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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))**

### **POLL RESULTS OF THE 2017 ANNUAL GENERAL MEETING AND CORRESPONDING ARRANGEMENTS FOR PAYMENT OF DIVIDEND AND BONUS ISSUE**

#### **POLL RESULTS OF THE AGM**

The Board of Directors hereby announces that the AGM was held by the Bank on Saturday, June 30, 2018. Except that the supplemental ordinary resolution numbered 16 proposed at the AGM was not passed, all other resolutions proposed thereat were duly passed.

#### **PAYMENT OF DIVIDEND AND BONUS ISSUE**

The Bank will distribute a dividend of 1 Share (tax inclusive) for every 10 Shares and RMB0.25 (tax inclusive) for every 10 Shares to Shareholders whose names appear on the register of members of the Bank on Wednesday, July 11, 2018. The date of dispatch of the certificates for the Bonus H Shares and the cheques for the cash dividend is expected to be Wednesday, August 29, 2018, and the date of the commencement of dealings in the Bonus H Shares is expected to be Thursday, August 30, 2018. Bonus Domestic Shares will be distributed to the Domestic Shareholders by the CSDC from Thursday, July 12, 2018. The completion time of distribution will be subject to the CSDC's confirmation. The Bank expects to distribute Cash dividend to the Domestic Shareholders on Wednesday, August 29, 2018.

References are made to the circular (the “**Circular**”) and the notice (the “**Notice**”) of the 2017 annual general meeting (the “**AGM**”) dated April 13, 2018, the Supplemental Circular (the “**Supplemental Circular**”) and the supplemental notice (the “**Supplemental Notice**”) of the AGM dated June 14, 2018 of Huishang Bank Corporation Limited (the “**Bank**”). Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Circular, the Notice, the Supplemental Circular and the Supplemental Notice.

The AGM was held at the Hall, 11/F, Block A, Tianhui Building, 79 Anqing Road, Hefei, Anhui Province, the PRC at 9:00 a.m. on Saturday, June 30, 2018. The AGM was duly convened in accordance with the Company Law of the People's Republic of China and the Articles of Association of the Bank.

As at the date of the AGM, the total number of ordinary shares with voting rights of the Bank (the “**Shares**”) was 11,049,819,283 Shares (of which 7,887,319,283 were Domestic Shares and 3,162,500,000 were H Shares).

## I. POLL RESULTS OF THE AGM

### POLL RESULTS

The AGM was chaired by Mr. Wu Xuemin, the chairman of the Board of Directors. As at the date of the AGM, a total of 11,049,819,283 Shares entitled their holders to attend and vote on the resolutions the were put forward at the AGM (the “**AGM Resolutions**”). Shareholders holding an aggregate of 10,131,902,096 Shares with voting rights, representing approximately 91.69% of the total number of issued Shares of the Bank, attended the AGM either in person or by proxy. No Shareholder was required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) to abstain from voting on any of the AGM Resolutions. There was no Share entitling the holder to attend and abstain from voting in favour of the AGM Resolutions under Rule 13.40 of the Listing Rules. None of the Shareholders have stated their intention in the Circular and the Supplemental Circular to vote against or to abstain from voting on any of the AGM Resolutions. All AGM Resolutions were put to vote by way of poll.

The poll results of the respective AGM Resolutions were as follows:

ORDINARY RESOLUTIONS		Number of Votes		
		For	Against	Abstain
1.	To consider and approve the final financial accounts of the Bank for 2017	10,131,453,096 (99.995568%)	449,000 (0.004432%)	0 (0.000000%)
2.	To consider and approve the financial budget of the Bank for 2018	10,131,902,096 (100.000000%)	0 (0.000000%)	0 (0.000000%)
3.	To consider and approve the appointment of external auditors of the Bank for 2018	10,131,902,096 (100.000000%)	0 (0.000000%)	0 (0.000000%)
4.	To consider and approve the appraisal report on the performance of duties by Directors (including independent non-executive Directors) in 2017 by the Board of Directors of the Bank	10,131,453,096 (99.995568%)	449,000 (0.004432%)	0 (0.000000%)
5.	To consider and approve the appraisal report on the performance of duties by Supervisors (including external Supervisors) in 2017 by the Board of Supervisors of the Bank	9,467,013,166 (93.437669%)	664,888,930 (6.562331%)	0 (0.000000%)
6.	To consider and approve the work report of the Board of Directors of the Bank for 2017	10,131,453,096 (99.995568%)	449,000 (0.004432%)	0 (0.000000%)

