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Bank of Jiujiang Co., Ltd.*
九江銀行股份有限公司*

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 6190)

**ENTERING INTO THE DOMESTIC SHARE SUBSCRIPTION AGREEMENTS
AND H SHARE SUBSCRIPTION AGREEMENTS**

References are made to the announcements of the Bank dated 12 December 2022, 7 February 2023, 16 May 2023 and 15 June 2023 and the circular of the Bank dated 16 January 2023 in relation to, among other things, the proposed non-public issuance of not more than 365,000,000 Domestic Shares (inclusive) and not more than 75,000,000 H Shares (inclusive) under the Specific Mandate.

The Board is pleased to announce that the Bank entered into the Domestic Share Subscription Agreements with no less than six Subscribers of Domestic Shares on 16 June 2023, pursuant to which, the Subscribers of Domestic Shares have conditionally agreed to subscribe for, and the Bank has conditionally agreed to issue a total of 365,000,000 Domestic Shares, at the subscription price of RMB8.93 (equivalent to approximately HK\$9.79) per Domestic Share, with a total cash consideration of RMB3,259,450,000 (equivalent to approximately HK\$3,574,938,305). On the same day, the Bank entered into the H Share Subscription Agreement with no less than six Subscribers of H Shares, pursuant to which, the Subscribers of H Shares have conditionally agreed to subscribe for, and the Bank has conditionally agreed to issue a total of 75,000,000 H Shares, at the subscription price of HK\$9.79 per H Share, with a total cash consideration of HK\$734,250,000.

The Issuance is made under the Specific Mandate granted by the Shareholders at the 2023 first extraordinary general meeting, the 2023 first Domestic Shareholders class meeting and the 2023 first H Shareholders class meeting of the Bank held on 7 February 2023. The net proceeds raised from the Issuance after deducting related actual costs and expenditures will be entirely used to replenish the core tier-one capital of the Bank.

As the Issuance is subject to the satisfaction of certain conditions, it may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Bank's securities.

References are made to the announcements of the Bank dated 12 December 2022, 7 February 2023, 16 May 2023 and 15 June 2023 and the circular of the Bank dated 16 January 2023 in relation to, among other things, the proposed non-public issuance of not more than 365,000,000 Domestic Shares (inclusive) and not more than 75,000,000 H Shares (inclusive) under the Specific Mandate.

I. ENTERING INTO THE DOMESTIC SHARE SUBSCRIPTION AGREEMENTS AND H SHARE SUBSCRIPTION AGREEMENTS

The Board is pleased to announce that the Bank entered into the Domestic Share Subscription Agreements with no less than six Subscribers of Domestic Shares on 16 June 2023, pursuant to which, the Subscribers of Domestic Shares have conditionally agreed to subscribe for, and the Bank has conditionally agreed to issue a total of 365,000,000 Domestic Shares, at the subscription price of RMB8.93 (equivalent to approximately HK\$9.79) per Domestic Share, with a total cash consideration of RMB3,259,450,000 (equivalent to approximately HK\$3,574,938,305). On the same day, the Bank entered into the H Share Subscription Agreement with no less than six Subscribers of H Shares, pursuant to which, the Subscribers of H Shares have conditionally agreed to subscribe for, and the Bank has conditionally agreed to issue a total of 75,000,000 H Shares, at the subscription price of HK\$9.79 per H Share, with a total cash consideration of HK\$734,250,000.

(I) Domestic Share Subscription Agreements

The Bank entered into the Domestic Share Subscription Agreements with no less than six Subscribers of Domestic Shares respectively, and the terms of such Domestic Share Subscription Agreements were basically the same, except for the specific contents such as the name of the Subscribers of Domestic Shares and the number of Shares to be subscribed. The principal terms of the Domestic Share Subscription Agreements are as follows:

Date : 16 June 2023

Parties : (i) the Bank (as the issuer)
(ii) the Subscribers of Domestic Shares (as the subscribers)

- Type and par value of Shares to be issued : The type of Shares to be issued under the Issuance of Domestic Shares is ordinary Domestic Shares to be subscribed for in RMB by the Subscribers of Domestic Shares, with par value of RMB1.00 each.
- Number of Shares to be issued : The aggregate number of Shares to be issued under the Issuance of Domestic Shares will be 365,000,000 Domestic Shares.
- Subscription price and method of pricing : The subscription price of the Issuance of Domestic Shares is RMB8.93 (equivalent to approximately HK\$9.79) per Domestic Share.

