

**HAITONG BANK, S.A.**

Share Capital: €844.769.000

Headquarters: Rua Alexandre Herculano, 38, 1269-180 Lisboa

Registered at Lisbon Commercial Register under number: 501 385 932

**Haitong Bank, S.A. reports 2021 Results**

Haitong Bank, S.A. ("Haitong Bank") informs about the 2021 consolidated and individual accounts, which have been approved by the Board of Directors and will be submitted to the Sole Shareholder.

Lisbon, 03 March 2022

**HAITONG BANK, S.A.**

## **Haitong Bank, S.A. reports 2021 results with strong operating performance**

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### **2021 Performance Highlights**

- **Net Profit:** preservation of profitability, with a Net Profit in 2021 of EUR 3.6 million (EUR 1.6 million in 2020)
  - **Operating Performance:** a solid Operating Profit of EUR 29 million, a 23% increase *versus* 2020
  - **Banking Income:** €89 million in 2021, up 9.4% year-on-year
  - **Asset quality:** good levels of Asset Quality indicators with NPL ratio of 2.1% and NPE ratio of 1.0%
  - **Capital position:** strong capital and liquidity positions with a CET1 ratio of 18.9%, Total Capital Ratio of 23.6% and NSFR of 142%
  - **New strategic initiatives** with the opening of the Macau Branch and regulatory approval for Haitong Global Asset Management
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## Financial Overview

**Haitong Bank, S.A.** (Haitong Bank) reports a 2021 Net Profit of €3.6 million vs. a Net Profit of €1.6 million in 2020. This performance shows a good level of resilience to the enduring impacts of the pandemic, as well as the focus of the Bank to remain profitable.

Despite the persistent volatile environment experienced in 2021, Total Banking Income for the year was EUR 89 million, showing a 9.4% increase from the EUR 82 million generated in 2020. Although the pandemic has slowed the speed of execution of certain projects, some business areas such as Structured Finance and Fixed Income have significantly recovered from the previous year's levels and contributed to this improved global performance. As the Bank maintained a strict cost discipline, Operating Profit in 2021 showed a 23% rise reaching EUR 29 million in 2021.

Loans to Customers had a remarkable 48% increase, to EUR 620 million, driven by the strong performance of the Structured Finance activity. The Bank was also able to preserve its good Asset Quality expressed by the NPL and NPE ratios that reached 2.1% (1.9% in 2020) and 1% (3.5% in the previous year) in 2021, respectively.

The Bank has been executing a consistent strategy over the past few years, focused on strengthening its domestic client franchise in Europe and Latin America, alongside a recurrent cross-border business flow with China. The opening of the Macau Branch, which started its activities in October 2021, will play a strategic role in accelerating the cross-border business with a China Angle, improving the coordination with Haitong Group as well as gaining a foothold in the Greater Bay Area, one of the most dynamic economic regions in the world.

## Capital

Haitong Bank continues to show strong capital and liquidity positions with a CET1 ratio of 18.9% and a Total Capital of 23.6% as at the end of 2021, giving the Bank the support to increase the size of its Balance Sheet through credit transactions, bond underwriting, hedging solutions, and other Fixed Income products.

### KEY INDICATORS

	(million euros)		
	2021 December	2020 December	2019 December
<b>Balance Sheet</b>			
Total Assets	2,747	2,801	2,607
Total Liabilities	2,140	2,203	1,991
Total Equity	607	598	616
<b>Results</b>			
Banking Income	89	82	108
Operating Costs	-60	-58	-72
Operating Profit	29	24	36
Impairment and Provisions	-20	-12	-23
Net Profit / Loss	4	2	8
<b>Efficiency</b>			
Cost to Income ratio	67.7%	71.3%	67.0%
<b>Credit Quality</b>			
Non-Performing Loans Ratio	2.1%	1.9%	3.6%
<b>Solvency</b>			
CET1 ratio (phased-in)	18.9%	22.7%	28.4%
Total capital ratio (phased-in)	23.6%	28.5%	35.9%

Source: Haitong Bank

**About Haitong Bank**

Haitong Bank, S.A. is part of Haitong Securities Co. Ltd, which is a leading investment bank and securities firm in China and a first-mover Chinese securities firm providing a wide range of services in global markets. Haitong Group is present in 14 countries in Asia, Europe, North America and South America, providing securities brokerage, wealth management, investment banking, asset management, private equity, and financial leasing services.

Haitong Bank offers a combination of expertise in structured finance, capital markets, M&A advisory, corporate derivatives, fixed income and asset management. Through its operations located in Portugal, Spain, the UK, Poland, Brazil and Macau, and broader access to Asia through Haitong Group, Haitong Bank connects clients and opportunities across its network with a team of about three hundred and fifty professionals.