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(Incorporated in Hong Kong with limited liability)

(Stock Code: 01111)

**PROPOSED ISSUANCE OF U.S.\$250,000,000 5.50 PER CENT. UNDATED NON-CUMULATIVE
SUBORDINATED ADDITIONAL TIER 1 CAPITAL SECURITIES UNDER THE
U.S.\$2,000,000,000 MEDIUM TERM NOTE AND PERPETUAL CAPITAL SECURITIES
PROGRAMME OF CHONG HING BANK LIMITED**

Reference is made to the voluntary announcement made on 24 July 2020 (the "**24 July Voluntary Announcement**") in relation to the proposed issuance of U.S.\$ denominated perpetual capital securities (the "**Proposed Issuance**") under the U.S.\$2,000,000,000 Medium Term Note and Perpetual Capital Securities Programme (the "**Programme**") of Chong Hing Bank Limited (the "**Bank**"). Terms in this announcement shall have the same meaning as the 24 July Voluntary Announcement unless otherwise specified.

On 27 July 2020, the Bank entered into a subscription agreement with BOCI Asia Limited, CMBC Securities Company Limited, CMB International Capital Limited, CLSA Limited, Yue Xiu Securities Company Limited, Chong Hing Bank Limited, ABCI Capital Limited and CCB International Capital Limited as managers in connection with the Proposed Issuance (the "**Subscription Agreement**"). Pursuant to the Subscription Agreement, the Bank will issue U.S.\$250,000,000 5.50 per cent. Undated Non-Cumulative Subordinated Additional Tier 1 Capital Securities (the "**Securities**") under the Programme. Subject to the satisfaction of certain condition precedents, the Proposed Issuance is expected to complete on 3 August 2020.

The Bank has been informed that Guangzhou Yue Xiu Holdings Limited*, the Bank's ultimate parent, and/or its subsidiaries intend to subscribe for up to U.S.\$25 million of the principal amount of the Securities (the "**Proposed Subscription**"), on the same terms and conditions as those applicable to all other investors of the Securities. As the Proposed Subscription will be made pursuant to the same terms and conditions of the Securities issued under normal commercial terms and will not be secured by any assets of the Bank and its subsidiaries, such subscription of the Securities will be an exempt connected transaction under Rule 14A.90 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

By Order of the Board
Chong Hing Bank Limited
Lai Wing Nga
Company Secretary

Hong Kong, 27 July 2020

As at the date of this announcement, the board of directors of the Bank comprises:

- *Executive Directors*
Mr Zong Jianxin (Deputy Chairman and Chief Executive) and Mr Lau Wai Man (Deputy Chief Executive);
- *Non-executive Directors*
Mr Zhang Zhaoxing (Chairman), Mr Li Feng, Mr Chow Cheuk Yu Alfred and Ms Chen Jing; and
- *Independent Non-executive Directors*
Mr Cheng Yuk Wo, Mr Ma Chiu Cheung Andrew, Mr Lee Ka Lun and Mr Yu Lup Fat Joseph.

** For identification purpose only*