



HAITONG BANK, S.A.

Share Capital: €871,277,660.00

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

Registered at Lisbon Commercial Register under number: 501 385 932

Haitong Bank, S.A. reports 2023 Results

Haitong Bank, S.A. ("Haitong Bank") informs about its 2023 consolidated and individual accounts, which have been approved by the Board of Directors and will be submitted to the Sole Shareholder.

Lisbon, March 8, 2024

HAITONG BANK, S.A.

Haitong Bank's 2023 Results show higher profitability, maintaining a strong capitalization and good asset quality indicators

2023 Performance Highlights

- Net Profit increase of 55% to €17 million in 2023 (from €11 million in 2022), showing consistent profitability
 - Total Assets of €3.5 billion
 - Strong Asset Quality indicators with an NPL ratio of 1.2% and an NPE ratio of 1.4%
 - Strong Capital and Liquidity positions with a CET1 ratio of 19.0% and a Total Capital Ratio of 23.8%
 - Diversified business with relevant contributions from recent strategic initiatives in London, Macau, and Paris
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Financial Overview

Haitong Bank, S.A. (“Haitong Bank” or “the Bank”) has succeeded in increasing the Net Profit by 55% to €17 million in 2023 from €11 million in 2022, showing that the Bank successfully managed the challenging backdrop of 2023 – a year marked by the wars in Ukraine and the Middle East, increasing market volatility, and high interest rates.

Total Banking Income for the year was €76 million, 2.7% higher than the €74 million reached in 2022. The overall results were supported by the Bank’s credit activities and active liability management, resulting in a significant increase in the Net Margin that more than doubled to €36 million. This performance more than compensated for the subdued amount of Fees and Commissions, impacted by the weaker China-related business. The Operating Result stood at €16 million, which represents a 25% increase when compared to €13 million in 2022. On the Operating Cost side, the Bank maintained a strict cost discipline, despite the inflationary environment in most of the markets where it is present.

Total Assets showed an expansion of 2.4%, reaching €3.5 billion by the end of 2023. The strong discipline regarding credit activities allowed the Bank to show, once again, strong Asset Quality indicators in 2023 expressed by the NPL and NPE ratios of 1.2% and 1.4%, respectively, by the end of 2023.

On the funding side, Haitong Bank continued to successfully diversify its funding sources, assuring a balanced funding mix and a comfortable liquidity position.

Haitong Bank has built a competitive business model, consolidated the scope of its business lines, and improved resource allocation. Throughout 2023, the Bank has also taken strategic initiatives to upgrade its presence in regions such as London, Macau, and Paris and further developed business areas such as Asset Management and Online Banking.

Capital & Liquidity

Haitong Bank continues to show strong capital and liquidity positions with a CET1 ratio of 19.0% and a Total Capital of 23.8%. This strong position provides the necessary support for the increase of the Balance Sheet through credit, bond underwriting, corporate hedging solutions, and other Fixed Income products.

KEY INDICATORS

	(million euros)	
	2023 December	2022 December
Balance Sheet		
Total Assets	3 499	3 416
Total Liabilities	2 846	2 788
Total Equity	652	628
Results		
Banking Income	76	74
Operating Costs	-60	-61
Operating Profit	16	13
Impairment and Provisions	11	0
Net Profit	17	11
Credit Quality		
Non-Performing Loan Ratio (NPL ratio)	1,2%	1,2%
Non-Performing Exposure Ratio (NPE ratio)	1,4%	0,5%
Solvency		
CET1 ratio (phased-in)	19,0%	17,4%
Total capital ratio (phased-in)	23,8%	21,8%

Source: Haitong Bank

About Haitong Bank

Haitong Bank, S.A. is part of Haitong Securities Co. Ltd, a leading securities firm in China and a first-mover Chinese financial services company operating across 5 continents and 15 countries, including the global financial hubs of Shanghai, Hong Kong, New York, London, Tokyo and Singapore.

Haitong Bank is an EU regulated bank headquartered in Lisbon, Portugal, and with a presence in Spain, the UK, Poland, Brazil, France and Macau. The Bank has an unrivalled cross-border approach, combining its franchises in Europe, Latin America and China. Haitong Bank offers a combination of expertise in structured finance, capital markets, M&A advisory, fixed income, corporate derivatives and asset management.