The issue price for the Issuance of Domestic Shares will be determined with reference to market practice, provisions of relevant laws, regulations and normative documents and regulatory requirements ⁽¹⁾, the capital market condition at the time of issuance and the price of the H Shares, fully considering factors such as the interest of the Shareholders, acceptability of the investors and issuance risks.

Note:

- (1) Relevant laws, regulations and normative documents include but not limited to the Company Law and the Interim Measures for Supervision and Management of State-owned Asset Evaluation of Financial Enterprises.

- Distribution of accumulated undistributed profit : The Bank will distribute the profit according to the resolution passed at relevant general meetings before the completion of the Issuance of Domestic Shares. The accumulated undistributed profit accrued before the completion of the Issuance of Domestic Shares will be shared by existing and new Shareholders upon the completion of the Issuance of Domestic Shares in proportion to their respective shareholdings.

Effective Conditions : The Domestic Share Subscription Agreements will be executed and become effective on the date of signing after they are duly signed/sealed by the legal representatives or authorized representatives of the Bank and the Subscribers of Domestic Shares with their company seals affixed thereto (the “**Effective Date**”), unless the Subscribers of Domestic Shares obtain the approval of the Shareholders’ qualifications issued by the National Administration of Financial Regulation and/or its relevant local offices in accordance with the PRC laws (the “**Effective Conditions**”). In such event, the Effective Date of the Domestic Share Subscription Agreements shall be the date on which the Effective Conditions have been satisfied.

Transaction arrangement and completion : The Bank has obtained the approval of the Board, the Shareholders’ general meeting and class meetings in relation to the proposal on the Issuance of Domestic Shares and the approval of regulatory authorities, including the National Administration of Financial Regulation and/or its relevant local offices and the CSRC, in relation to the Issuance of Domestic Shares.

The Issuance of Domestic Shares will be completed simultaneously with or not earlier than the Issuance of H Shares, and will not proceed in the event that the Issuance of H Shares is not completed.

The Subscribers of Domestic Shares shall pay in full the subscription price to their deposit accounts to be opened with the Bank or to any designated deposit accounts opened with the Bank (the “**Subscriber’s Account**”). The Subscribers of Domestic Shares irrevocably authorized the Bank to transfer in full the subscription price from the Subscriber’s Account to the special account of the Bank opened for the proceeds raised from the Issuance of Domestic Shares.

Lock-up arrangement : Any Subscribers of Domestic Shares who are identified as the substantial Shareholders of the Bank under the applicable laws upon the subscription shall not transfer the new Domestic Shares held within five years from the date of equity acquisition, except in the circumstances in which the implementation of risk disposal measures is approved by the National Administration of Financial Regulation and/or its relevant local offices, the transfer is ordered, the equity interests are subject to judicial enforcement or the transfer of equity interests is conducted between different entities under the control of the same investor, whereas the transferees still need to comply with the applicable laws.

Based on the current estimation of the Bank, the Bank expects that none of Subscribers of Domestic Shares shall comply with the requirements of the above lock-up arrangement.

(II) H Share Subscription Agreements

The Bank entered into the H Share Subscription Agreements with no less than six Subscribers of H Shares respectively, and the terms of such H Share Subscription Agreements were basically the same, except for the specific contents such as the name of the Subscribers of H Shares and the number of Shares to be subscribed. The principal terms of the H Share Subscription Agreements are as follows:

Date : 16 June 2023

Parties : (i) the Bank (as the issuer)
(ii) the Subscribers of H Shares (as the subscribers)

Type and par value of Shares to be issued : The type of Shares to be issued under the Issuance of H Shares is ordinary H Shares to be subscribed for in Hong Kong dollars by the Subscribers of H Shares, with par value of RMB1.00 each.

Number of Shares to be issued : The aggregate number of Shares to be issued under the Issuance of H Shares will be 75,000,000 H Shares.

- Subscription price and method of pricing : The subscription price of the Issuance of H Shares is HK\$9.79 (equivalent to approximately RMB8.93) per H Share:
- (i) being equal to the average closing price of HK\$9.79 per Share as quoted on the Hong Kong Stock Exchange for the five trading days preceding the date (i.e. 12 December 2022) when the transaction or arrangement in relation to the Issuance of H Shares is announced;
 - (ii) representing a premium of approximately 5.27% to the closing price of HK\$9.30 per Share as quoted on the Hong Kong Stock Exchange as at the date of execution of H Share Subscription Agreements (i.e. 16 June 2023); and
 - (iii) representing a premium of approximately 2.62% to the average closing price of HK\$9.54 per Share as quoted on the Hong Kong Stock Exchange for the five trading days preceding the date of execution of H Share Subscription Agreements.