ORDINARY RESOLUTIONS		Number of Votes		
		For	Against	Abstain
7.	To consider and approve the work report of the Board of Supervisors of the Bank for 2017	8,167,785,166 (80.614529%)	1,964,116,930 (19.385471%)	0 (0.000000%)
8.	To consider and approve the election of Ms. Zhou Yana as an independent non-executive Director of the third session of the Board of Directors of the Bank	8,328,234,166 (82.198131%)	1,803,667,930 (17.801869%)	0 (0.000000%)
9.	To consider and approve the resolution on the adjustment of the allowance standard for independent non-executive Directors of the Bank	10,131,902,096 (100.000000%)	0 (0.000000%)	0 (0.000000%)
10.	To consider and approve the resolution on the adjustment of the allowance standard for external Supervisors of the Bank	10,131,902,096 (100.000000%)	0 (0.000000%)	0 (0.000000%)
11.	To consider and approve the resolution on the determination of the remuneration standard for executive Directors of the Bank for 2015	8,328,234,166 (82.198131%)	1,803,667,930 (17.801869%)	0 (0.000000%)
12.	To consider and approve the resolution on the determination of the remuneration standard for the former chairman of the Board of Supervisors of the Bank for 2015	9,971,902,096 (98.420830%)	0 (0.000000%)	160,000,000 (1.579170%)
SPECIAL RESOLUTIONS		Number of Votes		
		For	Against	Abstain
13.	To consider and approve the Profit Distribution Plan of the Bank for 2017	8,167,974,166 (80.616395%)	1,803,667,930 (17.801868%)	160,260,000 (1.581737%)
14.	To consider and approve the resolution on the general mandate for the issue of Shares by the Bank	8,142,432,432 (80.364302%)	1,829,469,664 (18.056528%)	160,000,000 (1.579170%)
15.	To consider and approve the resolution on the amendments to the Articles of Association of Huishang Bank Corporation Limited	8,302,103,787 (81.940229%)	1,829,798,309 (18.059771%)	0 (0.000000%)
SUPPLEMENTAL ORDINARY RESOLUTION		Number of Votes		
		For	Against	Abstain
16.	To consider and approve the Proposal on Profit Distribution of Huishang Bank for 2017 (provisional proposal put forward by the Proposing Shareholders)	1,793,825,930 (17.704730%)	6,346,485,522 (62.638639%)	1,991,590,644 (19.656631%)

As more than half of the votes from the Shareholders (including their proxies) attending the AGM were cast in favour of the resolutions numbered 1 to 12, these resolutions were duly passed as ordinary resolutions. As more than two-thirds of the votes from the Shareholders (including their proxies) attending the AGM were cast in favour of the resolutions numbered 13 to 15, these resolutions were duly passed as special resolutions. As less than half of the votes were cast in favour of the supplemental ordinary resolution numbered 16 at the AGM, such resolution was not passed as an ordinary resolution.

## **SCRUTINY**

Computershare Hong Kong Investor Services Limited, the H Share Registrar of the Bank in Hong Kong, acted as the scrutineer at the AGM. Two Shareholders' representatives, a Supervisor representative and a lawyer of Deheng Law Offices, the legal advisor of the Bank as to the PRC laws, carried out the vote counting and scrutinizing at the same time.

