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 potential investors that, based on the preliminary assessment made in the interim consolidated management accounts of the Group for the six months ended June 30, 2019 which have not been audited or reviewed, the Group estimates that, for the six months ended June 30, 2019, the net profit of the Group will be approximately RMB5 billion, representing an increase of over 16% as compared with the same period of 2018; the cost-to-income ratio of the Group will be approximately 22%; the return on average equity will be no lower than 15%. As at June 30, 2019, the total assets of the Group will grow by over 4% as compared with the end of 2018, and the non-performing loan ratio will be approximately 1.03%; the non-performing loan provision coverage ratio will be no lower than 300%; the loan provision coverage ratio will be no lower than 3%.

According to the information currently available, the Board considers that the increase in the Group's net profit was mainly attributable to (1) the steady increase in interest-earning assets to effectively promote the increase in the operating income of the Bank; (2) the stable cost-to-income ratio in light of the enhancement of cost control and management; and (3) continuously strengthening comprehensive risk management to maintain a good situation of safe and stable operation.

The information contained in this announcement is based on the preliminary assessment made with reference to the interim consolidated management accounts of the Group for the six months ended June 30, 2019, 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 of the Bank are advised to read the interim results announcement for the six months ended June 30, 2019 of the Bank carefully. Such announcement is expected to be published before the end of August 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
July 25, 2019

As at the date of this announcement, the Board of the Bank comprises Wu Xuemin and Zhang Renfu as executive directors; Zhu Yicun, 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.*