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CHINA ZHESHANG BANK CO., LTD.

浙 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: 2016)

**RESULTS OF THE H SHARE RIGHTS ISSUE OF 1,366,200,000 H SHARES
ON THE BASIS OF THREE (3) H RIGHTS SHARES FOR EVERY TEN (10)
EXISTING H SHARES AT HK\$2.23 PER H RIGHTS SHARE**

SOLE GLOBAL COORDINATOR OF THE H SHARE RIGHTS ISSUE



UNDERWRITER OF THE H SHARE RIGHTS ISSUE



We refer to the prospectus in relation to the H Share Rights Issue of China Zhesang Bank Co., Ltd. (the “**Bank**”) dated July 5, 2023 (the “**H Share Rights Issue Prospectus**”). Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the H Share Rights Issue Prospectus.

RESULTS OF THE H SHARE RIGHTS ISSUE

The Board is pleased to announce that all conditions precedent to the H Share Rights Issue have been fulfilled and the H Share Rights Issue has become unconditional at 9:00 p.m. on Tuesday, July 25, 2023.

At 4:00 p.m. on Wednesday, July 19, 2023, being the latest time for acceptance of and payment for H Rights Shares and application and payment for excess H Rights Shares, the Bank received a total of 44 valid acceptances and applications (in respect of a total of 634,674,459 H Rights Shares), including (i) a total of 25 valid acceptances of provisional allotments under the Provisional Allotment Letters in respect of 559,900,119 H Rights Shares, representing approximately 40.98% of the total number of the H Rights Shares available for subscription under the H Share Rights Issue; and (ii) a total of 19 valid applications for excess H Rights Shares under the Excess Application Forms in respect of 74,774,340 H Rights Shares, representing approximately 5.47% of the total number of the H Rights Shares available for subscription under the H Share Rights Issue.

In aggregate, the valid acceptances and applications represented approximately 46.46% of the total number of 1,366,200,000 H Rights Shares available for subscription under the H Share Rights Issue.

Pursuant to the undertaking made by Zhejiang Seaport (Hong Kong) Co., Limited (“**Seaport Hong Kong**”), Seaport Hong Kong has subscribed for 277,710,000 H Rights Shares provisionally allotted to it. Pursuant to the undertaking made by Zhejiang Provincial Seaport Investment & Operation Group Co., Ltd. (“**Seaport Group**”), Seaport Group has subscribed for 40,590,000 H Rights Shares provisionally allotted to it.

According to the above-mentioned subscription results, the H Share Rights Issue was undersubscribed by 731,525,541 H Rights Shares, representing approximately 53.54% of the total number of the H Rights Shares available for subscription under the H Share Rights Issue.

EXCESS APPLICATIONS

As the aggregate number of H Rights Shares available for excess application is larger than the aggregate number of H Rights Shares being applied for under the Excess Application Forms, the Board considers that it is fair and equitable to accept all valid excess applications for a total of 74,774,340 H Rights Shares and to allot and issue such number of excess H Rights Shares applied to each of the applicants in full. Therefore, no refund cheques for wholly and partially unsuccessful applications for excess H Rights Shares will be posted.

UNDERWRITING AGREEMENT

As all the conditions set out in the Underwriting Agreement have been fulfilled and the Underwriting Agreement was not terminated by the Underwriter prior to the Latest Time for Termination of the Underwriting Agreement, the Underwriting Agreement became unconditional at 9:00 p.m. on Tuesday, July 25, 2023.

As a result of the under-subscription of the H Rights Shares, pursuant to the terms of the Underwriting Agreement, the Underwriter has procured subscribers to subscribe for 288,031,000 H Rights Shares and has performed its underwriting obligations to subscribe for 443,494,541 H Rights Shares, representing approximately 21.08% and 32.46% of the total number of H Rights Shares available under the H Share Rights Issue, respectively. To the best knowledge, information and belief of the Directors, having made reasonable enquiries, the Underwriter, all subscribers procured by the Underwriter and their respective ultimate beneficial owners (if any) are independent third parties and the Underwriter and each of the subscribers are not parties acting in concert with each other. None of the Underwriter or the subscribers procured by the Underwriter became a substantial shareholder (as defined in the Hong Kong Listing Rules) of the Bank immediately after completion of the H Share Rights Issue.

Upon subscription by the Underwriter and subscribers procured by the Underwriter, the H Share Rights Issue was finally subscribed in full. Details of the Bank’s shareholding structure are set out in the section headed “Shareholding Structure of the Bank” below in this announcement.

