

*Statement of profit or loss and other comprehensive income
for the year ended 31 December 2019*

(Expressed in Hong Kong dollars)

	Note	2019	2018
Interest income calculated using the effective interest method	2(a)	89,234,189	84,254,514
Interest expense	2(b)	(30,961,679)	(22,446,432)
Net interest income		58,272,510	61,808,082
Fee and commission income	3	28,963,629	27,424,138
Fee and commission expense		(881,623)	(892,853)
Net fee and commission income		28,082,006	26,531,285
Other net income	4	21,039,966	20,966,364
Operating income		107,394,482	109,305,731
Operating expenses	5	(85,493,968)	(79,301,453)
		21,900,514	30,004,278
Net charge of impairment allowances	7	(2,526,136)	(7,117,610)
Profit before taxation		19,374,378	22,886,668
Income tax	8(a)	(3,103,361)	(3,961,657)
Profit for the year		16,271,017	18,925,011
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
Financial assets at fair value through other comprehensive income (FVOCI) - net movement in the fair value reserve	9	1,816,605	887,716
Total comprehensive income for the year		18,087,622	19,812,727

The notes on pages 22 to 104 form part of these financial statements.

Habib Bank Zurich (Hong Kong) Limited

Statement of financial position at 31 December 2019

(Expressed in Hong Kong dollars)

	Note	2019	2018
Assets			
Cash and balances with banks	10	168,651,104	207,080,565
Placements with banks	11	39,893,265	9,859,244
Investments	12	576,129,128	460,542,344
Trade bills	13(a)	765,840,917	594,596,815
Advances to customers	14(a)	830,242,082	766,025,122
Tax paid in advance	20(a)	-	2,114,221
Deferred tax assets	20(b)	495,025	3,133,341
Fixed assets	15	104,431,311	102,712,891
Other assets	16	45,068,152	22,400,472
Total assets		2,530,750,984	2,168,465,015
Liabilities			
Deposits and balances from banks	17	71,517,942	6,195,755
Deposits from customers	18	1,611,189,235	1,328,134,836
Current taxation	20(a)	1,985,144	-
Other liabilities	19	289,153,995	280,317,378
Total liabilities		1,973,846,316	1,614,647,969
Equity			
Share capital	23	300,000,000	300,000,000
Reserves		256,904,668	253,817,046
Total equity		556,904,668	553,817,046
Total equity and liabilities		2,530,750,984	2,168,465,015

The notes on pages 22 to 104 form part of these financial statements.

Approved and authorised for issue by the Board of Directors on 13 March 2020.

Sachil Dagur
Chief Executive
& Executive Director

Mohamedali R. Habib
Chairman