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**RESULTS OF THE RIGHTS ISSUE OF 249,900,094 RIGHTS SHARES  
AT THE SUBSCRIPTION PRICE OF HK\$14.26 PER RIGHTS SHARE  
ON THE BASIS OF ONE RIGHTS SHARE FOR  
EVERY TWO SHARES HELD ON THE RECORD DATE  
ON A NON-UNDERWRITTEN BASIS**



**Financial Advisers to the Rights Issue**

**RESULTS OF THE RIGHTS ISSUE**

The Board is pleased to announce that, as at 4:00 p.m. on Friday, 14 September 2018, being the latest time for payment for and acceptance of Rights Shares and for application and payment for excess Rights Shares, a total of 232 valid acceptances and applications had been received for a total of 371,193,594 Rights Shares, which comprise: (i) 158 valid acceptances for provisional allotment of a total of 254,442,426 Rights Shares, representing approximately 70.42% of the total number of Rights Shares available for subscription under the Rights Issue; and (ii) 74 valid applications for excess Rights Shares of a total of 116,751,168 Rights Shares, representing approximately 32.31% of the total number of Rights Shares available for subscription under the Rights Issue.

After deducting the number of the Waived Pro Rata Entitlement Shares and the Waived Excess Shares, a total number of Rights Shares validly accepted for provisional allotment is 249,774,426, representing approximately 69.13% of the total number of Rights Shares available for subscription under the Rights Issue, and the total number of Rights Shares validly applied for under excess applications is 125,668, representing approximately 0.03% of the total number of Rights Shares available for subscription under the Rights Issue. In aggregate, a total of 249,900,094 Rights Shares had been validly accepted and applied for after the deduction of the Waived Pro Rata Entitlement Shares and the Waived Excess Shares. They represented approximately 69.16% of the total number of 361,313,000 Rights Shares available for subscription under the Rights Issue. As the Rights Issue is non-underwritten, the size of the Rights Issue was reduced by the number of the unsubscribed Rights Shares.

The Rights Issue has become unconditional as at 5:00 p.m. on Monday, 17 September 2018.

It is expected that the share certificates for fully-paid Rights Shares will be despatched by ordinary post to those applicants entitled at their own risk on Monday, 24 September 2018.

Dealings in the Rights Shares, in their fully-paid form, are expected to commence on the Stock Exchange at 9:00 a.m. on Wednesday, 26 September 2018.

References are made to the prospectus of Chong Hing Bank Limited (the “**Bank**”) dated 31 August 2018 (the “**Prospectus**”) in relation to the Rights Issue and the announcement of the Bank dated 14 August 2018 in respect of the Subscription and the Rights Issue. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Prospectus.

## **RESULTS OF THE RIGHTS ISSUE**

The Board is pleased to announce that, as at 4:00 p.m. on Friday, 14 September 2018, being the latest time for payment for and acceptance of Rights Shares and for application and payment for excess Rights Shares, a total of 232 valid acceptances and applications had been received for a total of 371,193,594 Rights Shares, which comprise:

- (i) 158 valid acceptances for provisional allotment of a total of 254,442,426 Rights Shares, representing approximately 70.42% of the total number of Rights Shares available for subscription under the Rights Issue; and
- (ii) 74 valid applications for excess Rights Shares of a total of 116,751,168 Rights Shares, representing approximately 32.31% of the total number of Rights Shares available for subscription under the Rights Issue.

Pursuant to the Irrevocable Undertaking, Yuexiu Financial Holdings has accepted and subscribed for 244,687,500 Rights Shares under the PAL. Yuexiu Financial Holdings has also applied for 116,625,500 Rights Shares under the EAF.

Given the taking up of all Undertaken Shares by Yuexiu Financial Holdings and the allotment and issue of the excess Rights Shares applied for by Yuexiu Financial Holdings will cause its shareholding in the Bank to exceed the 75% Threshold, Yuexiu Financial Holdings has waived the right of taking up 4,668,000 Waived Pro Rata Entitlement Shares and 116,625,500 Waived Excess Shares. Such Waived Pro Rata Entitlement Shares and Waived Excess Shares have become available for subscription under the Rights Issue.

After deducting the number of the Waived Pro Rata Entitlement Shares and the Waived Excess Shares, a total number of Rights Shares validly accepted for provisional allotment is 249,774,426, representing approximately 69.13% of the total number of Rights Shares available for subscription under the Rights Issue, and the total number of Rights Shares validly applied for under excess applications is 125,668, representing approximately 0.03% of the total number of Rights Shares available for subscription under the Rights Issue. In aggregate, a total of 249,900,094 Rights Shares had been validly accepted and applied for after the deduction of the Waived Pro Rata Entitlement Shares and the Waived Excess Shares. They represented approximately 69.16% of the total number of 361,313,000 Rights Shares available for subscription under the Rights Issue. As the Rights Issue is non-underwritten, the size of the Rights Issue was reduced by the number of the unsubscribed Rights Shares.

## **EXCESS RIGHTS SHARES**

Excluding the application for the Waived Excess Shares, 73 valid applications were received in respect of 125,668 excess Rights Shares.

Based on the number of valid acceptances after the deduction of the Waived Pro Rata Entitlement Shares referred to above, 111,538,574 Rights Shares are available for excess applications. Accordingly, the Board has resolved to allocate in full to all those Qualifying Shareholders (other than Yuexiu Financial Holdings and the PRC Stock Connect Investors) who applied for excess Rights Shares the excess Rights Shares they applied for under their respective EAFs.