The issue price for the Issuance of H Shares will be determined with reference to international practice, provisions of relevant laws, regulations and normative documents and regulatory requirements ⁽¹⁾, taking into account factors such as the capital market conditions at the time of issuance and the pricing of the Issuance of Domestic Shares, under the premise of fully considering the interest of the Shareholders, acceptability of the investors and issuance risks. The applicable exchange rate of the issue price of the Issuance of H Shares will be the central parity rate of Hong Kong dollars to Renminbi as announced by the China Foreign Exchange Trade System under the authorisation of the People's Bank of China on the date of this announcement.

Note:

- (1) Relevant laws, regulations and normative documents include but not limited to the Company Law and the Interim Measures for Supervision and Management of State-owned Asset Evaluation of Financial Enterprises.

Distribution of accumulated undistributed profit : The Bank will distribute the profit according to the resolution passed at relevant general meetings before the completion of the Issuance of H Shares. The accumulated undistributed profit accrued before the completion of the Issuance of H Shares will be shared by existing and new Shareholders upon completion of the Issuance of H Shares in proportion to their respective shareholdings.

Effective Conditions : The H Share Subscription Agreements will be executed and become effective on the date of signing after they are duly signed/sealed by the legal representatives or authorized representatives of the Bank and the Subscribers of H Shares with their company seals affixed thereto (the “**Effective Date**”), unless the Subscribers of H Shares obtain the approval of the Shareholders’ qualifications issued by the National Administration of Financial Regulation and/or its relevant local offices in accordance with the PRC laws (the “**Effective Conditions**”). In such event, the Effective Date of the H Share Subscription Agreements shall be the date on which the Effective Conditions have been satisfied.

Transaction arrangement and completion : The Bank has obtained the approval of the Board, the Shareholders' general meeting and class meetings in relation to the proposal on the Issuance of H Shares and the approval of regulatory authorities, including the National Administration of Financial Regulation and/or its relevant local offices, in relation to the Issuance of H Shares.

The listing of, and permission to deal in, all the new H Shares to be issued under the Issuance of H Shares is subject to the approval of Listing Committee of the Hong Kong Stock Exchange. The Bank will apply to the Listing Committee of the Hong Kong Stock Exchange for the above approval as soon as possible.

The Subscribers of H Shares shall make full payment of the total subscription price in immediately available funds by direct transfer to the designated account of the Bank in Hong Kong dollars.

Lock-up arrangement : Any Subscribers of H Shares who are identified as the substantial Shareholders of the Bank under the applicable laws upon the subscription shall not transfer the new H Shares held within five years from the date of equity acquisition, except in the circumstances in which the implementation of risk disposal measures is approved by the National Administration of Financial Regulation and/or its relevant local offices, the transfer is ordered, the equity interests are subject to judicial enforcement or the transfer of equity interests is conducted between different entities under the control of the same investor, whereas the transferees still need to comply with the applicable laws.

Based on the current estimation of the Bank, the Bank expects that none of Subscribers of H Shares shall comply with the requirements of the above lock-up arrangement.

II. USE OF PROCEEDS

The net proceeds raised from the Issuance after deducting related actual costs and expenditures will be entirely used to replenish the core tier-one capital of the Bank.

III. REASONS FOR THE ISSUANCE

In recent years, domestic and foreign regulatory authorities have continuously enhanced the supervision requirements for banks' capital, and the demands for bank's capital will be further increased. Meanwhile, the Bank's asset scale has grown steadily and rapidly in recent years. It is expected that the business scale of the Bank will continue to maintain a steady growth trend in the next few years. The Bank is required to maintain sufficient capital to support the stable development of its business and asset scale. In addition, the Bank is required to reserve a certain proportion of risk buffer capital on premise of constantly satisfying the minimum requirements on capital adequacy of the regulatory authorities to further enhance the ability to resist risks and respond to the uncertainties of future macroeconomic development.

As noted from the table below, while the core tier-one capital adequacy ratio, tier-one capital adequacy ratio and capital adequacy ratio (collectively, the “**Capital Adequacy Ratio Indicators**”) of the Bank, which constantly meet the regulatory requirements in the PRC, are still in a relatively low level compared with its peers in the banking industry. After deducting relevant Issuance fees, the net proceeds raised from the Issuance will be entirely used to replenish the core tier-one capital of the Bank, and the Bank's core capital, tier-one capital and net capital could be replenished.

