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**Reminder:**

Non-core business activities (within past 12 months)/ P/L, D/A, D/P, export bills settled by current A/C (within past 6 months) has record, please refer **item 7** account conduct.

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|  |  |  |  |
| --- | --- | --- | --- |
| RELATIONSHIP NAME | : |  |  |
| TR NAME | : xxxx xxx limited | SERIAL NUMBER | : |
| DEFAULT CURRENCY | : HKD |  |  |
| UNITS | : THOUSANDS |  |  |

|  |
| --- |
| REMARKS |

|  |
| --- |
| **Facility Tree Clean-up (Y/N)\***: Yes/ No  **Mandatory Fields (Y/N)\***: Yes |

1. **Executive Summary For approval by WCR Matthew So**

(please **🗹** as appropriate)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Group** | : |  | **CRR\*** | **Override**  **(Y/N)\*** | **SIC CODE & Business Nature** | |
| HASE Borrowers | : |  |  | N | 17121 | Yarn Dyeing |
|  |  |  | N | 17302 | \*\* Mfg |
|  |  |  | Y | 70108 | Property Hldg |
|  |  |  |  | Y | 17302 | \*\* Mfg |
| **Customer Since** | : | 2001 | | | | |
| **New-to-Bank Customers (“NTB”)** | : | 🞏 Yes  🞏 NTB Interim review is required  🞏 NTB Interim review is not required  🗹 No  *(please refer to Appendix 1.1 for detailed definition and handling)* | | | | |
| **POE Customer** | : | 🞏 Yes / 🗹 No *(please* 🗹 *as appropriate)* | | | | |
| **Connected Party of HASE/HBAP under Banking Ordinance S83** | : | 🞏 Yes / 🗹 No *(if “yes” please go to Appendix 1.3 for further checking)* | | | | |
| **Subject :** | : | **Annual Review (Renewal limit: HKD142.32M (USD18.2m); RANTS HKD64.48M)** | | | | |
| **Risk Grade** | : | 3 (Unchanged) | | | | |
| **WWM List** |  | 🞏 Worry / 🞏 Watch 🗹 Monitor / 🞏 NA | | | | |
| **Date** | : | Mar 2016 | | | | |

**\* see Appendix 1**

|  |  |  |  |  |  |
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| **Facilities to be granted** *(please* **🗹** *as appropriate)* | | | | |  |
| 🗹 **GBF** | 🞏 **CRE**  (with STL CRE Votum) | 🞏 **Term Loan**  #(refer below remarks) | 🞏 **Investment Financing** | 🞏 **Premium Financing** | 🞏 **Mortgage Loan**  *(please complete the Mortgage Checklist in Section 2)* |

***# IMPORTANT:*** *“For term loans with maturity over 1 year,* ***cash flow projection*** *in normal and stressful conditions is compulsory unless* ***justification*** *is provided and documented in proposals should RMs consider otherwise.” Please refer to section 5.8 of Corporate Lending Guidelines for details.*

|  |  |  |
| --- | --- | --- |
| **Last annual review date** | **Accumulative facility increase since last review / CRM approval** | **Last increase approved by** |
| Jan2015 | * HKD30M Cash Back RLN |  |
| **Purpose** | 1. To conduct an annual review on existing facilities; 2. To add sublimit OPC of HKD10m for “\*\*”; 3. To add a new borrower “”;  * To refinance 2 mortgage loans of the 2 pledged properties from SCB (No cash outflow); * To propose a CBL trade facilities of HKD11m for customer working capital needs;  1. To reduce the pricing of \*\* negotiation under \*\* insurance coverage by 50bp to H/L+1.5% for “BG”; 2. To reduce the low-utilized HKD30m cash back RLN; 3. Annual review fee: HKD25,000 ($12.5k each for \*\* and \*\*); | |
| **Profitability** | Actual RoRWA: 12.42%; TOI: HKD1,377k (for the period of 1-12/2014)  Actual RoRWA: 12.47%; TOI: HKD1,642k (for the period of 1-12/2015)  Projected RoRWA/ROE: 5.23%/39.67% (Hurtle Rate RoRWA/ROE: 3%/15%) | |
| **Account Strategy** | Grow | |

**CROSS-SELLING PATRONAGE**

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| --- | --- | --- |
|  |  | **Performance** |
| **(i)** | **Deposit** | * A free deposit balance at HKD2.57m. |
|  | | |
| **(ii)** | **Treasury** | Status of RMB contact in HASE and other bank:   * HASE (USD1M) (Unwind cost: USD657.1m)   MayJul16 CNH Strike 6.29 EKI 6.5, Aug16-Jun17 CNY Strike 6.2 EKI 6.4   * DBS (USD2M) (Unwind cost: ~USD1.35)   Feb16 CNH Strike 6.3, Mar-Oct16 CNH Strike 6.4, Nov16-Jun17 CNH Strike 6.43 |
|  | | |
| **(iii)** | **Trade** | * It is expected to have around overq HKD100M import/export bills turnover per annum. (The group has channeled HKD135m sales proceed through us during the last year, reference from RCM report dated 30/1/2016) |
|  | | |
| **(iv)** | **Other cross selling products** | * Insurance: We have successfully introduced keyman insurance to the Group in the past. Currently, customer is interested in KPI for new partner of “\*\*” Mr. \*\*. The deal is likely to close by 1Q2016. |

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| **Borrower** | **Last CRR** | **Current CRR** | **Current CRR rating generated method <before overridden> (Appendix 1.4 Table A)** | **Current CRR Override**  **(Y/N)** | **Override Category**  **(Appendix 1.4 Table)** | **Policy Override**  **(Y/N)** |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |

**1. Comment on CRR changes current vs last approved**

**2. Comment and Reason on Model/ Scorecard change (current vs last approved, if any)**

**Justification/ Explanation on Proposed CRR**

|  |  |  |
| --- | --- | --- |
| **Borrower** | **Current CRR Override**  **(Y/N)** | **Justification / explanation on Proposed CRR**  **(Required for all borrowers no matter CRR is overridden or not)** |

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