to ensure that we can always maintain a sufficiently high liquidity maintenance ratio relative to the statutory minimum. Otherwise, the internal limit of liquidity maintenance ratio on average for each month is set at 32% in order for the Branch to retain sufficient liquidity during its normal course of operation.

#### B. Management Mechanism of liquidity risk management

a. Asset and Liability Committee ("ALCO") is mainly responsible for the liquidity risk management in our Branch.

b. Assets and Liability Committee ("ALCO") is in charge of funds sources and asset allocation management, as well as market risk, liquidity risk and interest rate risk management, and other matters related to assets and liabilities management; members include the General Manager, department heads from administration, operation and business departments, compliance manager, treasury dealer and accounting manager. The ALCO is chaired by the General Manager.

#### 3. Disclosure Statement Available to the Public

Copies of the Disclosure Statement may be obtained from the reception of The Shanghai Commercial & Savings Bank Limited, Hong Kong Branch on 10/F, Peninsula Office Tower, 18 Middle Road, Tsim Sha Tsui, Kowloon, Hong Kong.

A copy of the Disclosure Statement has been lodged with the Hong Kong Monetary Authority's Public Registry and is available on the website [https://www.scsb.com.hk/hk\\_07.jsp](https://www.scsb.com.hk/hk_07.jsp) for public inspection.

**SECTION B - INFORMATION OF THE BANK (CONSOLIDATED BASIS)****I. CAPITAL AND CAPITAL ADEQUACY RATIO**

	31-Dec-18	30-Jun-18
A. Capital adequacy ratio	<u>14.10%</u>	<u>13.77%</u>

Figures in HKD Thousand	31-Dec-18	30-Jun-18
B. Aggregate amount of shareholders' funds	<u>33,425,747</u>	<u>31,675,684</u>

The capital adequacy ratio was compiled in accordance with the "Basel III capital accord". In accordance with the Capital Rules, the bank has adopted the "Standardised approach" for the calculation of the risk-weighted assets for credit risk and market risk, and "Basic indicator approach" for the calculation of operational risk.

**II. OTHER FINANCIAL INFORMATION**

Figures in HKD Thousand	31-Dec-18	30-Jun-18
Total assets	<u>482,290,065</u>	<u>460,563,544</u>
Total liabilities	<u>436,920,289</u>	<u>417,731,974</u>
Total advances	<u>265,116,437</u>	<u>255,827,689</u>
Total customer deposit	<u>387,321,525</u>	<u>370,248,604</u>
	Year to 31-Dec-18	Year to 31-Dec-17
Income / (loss) before income tax	5,845,528	5,586,723
Less. Income tax expenses	<u>(1,165,970)</u>	<u>(1,209,049)</u>
Consolidated income	<u>4,679,558</u>	<u>4,377,674</u>
Belong to:		
Stockholders of the parent company	3,494,564	3,262,447
Minority interest in subsidiaries	<u>1,184,994</u>	<u>1,115,227</u>
	<u>4,679,558</u>	<u>4,377,674</u>

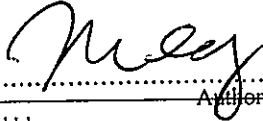
The applied exchange rate of TWD to HKD on :

2018/12/31	3.9238
2018/6/30	3.8970
2017/12/31	3.7963
2017/06/30	3.8967

**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 Shanghai Commercial & Savings Bank Limited, Hong Kong Branch for the year ended 31 Dec 2018. We confirmed that the information contained therein complies, in all material respects, with the supervisory policy manual CA-D-1 "Guideline on the Application of the Banking (Disclosure) Rules" issued in Aug 2015, and to the best of my knowledge and belief, it is not false or misleading.

For and on behalf of  
THE SHANGHAI COMMERCIAL & SAVINGS BANK, LTD.  
HONG KONG BRANCH



.....  
Authorized Signature(s)

Mr. TENG WAN LI

Branch General Manager

The Shanghai Commercial & Savings Bank Limited, Hong Kong Branch

28-Mar-19

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Date