	Regulatory require- ments ⁽¹⁾	As at 31 December			
		2019	2020	2021	2022
Core tier-one capital adequacy ratio (%)	≥7.5	8.97	9.02	8.28	7.93
Tier-one capital adequacy ratio (%)	≥8.5	8.97	9.02	11.08	10.61
Capital adequacy ratio (%)	≥10.5	11.64	10.71	13.21	12.62

Note:

- (1) The minimum capital adequacy requirements as set out in the Administrative Measures for the Capital of Commercial Banks (Provisional) (《商業銀行資本管理辦法(試行)》) (China Banking Regulatory Commission Order [2012] No.1).

The Board believes that the proceeds raised from the Issuance will help to increase the Bank's capital base so as to further enhance its Capital Adequacy Ratio Indicators to ensure the Bank's continuing compliance with the regulatory requirements, effectively support the sustainable development of the operation of the Bank in the future, practically improve the Bank's ability to serve the real economy and further enhance the safety margin of the capital adequacy ratio of the Bank at all levels, improve the Bank's ability to resist risks and thus lay a stronger foundation to support its future business growth and sustainable development of the Bank.

IV. SPECIFIC MANDATE FOR THE ISSUANCE

The Issuance will proceed under the Specific Mandate, which has been granted by the Shareholders at the 2023 first extraordinary general meeting, the 2023 first Domestic Shareholders class meeting and the 2023 first H Shareholders class meeting of the Bank held on 7 February 2023.

V. FUND-RAISING ACTIVITIES OF THE BANK FOR THE PAST TWELVE MONTHS

The Bank has not conducted any fund-raising activities in relation to the issuance of its equity securities within the 12 months immediately preceding the date of this announcement.

VI. EFFECT OF THE ISSUANCE ON THE SHAREHOLDING STRUCTURE OF THE BANK

As at the date of this announcement, the number of the total issued Ordinary Shares of the Bank is 2,407,367,200 Shares, including 2,000,000,000 Domestic Shares and 407,367,200 H Shares.

Assuming that there are no other changes to the total issued share capital of the Bank other than the Issuance from the date of this announcement to the date of the completion of the Issuance, the shareholding structure of the Bank (1) as at the date of this announcement; (2) immediately after the completion of the Issuance of H Shares; and (3) immediately after the completion of the Issuance is set out as below:

	As at the date of this announcement		Immediately after the completion of the Issuance of H Shares		Immediately after the completion of the Issuance	
	Number of Shares	Approximate percentage of total issued Shares of the Bank ⁽¹⁾	Number of Shares	Approximate percentage of total issued Shares of the Bank ⁽¹⁾	Number of Shares	Approximate percentage of total issued Shares of the Bank ⁽¹⁾
Domestic Shares	2,000,000,000	83.08%	2,000,000,000	80.57%	2,365,000,000	83.06%
H Shares ⁽²⁾	407,367,200	16.92%	482,367,200	19.43%	482,367,200	16.94%
Total	<u>2,407,367,200</u>	<u>100.00%</u>	<u>2,482,367,200</u>	<u>100%</u>	<u>2,847,367,200</u>	<u>100.00%</u>

Notes:

- (1) Certain amounts and percentage figures included in the table above have been subject to rounding adjustments, any discrepancy between the total amount and the arithmetical sum of the amounts listed is due to rounding.
- (2) All of the H Shares are held by the public Shareholders.

At the time of the listing of H Shares, the Hong Kong Stock Exchange granted the Bank a waiver from strictly complying with Rule 8.08(1) of the Listing Rules, pursuant to which, the minimum percentage of the H Shares held by the public from time to time is reduced to the highest of: (i) 15.15% of the total issued share capital of the Bank (assuming the over-allotment option is not exercised); or (ii) such percentage of H Shares to be held by the public immediately after the exercise of the over-allotment option. Immediately following the completion of the global offering and the partial exercise of the over-allotment option of the Bank, the number of H Shares held by the public represents approximately 16.92% of the total issued share capital of the Bank (the “**Minimum Public Float**”). The Bank expects that the public float of H Shares will still meet the requirement of the Minimum Public Float as adjusted by the waiver granted by the Hong Kong Stock Exchange after the completion of the Issuance. If the public float of H Shares fails to meet the requirement of the Minimum Public Float after the completion of the Issuance, the Bank will not proceed with the Issuance.

VII. GENERAL INFORMATION

The Bank

The Bank is a joint stock company incorporated in the PRC with limited liability and is a legal person bank in Jiujiang, Jiangxi Province. The Bank’s Shares are listed and traded on the Main Board of the Hong Kong Stock Exchange. It is mainly engaged in the RMB business deposit-taking, short-term lending, medium-term lending and long-term lending, domestic clearing, foreign exchange business, bill discounting, financial bond issuance and other businesses.

