

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



POSTAL SAVINGS BANK OF CHINA CO., LTD. 中國郵政儲蓄銀行股份有限公司

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

(Stock Code: 1658)

(Stock Code of Preference Shares: 4612)

ANNOUNCEMENT ON THE IMPLEMENTATION OF THE OVER-ALLOTMENT OPTION FOR THE INITIAL PUBLIC OFFERING OF A SHARES

This announcement is made by Postal Savings Bank of China Co., Ltd. (the “**Bank**” or the “**Issuer**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The over-allotment option (or the “**Greenshoe**”) for the initial public offering of A shares (the “**A Share Offering**”) has been fully exercised on 8 January 2020. Particulars of the implementation of the over-allotment option for the A Share Offering are as follows:

I. Details of Over-allotment for the A Share Offering

According to the subscription situation of the A Share Offering on 28 November 2019, the Bank and the joint lead underwriters agreed to implement the over-allotment option, to over-allocate 775,824,000 A shares to online investors at the issue price of RMB5.50 per share of the A Share Offering, accounting for approximately 15% of the initial shares of the A Share Offering before the over-allotment option is exercised. If the over-allotment option is exercised in full, the total number of shares of the A Share Offering will be expanded to 5,947,988,200 shares. A shares for settlement of the over-allotments will be obtained from those of the strategic investors under the A Share Offering who are subject to deferred settlement.

II. Exercise of Over-allotment Option for the A Share Offering

During the post-listing stabilization period of the A Share Offering of the Bank, which is, from the date when the shares of the A Share Offering traded on the Shanghai Stock Exchange to the 30th natural day after listing (including the 30th natural day, that is, from 10 December 2019 to 8 January 2020), China International Capital Corporation Limited, as the

lead underwriter for the implementation of the Greenshoe in the A Share Offering, did not use the funds obtained from the over-allotment of the A Share Offering to purchase shares of the A Share Offering from the secondary market by auction.

The joint lead underwriters fully exercised the over-allotment option on 8 January 2020. The Issuer issued an additional 775,824,000 A shares based on the initial issuance of 5,172,164,200 A shares at the issue price of RMB5.50 per share of the A Share Offering, accounting for approximately 15% of the initial shares of the A Share Offering before the over-allotment option is exercised. The total amount of funds raised by the Issuer therefrom is RMB4,267.03 million, together with the total amount of funds raised from the initial issuance of 5,172,164,200 A shares of RMB28,446.90 million, the total amount of funds raised from the A Share Offering is RMB32,713.94 million. The net amount of funds raised after deducting the issuance expenses of approximately RMB507.96 million was approximately RMB32,205.98 million.

The joint lead underwriters will apply and provide relevant materials within two working days after the end of the post-listing stabilization period to place the additional A shares issued in full exercise of the over-allotment option to the strategic investors who have accepted the deferred settlement arrangements. The shares allocated to strategic investors (including shares with deferred settlement arrangements) will be locked for 12 months from the listing and trading date of the A shares (10 December 2019).

Upon the full exercise of the over-allotment option, the final number of shares issued in the A Share Offering is 5,947,988,200 shares, of which: 2,068,865,000 shares were allotted to strategic investors, accounting for approximately 34.78% of the final number of shares issued; 1,293,042,200 shares were allotted to offline investors, accounting for approximately 21.74% of the final number of shares issued; and 2,586,081,000 shares were allotted to online investors, accounting for approximately 43.48% of the final number of shares issued.

III. Changes in the Shareholding Structure of the Issuer Before and After the Exercise of the Over-allotment Option for the A Share Offering

As at 8 January 2020, the changes in the shareholding structure of the Bank before and after the exercise of the over-allotment option for the A Share Offering are as follows:

Name of shareholder (Type of shares)	Before the exercise of the over-allotment option		After the exercise of the over-allotment option	
	Number of shares held (Shares)	Percentage of shareholding	Number of shares held (Shares)	Percentage of shareholding
China Post Group Corporation Limited ¹	55,989,912,407	64.95%	55,989,912,407	64.37%
China Life Insurance Company Limited	3,341,900,000	3.88%	3,341,900,000	3.84%
China Telecommunications Corporation	1,117,223,218	1.30%	1,117,223,218	1.28%
Zhejiang Ant Small and Micro Financial Services Group Co., Ltd.	738,820,000	0.86%	738,820,000	0.85%
Shenzhen Tencent Domain Computer Network Company Limited	128,530,000	0.15%	128,530,000	0.15%
Other A shareholders	5,030,185,575	5.84%	5,806,009,575	6.68%
Total A shares	66,346,571,200	76.97%	67,122,395,200	77.17%
Including: Restricted tradable shares	63,372,578,903	73.52%	64,148,402,903	73.75%
Including: Unrestricted tradable shares	2,973,992,297	3.45%	2,973,992,297	3.42%
Total H shares	19,856,167,000	23.03%	19,856,167,000	22.83%
Total shares	86,202,738,200	100%	86,978,562,200	100%

Note:

- After the listing of the A Share Offering of the Bank and before the exercise of the over-allotment option, China Post Group Corporation Limited, the controlling shareholder of the Bank, increased its shareholdings of the Bank's shares by 141,978,625 shares through the secondary market

IV. Lock-up Periods for Shares of the Issuer

As at 8 January 2020, the lock-up periods for shares of the Issuer after the exercise of the over-allotment option for the A Share Offering are as follows:

Name of shareholder	Number of shares held (Shares)	Percentage of shareholding	Lock-up period ¹
China Post Group Corporation Limited	55,847,933,782	64.21%	36 months
	141,978,625	0.16%	None ²
China Life Insurance Company Limited	3,341,900,000	3.84%	12 months
China Telecommunications Corporation	1,117,223,218	1.28%	12 months
Zhejiang Ant Small and Micro Financial Services Group Co., Ltd.	738,820,000	0.85%	12 months
Shenzhen Tencent Domain Computer Network Company Limited	128,530,000	0.15%	12 months
Domestic strategic investors of the A Share Offering	2,068,865,000	2.38%	12 months
Holder of 70% shares issued offline	905,130,903	1.04%	6 months
Other A shareholders	2,832,013,672	3.26%	None
H shareholders	19,856,167,000	22.83%	None
Total shares	<u>86,978,562,200</u>	<u>100.00%</u>	

Notes:

1. The lock-up periods commence from the date of the listing of A shares (10 December 2019)
2. China Post Group Corporation Limited voluntarily undertakes that it will not to reduce its shareholdings of the Bank's shares during the implementation period of its shareholding increase (i.e. within 12 months from 10 December 2019) and the statutory period

V. Use of Proceeds from the Over-allotment of A Shares

The net proceeds of RMB4,205.43 million from the over-allotment of A shares pursuant to the full exercise of the Greenshoe will be entirely used to strengthen the capital base of the Bank.

By order of the Board of Directors
Postal Savings Bank of China Co., Ltd.
Du Chunye
Joint Company Secretary

Beijing, the PRC
9 January 2020

As at the date of this announcement, the Board of the Bank comprises Mr. Zhang Jinliang as Chairman and Non-executive Director; Mr. Zhang Xuewen and Ms. Yao Hong as Executive Directors; Mr. Han Wenbo, Mr. Tang Jian, Mr. Liu Yaogong, Mr. Liu Yue and Mr. Ding Xiangming as Non-executive Directors; Mr. Fu Tingmei, Mr. Wen Tiejun, Mr. Chung Shui Ming Timpson, Mr. Hu Xiang and Ms. Pan Yingli as Independent Non-executive Directors.

* *Postal Savings Bank of China 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.*