## **II. PAYMENT OF DIVIDEND AND BONUS ISSUE**

The Bank will distribute a dividend of 1 Share (tax inclusive) for every 10 Shares and RMB0.25 (tax inclusive) for every 10 Shares to Shareholders whose names appear on the register of members of the Bank on Wednesday, July 11, 2018. Cash dividends will be denominated in RMB and will be paid to the Domestic Shareholders in Renminbi and to H Shareholders in Hong Kong dollars. The following conversion formula shall apply to calculation of the cash dividends payable per H Share in Hong Kong dollar:

$$\begin{array}{l} \text{Dividends per H Share in} \\ \text{Hong Kong dollar} \end{array} = \frac{\text{Dividends per Share in Renminbi}}{\text{The central parity rate of the average exchange rate of Renminbi to Hong Kong dollar as announced by The People's Bank of China for the five working days preceding the date of declaration of the dividend}}$$

The central parity rate of the average exchange rate of Renminbi to Hong Kong dollar as announced by The People's Bank of China for the five working days prior to the AGM date, that was, from June 25, 2018 to June 29, 2018, was HK\$1.00 to RMB0.835312. Accordingly, the Dividend payable every 10 H Shares is HK\$0.299289 (tax inclusive).

### **Closure of Register of Members**

The register of members of the Bank will be closed from Friday, July 6, 2018 to Wednesday, July 11, 2018 (both days inclusive). In order to be entitled to the dividend, the H Shareholders who have not registered the relevant transfer documents are required to lodge the transfer documents, together with the relevant share certificates, with the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, July 5, 2018.

## CASH DIVIDEND OF H SHARES AND ISSUANCE OF BONUS H SHARES

The expected timetable of the proposed distribution of cash dividend and the issuance of Bonus H Shares for H Shareholder(s) is set out below:

Closure of register of members for Bonus Issue and the cash dividend . . . . .	July 6, 2018 to July 11, 2018 (both days inclusive)
H Share Record Date for Bonus Issue and the cash dividend . . . . .	July 11, 2018
Register of members for H Shares re-opens . . . . .	July 12, 2018
Expected dispatch date of share certificates of Bonus H Shares. . . . .	August 29, 2018
Payment of cash dividend for H Shares . . . . .	August 29, 2018
Expected first day of listing of, and dealing in the Bonus H Shares . . . . .	9:00 a.m. on August 30, 2018

*Note:* Dates or deadlines specified above are indicative only. Any changes made by the Bank will be published or notified to the Shareholders as and when appropriate.

The Bank has appointed Computershare Hong Kong Trustees Limited as the receiving agent (the “**Receiving Agent**”) in Hong Kong which will receive the dividend declared by the Bank on behalf of the H Shareholders. The cash dividend will be paid by the Receiving Agent. The cheques for the cash dividend and the certificates for the Bonus H Shares will be posted by the H Share Registrar of the Bank, Computershare Hong Kong Investor Services Limited, by ordinary mail to H Shareholders who are entitled to receive the cash dividend at their own risks on Wednesday, August 29, 2018. In case of joint shareholding, the certificates for the Bonus H Shares and the cheques for the cash dividend will be posted to the person whose name stands first on the register of members for H Shares in respect of such joint shareholding.

## **Cash Dividend of Domestic Shares and Issuance of Bonus Domestic Shares**

The Bank has entrusted China Securities Depository and Clearing Corporation Limited (the “CSDC”), the trustee agency of the Bank, for the distribution of share dividend to the Domestic Shareholders. The CSDC will distribute share dividend to the Domestic Shareholders from Thursday, July 12, 2018. The completion time of distribution will be subject to the CSDC’s confirmation. In addition, the Bank expects to distribute cash dividend to the Domestic Shareholders on Wednesday, August 29, 2018. The Bank will make further announcement(s) on its website at [www.hsbank.com.cn](http://www.hsbank.com.cn) in relation to the detailed arrangements for cash dividend of Domestic Shares and the issuance of Bonus Domestic Shares.

### **Taxation**

#### **(i) Domestic Shareholders**

According to the relevant requirements of the Individual Income Tax Law of the People’s Republic of China(《中華人民共和國個人所得稅法》), the Bank will withhold an individual income tax at the rate of 20% for natural person Shareholders whose names appear on the register of members for the Domestic Shareholders on the Record Date. Legal person Shareholders whose names appear on the register of members for the Domestic Shareholders on the Record Date shall deal with their own dividend income tax (if applicable). The dividend for the Domestic Shareholders without affirmed ownership will be kept temporarily by the Bank and distributed upon the confirmation of the ownership.