SHAREHOLDING STRUCTURE OF THE BANK

To the best knowledge of the Directors, the shareholding structure of the Bank immediately before the commencement and immediately following the completion of the Rights Issue are set out as follows:

Class of Shares and Name of Shareholder	Number of issued Shares immediately before the commencement of the Rights Issue (as at June 14, 2023)	Approximate percentage of the total number of issued Shares of the Bank	Number of Shares issued under the Rights Issue	Number of issued Shares immediately following the completion of the Rights Issue	Approximate percentage of the total number of issued Shares immediately following the completion of the Rights Issue
A Shares					
<i>Non-public A Shareholders</i>					
Zhejiang Provincial Financial Holdings Co., Ltd.	2,655,443,774	12.49%	796,633,132	3,452,076,906 ^(Note 1)	12.57%
Directors, Supervisors and senior management of the Bank	3,329,700	0.02%	998,910	4,328,610 ^(Note 1)	0.02%
<i>Public A Shareholders</i>	14,055,923,304	66.08%	4,032,107,143	18,088,030,447 ^(Note 1)	65.85%
Total Number of A Shares	16,714,696,778	78.59%	4,829,739,185	21,544,435,963	78.44%
H Shares					
Zhejiang Seaport (Hong Kong) Co., Limited	925,700,000	4.35%	277,710,000	1,203,410,000	4.38%
Zhejiang Provincial Seaport Investment & Operation Group Co., Ltd.	135,300,000	0.64%	40,590,000	175,890,000	0.64%
Other Public H Shareholders	3,493,000,000	16.42%	1,047,900,000	4,540,900,000	16.54%
Including: Underwriter	0	0.00%	443,494,541	443,494,541	1.61%
Subscribers procured by the Underwriter	0	0.00%	288,031,000	288,031,000	1.05%
Total Number of H Shares	4,554,000,000	21.41%	1,366,200,000	5,920,200,000	21.56%
Total	21,268,696,778	100.00%	6,195,939,185	27,464,635,963	100.00%

Note:

- For the purpose of illustrating the impact of the Rights Issue on the shareholding structure and public float of the Bank only and based on the assumption that no other changes in the number of A Shares held by each of Zhejiang Provincial Financial Holdings Co., Ltd. and the Directors, Supervisors and senior management of the Bank occurs during the period from the date of this announcement to the date of issue of the H Rights Shares.

Upon completion of the Rights Issue, the public float of the Bank will continue to comply with the requirements under Rule 8.08 of the Hong Kong Listing Rules.

DESPATCH OF H SHARE CERTIFICATES AND REFUND CHEQUES

It is expected that the share certificates for the H Rights Shares, in their fully-paid form, and the refund cheques in respect of overpayment for H Rights Shares (if any) or in respect of any wholly or partially unsuccessful applications for the excess H Rights Shares (if any) will be despatched by ordinary post to the allottees, at their own risk, to their registered addresses by the H Share Registrar on or about Thursday, July 27, 2023.

COMMENCEMENT OF DEALINGS IN FULLY-PAID H RIGHTS SHARES

Approval has been granted by the Hong Kong Stock Exchange for the listing of, and permission to deal in, the H Rights Shares. Dealings in the H Rights Shares, in their fully-paid form, are expected to commence on the Hong Kong Stock Exchange at 9:00 a.m. on Friday, July 28, 2023.

GENERAL

The gross proceeds raised from the A Share Rights Issue were approximately RMB9.756 billion (equivalent to approximately HK\$10.759 billion) and the gross proceeds raised from the H Share Rights Issue were approximately HK\$3.047 billion (equivalent to approximately RMB2.763 billion). The expenses in connection with the A Share Rights Issue (exclusive of value-added tax, comprising the sponsoring and underwriting fees, legal fees, audit and capital verification fees, information disclosure fees and issue handling charges) amounted to approximately RMB34.23 million (equivalent to approximately HK\$37.74 million). The expenses in connection with the H Share Rights Issue (exclusive of tax, comprising underwriting fee, legal fee, accounting fee, registration fee and other fees) amounted to approximately RMB31.36 million (equivalent to approximately HK\$34.59 million). All subscription monies for the Rights Shares have been received by the Bank as at the date of this announcement, and the Bank will allocate the net proceeds from the Rights Issue for the purposes as set out in the H Share Rights Issue Prospectus on a pro rata basis.

By order of the Board
China Zheshang Bank Co., Ltd.
Zhang Rongsen
Executive Director, President of the Bank

Hangzhou, the PRC
July 26, 2023

As at the date of this announcement, the executive directors of the Bank are Mr. Zhang Rongsen, Ms. Ma Hong and Mr. Chen Haiqiang; the non-executive directors are Mr. Hou Xingchuan, Mr. Ren Zhixiang, Ms. Gao Qinhong, Mr. Hu Tiangao and Mr. Zhu Weiming; the independent non-executive directors are Mr. Zhou Zhifang, Mr. Wang Guocai, Mr. Wang Wei, Mr. Xu Yongbin and Mr. Fu Tingmei.

The exchange rate adopted in this announcement for illustration purpose only is at the rate of HK\$1 to RMB0.90678. No representation is made that any amounts in RMB could have been or could be converted at that rate or at any other rates.