The Board is of the view that the above basis of allotment is fair and reasonable to accept all valid applications (other than the application by Yuexiu Financial Holdings) for excess Rights Shares and allot the Rights Shares in full to the Qualifying Shareholders (other than Yuexiu Financial Holdings and the PRC Stock Connect Investors) who applied for excess Rights Shares under the excess applications.

## **RIGHTS ISSUE BECOMING UNCONDITIONAL**

The Rights Issue has become unconditional as at 5:00 p.m. on Monday, 17 September 2018.

## **EFFECT OF THE RIGHTS ISSUE ON SHAREHOLDINGS IN THE BANK**

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the shareholding structure of the Bank immediately before and after completion of the Rights Issue is as follows:

	<b>Immediately before completion of the Rights Issue</b>		<b>Immediately after completion of the Rights Issue</b>	
	<i>No. of Shares</i>	<i>Approx. % of issued Shares (Note)</i>	<i>No. of Shares</i>	<i>Approx. % of issued Shares (Note)</i>
<b>Shareholders</b>				
Yuexiu Financial Holdings	489,375,000	67.72%	729,394,500	75.00%
<b>Public Shareholders</b>				
The Subscriber	70,126,000	9.70%	70,126,000	7.21%
Other Shareholders (being public Shareholders)	<u>163,125,000</u>	<u>22.57%</u>	<u>173,005,594</u>	<u>17.79%</u>
Sub-total	<u>233,251,000</u>	<u>32.28%</u>	<u>243,131,594</u>	<u>25.00%</u>
Total	<u><u>722,626,000</u></u>	<u><u>100%</u></u>	<u><u>972,526,094</u></u>	<u><u>100%</u></u>

*Note: Certain percentage figures included in the table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.*

## **DESPATCH OF SHARE CERTIFICATES FOR RIGHTS SHARES AND REFUND CHEQUES**

It is expected that the share certificates for fully-paid Rights Shares will be despatched by ordinary post to those applicants and the refund cheques in respect of the Waived Pro Rata Entitlement Shares and Waived Excess Shares will be despatched by ordinary post to Yuexiu Financial Holdings at their own risk on Monday, 24 September 2018.

As the Board has resolved to allocate in full to all those Qualifying Shareholders (other than Yuexiu Financial Holdings and the PRC Stock Connect Investors) who applied for excess Rights Shares the excess

Rights Shares they applied for under their respective EAFs, no refund cheques for wholly and partially unsuccessful applications for excess Rights Shares (other than the Waived Excess Shares) is required to be posted.

Applicant(s) will receive one share certificate for all Rights Shares allotted and issued to him/her/it.

## **COMMENCEMENT OF DEALINGS OF RIGHTS SHARES IN FULLY-PAID FORM**

Dealings in the Rights Shares, in their fully-paid form, are expected to commence on the Stock Exchange at 9:00 a.m. on Wednesday, 26 September 2018.

## **COMPLETION OF THE SUBSCRIPTION AND RIGHTS ISSUE**

Since the Bank became a member of Yuexiu Group, its business results have recorded remarkable growth year after year. Its net profit had grown by 181% from HK\$557 million in 2013 to HK\$1,565 million in 2017, representing a compound annual growth rate of 29.5%. Its return on equity also increased notably to 10.10% in the first half of 2018 from 6.26% in the same period last year. Following completion of the Subscription and the Rights Issue, the Bank will raise net proceeds of approximately HK\$4.52 billion. For the purposes of illustrating hypothetically the effect of the Subscription and Rights Issue, the unaudited pro forma Tier 1 capital ratio of the Bank as at 30 June 2018 would have been increased from 13.23% to approximately 17.06% had the Subscription and the Rights Issue been completed on 30 June 2018.

The Board is satisfied with the results of the Subscription and the Rights Issue in the midst of the fluctuating capital markets worldwide. The Bank considers that by taking up its pro rata entitlement and applying for the excess Rights Shares to the maximum extent permissible under the Listing Rules in the Right Issue at a low discount rate compared to the closing price of the Shares as at the date of the Announcement, Yuexiu Group has provided exceptional support to the Rights Issue and showed commitment in devoting resources to the future development of the Bank. The Bank also considers that GZ Metro has demonstrated its great confidence in the Bank's prospects and growth potential by subscribing for the Subscription Shares at such a low discount rate. The Bank believes that the significant synergies with Yuexiu Group and GZ Metro will enable the Bank to effectively seize the opportunities presented by the development of the Guangdong-Hong Kong-Macao Greater Bay Area.

The Bank has been growing alongside Hong Kong for 70 years and strives to create value for shareholders. Looking forward, the Bank will continue to devote itself to realising its corporate vision of establishing an "integrated commercial bank with cross-border expertise", consolidating its business base in Hong Kong while grasping development opportunities presented by the Guangdong-Hong Kong-Macao Greater Bay Area initiative. The Bank thanks Yuexiu Group, GZ Metro and all other Shareholders for their support.

By Order of the Board  
**Chong Hing Bank Limited**  
**Zhang Zhaoxing**  
*Chairman*

Hong Kong, 21 September 2018

*As of the date of this announcement, the Board comprises:*

- *Executive Directors*  
*Mr. Zong Jianxin (Deputy Chairman and Chief Executive) and Mr. Lau Wai Man (Deputy Chief Executive);*
- *Non-executive Directors*  
*Mr. Zhang Zhaoxing (Chairman), Mr. Li Feng, Mr. Chow Cheuk Yu Alfred and Ms. Chen Jing; and*
- *Independent Non-executive Directors*  
*Mr. Cheng Yuk Wo, Mr. Ma Chiu Cheung Andrew, Mr. Lee Ka Lun and Mr. Yu Lup Fat Joseph.*