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))

POSITIVE PROFIT ALERT

This announcement is made pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors (the "**Board**") of Huishang Bank Corporation Limited (the "**Bank**", together with its subsidiaries, the "**Group**") wishes to inform the shareholders of the Bank and its potential investors that, based on the preliminary assessment made in the consolidated management accounts of the Group for the year ended December 31, 2018 which have not been audited or reviewed, the Bank estimates that, on a consolidated basis, as at December 31, 2018, the Group recorded a net profit attributable to the shareholders of the Bank of approximately RMB8.7 billion, representing a year-on-year increase of approximately over 14%; the cost-to-income ratio of the Group will be approximately 23.02%; and the total assets of the Group will grow by approximately over 15% as compared with the year of 2017 to exceed RMB1 trillion.

According to the information currently available, the Board considers that the increase in the Group's net profit was mainly attributable to (1) the increase in interest-earning assets to effectively promote the increase in the operating income of the Bank; and (2) the further decrease in the cost-to-income ratio in light of the effective cost control due to rational business allocation and expense management by the Bank.

The information contained in this announcement is based on the preliminary assessment made with reference to the consolidated management accounts of the Group for the year ended December 31, 2018, which have not been reviewed or audited by the Bank's auditors. The actual results of the Group may be different from those disclosed herein. Shareholders and potential investors are advised to read the results announcement for the year ended December 31, 2018 of the Bank carefully. Such announcement is expected to be published before the end of March 2019.

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*
Wu Xuemin
Chairman

Hefei, Anhui Province, China
February 22, 2019

As at the date of this announcement, the Board of the Bank comprises Wu Xuemin, Zhang Renfu and Ci Yaping as executive directors; Zhu Yicun, Qian Li, Wu Tian, Qian Dongsheng, Gao Yang, Wang Wenjin and Zhao Zongren as non-executive directors; Zhou Yana, Dai Peikun, Yin Jianfeng, Huang Aiming, Hu Jun and Liu Zhiqiang as independent non-executive directors.

* *Huishang Bank Corporation Limited is not an authorized institution within the meaning of the Hong Kong 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.*