Subscribers of Domestic Shares

The Subscribers of Domestic Shares consist of no less than six subscribers. As at the date of this announcement, to the best of the Directors' knowledge, information and belief, each of Subscribers of Domestic Shares and their ultimate beneficial owners are third parties independent of the Bank and its connected persons under the Listing Rules.

The Bank expects that each of Subscribers of Domestic Shares will not become a substantial Shareholder of the Bank under the Listing Rules after the completion of the Issuance of Domestic Shares.

Subscribers of H Shares

The Subscribers of H Shares consist of no less than six subscribers. As at the date of this announcement, to the best of the Directors' knowledge, information and belief, each of Subscribers of H Shares and their ultimate beneficial owners are third parties independent of the Bank and its connected persons under the Listing Rules.

The Bank expects that each of Subscribers of H Shares will not become a substantial Shareholder of the Bank under the Listing Rules after the completion of the Issuance of H Shares.

VIII. MISCELLANEOUS

This announcement does not constitute any invitation or offer to acquire, purchase or subscribe for the Bank's securities.

As the Issuance is subject to the satisfaction of certain conditions, it may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Bank's securities.

IX. DEFINITIONS

In this announcement, the following expressions shall have the following meanings, unless the context otherwise requires:

“Bank”	Bank of Jiujiang Co., Ltd.* (九江銀行股份有限公司*), a joint stock company incorporated on 17 November 2000 in Jiangxi Province, the PRC, with limited liability in accordance with PRC laws and regulations and, if the context requires, includes its predecessors, subsidiaries, branches and sub-branches
“Board” or “Board of Directors”	the board of directors of the Bank

“China” or “PRC”	the People’s Republic of China, for the purpose of this announcement only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan region
“Company Law”	Company Law of the People’s Republic of China (中華人民共和國公司法), which may be amended, supplemented or otherwise modified from time to time
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Bank
“Domestic Shareholder(s)”	the holder(s) of the Domestic Shares
“Domestic Share(s)”	the Ordinary Share(s) issued by the Bank in the PRC with par value of RMB1.00 each, which are subscribed for or credited as paid up in RMB
“Domestic Share Subscription Agreements”	the Domestic Share subscription agreements entered into between the Bank and the Subscribers of Domestic Shares respectively on 16 June 2023
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“H Shareholder(s)”	the holder(s) of the H Shares
“H Share(s)”	overseas listed foreign Ordinary Share(s) of par value RMB1.00 each in the share capital of the Bank, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“H Share Subscription Agreements”	the H Share subscription agreements entered into between the Bank and the Subscribers of H Shares respectively on 16 June 2023
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Issuance”	the Issuance of Domestic Shares and the Issuance of H Shares
“Issuance of Domestic Share(s)”	the proposed non-public issuance by the Bank of not more than 365,000,000 Domestic Shares (inclusive) to eligible subscribers through the Specific Mandate
“Issuance of H Share(s)”	the proposed non-public issuance by the Bank of not more than 75,000,000 H Shares (inclusive) to eligible subscribers through the Specific Mandate
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, which may be amended, supplemented or otherwise modified from time to time
“National Administration of Financial Regulation”	the National Financial Regulatory and Administration, and, if the context requires, includes its predecessors, China Banking and Insurance Regulatory Commission and China Banking Regulatory Commission
“Ordinary Share(s)” or “Share(s)”	ordinary shares of par value of RMB1.00 each in the Bank’s share capital, including Domestic Shares and H Shares
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the Ordinary Shares
“Specific Mandate”	a specific mandate for the Issuance granted by the Shareholders at the 2023 first extraordinary general meeting, the 2023 first Domestic Shareholders class meeting and the 2023 first H Shareholders class meeting of the Bank held on 7 February 2023
“Subscribers of Domestic Shares”	the subscribers under the Domestic Share Subscription Agreements or any of them as the context so requires
“Subscribers of H Shares”	the subscribers under the H Share Subscription Agreements or any of them as the context so requires

“%”

percent

By Order of the Board
Bank of Jiujiang Co., Ltd.*
Pan Ming
Vice Chairman

Jiangxi, the PRC
16 June 2023

As at the date of this announcement, the board of directors of the Bank comprises Mr. Pan Ming, Mr. Xiao Jing and Mr. Yuan Delei as executive Directors; Mr. Zeng Huasheng, Mr. Shi Zhishan and Mr. Li Jianbao as non-executive Directors; and Mr. Chua Alvin Cheng-Hock, Ms. Gao Yuhui, Mr. Quan Ze and Mr. Yang Tao as independent non-executive Directors.

* *Bank of Jiujiang Co., Ltd. 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 and/or deposit-taking business in Hong Kong.*