#### **(ii) H Shareholders**

Pursuant to the Notice on Issues Concerning Individual Income Tax Collection and Management after the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348) (《關於國稅發[1993] 045號文件廢止後有關個人所得稅徵管問題的通知》) (國稅函[2011] 348號)) of the State Administration of Taxation dated June 28, 2011, the dividend bonus received by the overseas resident individual Shareholders from the shares issued by domestic non-foreign invested enterprises in Hong Kong is subject to the payment of individual income tax, which shall be withheld and paid by the withholding agents according to the relevant laws. However, the overseas resident individual Shareholders of the shares issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements signed between the countries where they are residents and China as well as the tax arrangements between Mainland China and Hong Kong (Macau).

Based on the above tax regulation, the Bank will withhold an individual income tax at a tax rate of 10% for the individual H Shareholders. However, when other relevant tax regulations and tax arrangements have different requirements, the Bank will follow the requirements of the tax bureau(s).

The Bank will withhold an enterprise income tax at a tax rate of 10% for those non-resident corporate H Shareholders pursuant to the Law of the People’s Republic of China on Enterprise Income Tax(《中華人民共和國企業所得稅法》) and relevant implementation rules which took effect from January 1, 2008.

For the purpose of payment of the Dividend, “non-resident corporate Shareholders” refer to any Shareholders holding the Shares of the Bank in the name of non-individual Shareholders, including but not limited to the H Shareholders whose Shares are registered in the name of HKSCC Nominees Limited, other nominees or trustees, or other groups and organizations. Shareholders should read the above information carefully. If anyone would like to change the identity of the Shareholder, please enquire about the relevant procedures with the nominees or trustees. The Bank is neither obligated nor responsible for ascertaining the identity of the Shareholders. In addition, the Bank will withhold the enterprise income tax and the individual income tax in strict compliance with the relevant laws or regulations and the registered information on the H Shares register of members of the Bank as at the Record Date. The Bank will not entertain, or take any responsibilities for, any requests or claims in relation to any delay or inaccuracies in ascertaining the identity of the Shareholders or any disputes over the mechanism of withholding of the enterprise income tax and the individual income tax.

***(iii) Mainland’s Shareholders of Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect***

Pursuant to the Notice on the Tax Policies Concerning the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) and the Notice on the Tax Policies Concerning the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No. 127)(《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), which were jointly released by the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission on October 31, 2014 and November 5, 2016, respectively, for dividends obtained by the mainland individual investors from H shares listed on the Hong Kong Stock Exchange invested by them through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, such H-share companies shall apply to the CSDC for providing the register of mainland individual investors and withhold personal income tax at the tax rate of 20% from mainland individual investors whose names are listed on such register provided by the CSDC. While for dividends obtained by the mainland individual investors from non-H shares listed on the Hong Kong Stock Exchange invested by them through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, the CSDC will withhold personal income tax at the tax rate of 20%. Individual investors may, by producing valid tax payment certificates, apply to the competent tax authority under the CSDC for tax credit relating to the withholding tax already paid abroad.

For dividend income obtained by the mainland security investment funds from shares listed on the Hong Kong Stock Exchange invested by them through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, individual income tax shall be withheld according to the above regulations. For dividend income obtained by the mainland corporate investors from shares listed on the Hong Kong Stock Exchange invested by them through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, such income shall be included in their total revenue and enterprise income tax shall be withheld by law. Meanwhile, for dividend income obtained by mainland resident enterprises from holding H Shares for 12 consecutive months, enterprise income tax shall be exempted by law. H-share companies listed on the Hong Kong Stock Exchange shall apply to the CSDC for providing the register of the mainland enterprise investors. The H-share companies shall not withhold income tax of dividends for mainland enterprise investors and such investors shall declare and pay relevant tax themselves.

If the H Shareholders have any queries regarding the above tax arrangements, please consult your tax consultants regarding the tax impacts in the mainland China, Hong Kong and other countries (regions) for holding and selling the H Shares.

## **Ranking of the New Bonus Shares and Fractional Entitlements**

The Bonus Shares will, subject to the Articles of Association, when issued, rank pari passu in all respects with the H Shares and Domestic Shares then in issue. Holders of the Bonus Shares will be entitled to receive all future dividends and distributions (if any) which are declared and paid after the date on which the Bonus Shares are allotted and issued, but will not be entitled to the dividend to be cleared in 2017 AGM.

