

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Huishang Bank Corporation Limited*

徽商銀行股份有限公司*

*(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 3698)*

ANNOUNCEMENT ON UPDATE OF THE CHANGE OF THE PUBLIC FLOAT

The Board hereby announces that the public float of the Bank's H shares further decreased from 24.12% to approximately 24.04%, which continues to be below the minimum of 25% as required under Rule 8.08(1)(a) of the Listing Rules.

Shareholders and potential investors of the Bank are advised to exercise caution when dealing in the shares of the Bank.

Reference is made to the announcements (the “Announcements”) of Huishang Bank Corporation Limited (the “Bank”) dated May 11, 2016, May 19, 2016, June 21, 2016, August 1, 2016 and August 30, 2016. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcements.

The Bank wishes to update its shareholders and potential investors about the change of the public float of the Bank.

UPDATE OF THE STATUS OF THE PUBLIC FLOAT OF THE BANK AND REASON FOR THE CHANGE

The board of directors (“Board”) of the Bank hereby announces that the public float of the Bank further decreased from 24.12% to approximately 24.04%, which continues to be below the minimum of 25% as required under Rule 8.08(1)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The further decrease in the public float of the Bank's H shares is due to the fact that Shanghai Soong Ching Ling Foundation, a substantial shareholder of the Bank, increased its shareholding in the Bank's H shares through its controlled corporation by way of on-exchange trading on September 1, 2016. According to the disclosure of interests forms submitted to The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) by Shanghai Soong Ching Ling Foundation and its controlled corporation Zhongjing Xinhua Property Management (Hong Kong) Co., Limited (“Zhongjing Xinhua Hong Kong”) on September 5, 2016, Zhongjing Xinhua Hong Kong acquired 9,232,000 H shares of the Bank on September 1, 2016. Accordingly, the number of H shares of the Bank indirectly held by Shanghai Soong Ching Ling Foundation increased to 506,646,000. Together with its indirect holding of 649,042,730 domestic shares of the Bank, the total issued share capital of the Bank indirectly held by Shanghai Soong Ching Ling Foundation has increased to 10.46%. As Shanghai Soong Ching Ling Foundation is a core connected person of the Bank, its holding of the Bank's H shares is not regarded as being held by the public. As a result, the public float of the Bank's H shares further decreased to approximately 24.04%.

To the best of the Board's knowledge and according to the latest information received by the Bank, the Bank's current shareholding structure is as follows:

Shareholder	Number of shares of the Bank held	Percentage of the issued shares of the Bank in each class of shares ^(Note 3)	Percentage of the total issued shares of the Bank ^(Note 3)
Shanghai Soong Ching Ling Foundation ^(Note 1)			
Domestic share	649,042,730	8.23%	5.87%
H share	506,646,000	16.02%	4.59%
Sub-total	1,155,688,730	-	10.46%
Other holders of domestic shares ^(Note 2)	7,238,276,553	91.77%	65.51%
Other public holders of H shares	2,655,854,000	83.98%	24.04%
Total	11,049,819,283	-	100%

Notes:

1. To the best of the Board's knowledge and according to the latest information received by the Bank, as at the date of this announcement, Shanghai Soong Ching Ling Foundation indirectly controls Zhongjing Xinhua Asset Investment Management Co., Ltd., Zhongjing Sihai Company Ltd., Zhongjing Xinhua Hong Kong and Wealth Honest Limited ("Wealth Honest"), which in turn directly holds 204,346,570 domestic shares, 444,696,160 domestic shares, 37,416,000 H shares and 469,230,000 H shares of the Bank, respectively. Accordingly, Shanghai Soong Ching Ling Foundation is deemed to be interested in the shares of the Bank held by the above-mentioned companies.

In addition, according to the disclosure of interests forms submitted to the Stock Exchange by Shanghai Soong Ching Ling Foundation and Wealth Honest on May 16, 2016, the Bank became aware that Wealth Honest acquired 400,000,000 H shares of the Bank by way of off-exchange trading on May 12, 2016. The Bank was subsequently officially informed on July 8, 2016 that the proposed acquisition of these 400,000,000 H shares of the Bank by Wealth Honest had not yet been completed. According to the latest information received by the Bank and based on the Bank's enquiry on the disclosure of interests forms related to the Bank's H shares as submitted to the Stock Exchange as at the date of this announcement, no updates are noted, and the proposed acquisition of 400,000,000 H shares by Wealth Honest has not yet been completed to date. Accordingly, Shanghai Soong Ching Ling Foundation is not deemed to have an interest in these 400,000,000 H shares of the Bank. Assuming there is no other reason which would lead to a change in the public float of the Bank's H shares before the completion of the acquisition of these shares, the public float of the Bank's H shares will further decrease from approximately 24.04% to approximately 20.42% upon the completion of such acquisition. The Bank will closely monitor the progress of such transaction and publish announcement(s) as and when appropriate.

2. To the best of the Board's knowledge and according to the latest information received by the Bank, the Bank has more than 16,300 holders of domestic shares, and no single holder of domestic shares holds 10% or more of the total issued share capital of the Bank.
3. Any discrepancies between the percentage of total and sum of items showed in the table are due to rounding.

PROPOSAL TO RESTORE PUBLIC FLOAT

The Bank is currently considering various options so as to restore its public float of H shares as soon as practicable, including (i) continuing to promote the initial public offering and the listing of A shares; (ii) contacting the substantial shareholders of the Bank and suggesting them to place down their shares in the Bank as soon as practicable; and (iii) seeking opportunities to conduct placing of H shares after considering the market conditions in full and with detailed planning. The Bank will also publish announcements(s) on a monthly basis to update its shareholders and potential investors on the status of the public float of the Bank's H shares and measures that may be introduced by the Bank to restore its public float.

Shareholders and potential investors of the Bank are advised to exercise caution when dealing in the shares of the Bank.

By order of the Board
Huishang Bank Corporation Limited*
Li Hongming
Chairman

Hefei, Anhui Province, China
September 30, 2016

As at the date of this announcement, the board of directors of the Bank comprises Li Hongming, Xu Demei, Wu Xuemin and Ci Yaping as executive directors; Zhang Feifei, Zhu Jiusheng, Qian Li, Lu Hui, Zhao Zongren, Qiao Chuanfu and Gao Yang as non-executive directors; Au Ngai Daniel, Dai Genyou, Wang Shihao, Zhang Shenghuai, Fung Weichang and Zhu Hongjun as independent non-executive directors.

* Huishang Bank Corporation Limited is not an authorized institution within the meaning of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorized to carry on banking/deposit-taking business in Hong Kong.