

Statement of profit or loss and other comprehensive income for the year ended 31 December 2020

(Expressed in Hong Kong dollars)

	Note	2020	2019
Interest income calculated using the effective interest method	2(a)	\$ 76,483,328	\$ 89,234,189
Interest expense	2(b)	<u>(19,808,718)</u>	<u>(30,961,679)</u>
Net interest income		<u>\$ 56,674,610</u>	<u>\$ 58,272,510</u>
Fee and commission income	3	\$ 25,226,031	\$ 28,963,629
Fee and commission expense		<u>(843,989)</u>	<u>(881,623)</u>
Net fee and commission income		<u>\$ 24,382,042</u>	<u>\$ 28,082,006</u>
Other net income	4	<u>\$ 19,396,657</u>	<u>\$ 21,039,966</u>
Operating income		\$ 100,453,309	\$ 107,394,482
Operating expenses	5	<u>(84,988,139)</u>	<u>(85,493,968)</u>
		\$ 15,465,170	\$ 21,900,514
Net charge for impairment allowances	7	<u>(2,400,822)</u>	<u>(2,526,136)</u>
Profit before taxation		\$ 13,064,348	\$ 19,374,378
Income tax	8(a)	<u>(2,122,723)</u>	<u>(3,103,361)</u>
Profit for the year		<u>\$ 10,941,625</u>	<u>\$ 16,271,017</u>

**Statement of profit or loss and other comprehensive income
 for the year ended 31 December 2020 (continued)**
 (Expressed in Hong Kong dollars)

	Note	2020	2019
Profit for the year		\$ 10,941,625	\$ 16,271,017
Other comprehensive income			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Financial assets at fair value through other comprehensive income ("FVOCI") - net movement in the fair value reserve	9	<u>204,021</u>	<u>1,816,605</u>
Total comprehensive income for the year		<u>\$ 11,145,646</u>	<u>\$ 18,087,622</u>

The notes on pages 19 to 84 form part of these financial statements.

Statement of financial position at 31 December 2020

(Expressed in Hong Kong dollars)

	Note	2020	2019
Assets			
Cash and balances with banks	10	\$ 266,667,266	\$ 168,651,104
Placements with banks	11	-	39,893,265
Investments	12	601,852,481	576,129,128
Trade bills	13(a)	966,378,648	765,840,917
Advances to customers	14(a)	725,775,499	830,242,082
Taxation	20(a)	274,656	-
Deferred tax assets	20(b)	766,002	495,025
Fixed assets	15	100,647,987	104,431,311
Other assets	16	40,808,569	45,068,152
Total assets		<u>\$ 2,703,171,108</u>	<u>\$ 2,530,750,984</u>
Liabilities			
Deposits and balances from banks	17	\$ 355,529,461	\$ 71,517,942
Deposits from customers	18	1,379,746,053	1,611,189,235
Taxation	20(a)	-	1,985,144
Other liabilities	19	414,845,280	289,153,995
Total liabilities		<u>\$ 2,150,120,794</u>	<u>\$ 1,973,846,316</u>
Equity			
Share capital	23	\$ 300,000,000	\$ 300,000,000
Reserves		253,050,314	256,904,668
Total equity		<u>\$ 553,050,314</u>	<u>\$ 556,904,668</u>
Total equity and liabilities		<u>\$ 2,703,171,108</u>	<u>\$ 2,530,750,984</u>

Approved and authorised for issue by the Board of Directors on

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Sachil Dagur)
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Paul Jeremy Brough)

The notes on pages 19 to 84 form part of these financial statements.