The Bonus H Shares will be issued on pro-rated basis and any fractional shares will be rounded down to the nearest whole unit. No fractional H Shares will be issued and distributed under the Bonus Issue, but will be aggregated and sold for the benefit of the Bank.

Any fractional Domestic Shares arising from the Bonus Issue will be arranged in descending order based on the decimal point, and one share will be offered to each Domestic Shareholder in accordance with such order until the actual number of Domestic Shares offered is equal to the total number of Domestic Shares under the Bonus Issue. In case the number of the Domestic Shareholders with the same decimal number exceeds the remaining shares, the shares will be allotted by computer balloting.

## **Overseas H Shareholders**

If on the H Share Record Date, the register of members of the Bank for H Shares reveals any overseas Shareholders, the Bank will make an enquiry pursuant to the Listing Rules regarding the legal restrictions (if any) under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange for such overseas H Shareholders to participate in the Bonus Issue. Upon the enquiry, if the Board is of the view that overseas H Shareholders will not be entitled to the Bonus Issue because of the legal restrictions under the laws or statutory regulations of their jurisdiction or the requirements of the stock exchange in that jurisdiction (such as filing of any registration statement or prospectus or other special formalities), such overseas H Shareholders will be excluded from the Bonus Issue. Under such circumstances, the Bonus H Shares concerned will be consolidated and sold. Any net proceeds of such sale for each overseas H Shareholder, after deduction of expenses, of HK\$100 or more will be distributed in Hong Kong dollars to the relevant overseas H Shareholders, by ordinary post at their own risk, unless the amount to be distributed to any such person is less than HK\$100 in which case it will be retained for the benefit of the Bank.

Based on the register of members of the Bank for H Shares, as at the date of this announcement, there were four H Shareholders whose addresses are located in the Republic of Panama (“**Panama**”). The Bank has been advised by its legal advisor on the laws of Panama that, the securities market in Panama is regulated by the Single Text of Decree-Law No. 1 of 8 of July of 1999 (the “**Securities Act**”) and the regulations (the “**Regulations**”) issued by the Superintendence of the Securities Market (the “**SSM**”). Under the Securities Act and the Regulations, any issuer, offeror, underwriter or agent of an issuer that sells or offers to sell securities to the public in Panama must first register the securities with the SSM, unless the securities or the offer are exempted from registration under the Securities Act. Registration of securities with the SSM is not required under the Securities Act, among other instances, if the securities are (i) sold by means of a “private placement”, (ii) offered to “institutional investors” or (iii) marketed through “correspondent relationships”. Under Article 129(2) of the Securities Act, a “private placement” is any offer or series of offers of securities made to no more than 25 offerees domiciled in Panama, which result in sales to no more than 10 of those offerees within a period of one year. The Bank has been further advised by its legal advisor on the laws of Panama that, the issuance of Bonus H Shares to the abovementioned four H Shareholders would most likely be deemed as a distribution but not an “offer” of securities under the Securities Act. However, even if it is characterized as an “offer” of securities, the Bank can issue the Bonus H Shares to the abovementioned four H

Shareholders as part of a “private placement” exempt from registration, provided that the H Shares are not and will not be registered with the SSM under the Securities Act and may not be publicly offered or sold within Panama, except as part of a private placement. Accordingly, the Bonus Issue will be extended to such H Shareholders should it remain as an H Shareholder on the H Share Record Date.

If and to the extent that the entitlements of any overseas H Shareholders to the Bonus Shares issuance is affected, the Bank will make further announcement(s) after the H Share Record Date.

### **Listing and Dealings of the Bonus H Shares**

Application will be made by the Bank to the Listing Committee of the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Bonus H Shares. The Bonus H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS. All necessary arrangements will be made for the Bonus H Shares to be admitted into CCASS. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Subject to the granting of the approval for the listing and dealings, the listing and dealings in the Bonus H Shares are expected to commence at 9:00 a.m. on August 30, 2018.

By order of the Board  
**Huishang Bank Corporation Limited\***  
**Wu Xuemin**  
*Chairman*

Hefei, Anhui Province, China  
July 2, 2018

*As at the date of this announcement, the Board of Directors of the Bank comprises 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.*