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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 and 4608 (Preference shares))

ANNOUNCEMENT ON UPDATE OF THE STATUS OF THE PUBLIC FLOAT

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, August 30, 2016, September 30, 2016, October 31, 2016, November 30, 2016, January 3, 2017 and March 16, 2017. 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 status of the public float of the Bank’s H shares.

UPDATE OF THE STATUS OF THE PUBLIC FLOAT OF THE BANK

The current public float of the Bank’s H shares is 19.94% and remains below the minimum of 25% as required under Rule 8.08(1)(a) of the Listing Rules.

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

| Shareholder | Number of ordinary shares of the Bank held | Percentage of the issued share of the Bank in each class of shares ^(Note 4) | Percentage of the total issued ordinary shares of the Bank ^(Note 4) |
|---|--|--|--|
| Shanghai Soong Ching Ling Foundation ^(Note 1) | | | |
| Domestic shares | 649,042,730 | 8.23% | 5.87% |
| H shares | 892,215,000 | 28.21% | 8.07% |
| H shares held by persons who are accustomed to take instructions from a core connected person in relation to voting ^(Note 2) | 67,431,000 | 2.13% | 0.61% |
| Sub-total | 1,608,688,730 | – | 14.55% |
| Other holders of domestic shares ^(Note 3) | 7,238,276,553 | 91.77% | 65.51% |
| Other public holders of H shares | 2,202,854,000 | 69.66% | 19.94% |
| Total | 11,049,819,283 | – | 100.00% |

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. (中靜新華資產管理有限公司) ("**Zhongjing Xinhua**"), Zhongjing Sihai Company Ltd., Zhongjing Xinhua Property Management (Hong Kong) Co., Limited, Wealth Honest Limited ("**Wealth Honest**") and Golden Harbour Investments Management Limited ("**Golden Harbour**"), which in turn directly holds 204,346,570 domestic shares, 444,696,160 domestic shares, 90,416,000 H shares, 469,230,000 H shares and 332,569,000 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.
2. According to the disclosure of interests forms submitted to the Stock Exchange by Golden Harbour and its associated companies on January 25, 2017 and March 7, 2017, Golden Harbour acquired 400,000,000 H shares of the Bank by way of off-exchange trading on January 21, 2017, among which the acquisition of 332,569,000 H shares was completed on March 2, 2017. The Bank was informed by Zhongjing Xinhua, another company controlled by Shanghai Soong Ching Ling Foundation, by email on February 9, 2017 that Wealth Honest Fund LP (a limited partnership established in the Cayman Islands) holds 100% equity interests in Golden Harbour; and that Wealth Honest Cayman Holdings Company Limited (a wholly-owned subsidiary of Wealth Honest) is the sole general partner of Wealth Honest Fund LP and has absolute control over the operations of the limited partnership. Accordingly, Golden Harbour, being a company 100% indirectly controlled by Wealth Honest, is also a company indirectly controlled by Shanghai Soong Ching Ling Foundation and a core connected person of the Bank and therefore the above-mentioned 332,569,000 H shares of the Bank (where completion of such acquisition has taken place) is not considered to be held by the public (see Note 1 above). According to the email from Zhongjing Xinhua, the Bank further understands that although acquisition of the remaining 67,431,000 H shares of the Bank has not been completed as at the date of this announcement, the vendor(s) undertook to appoint the person(s) designated by Golden Harbour as its (their) proxy to attend and vote at the general meeting or class meetings of the Bank in accordance with the instructions of Golden Harbour. As a result, these 67,431,000 H shares of the Bank are also considered not to be held by the public under Rule 8.24 of the Listing Rules.
3. 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 ordinary share capital of the Bank.
4. Any discrepancies between the percentage of total and sum of items showed in the table are due to rounding.
5. As at the date of this announcement, the Bank has issued 44,400,000 offshore preference shares with a par value of RMB100 each. Pursuant to the articles of association of the Bank, the holders of offshore preference shares of the Bank are not entitled to convene and attend any general meeting of the Bank or vote at any general meeting of the Bank, except as stated in the terms and conditions of the offshore preference shares. If any trigger event occurs, the offshore preference shares may be converted into H shares in accordance with the conversion terms. For further details, please refer to the announcements of the Bank dated November 3, 2016 and November 10, 2016.

PROPOSAL TO RESTORE PUBLIC FLOAT

The Bank is currently considering various options so as to restore its public float 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 on a monthly basis to update its shareholders and potential investors on the status of the public float of the Bank 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
April 28, 2017

As at the date of this announcement, the board of directors of the Bank comprises Li Hongming, 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 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.*