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JOINT ANNOUNCEMENT

**(1) PROPOSAL FOR THE PRIVATISATION OF
CHONG HING BANK LIMITED BY
YUE XIU ENTERPRISES (HOLDINGS) LIMITED
BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 673 OF THE COMPANIES ORDINANCE**

AND

(2) EFFECTIVE DATE OF THE SCHEME

AND

(3) RESULTS OF THE SHARE AWARD OFFER

AND

**(4) WITHDRAWAL OF LISTING OF THE SHARES OF
CHONG HING BANK LIMITED**

AND

**(5) DESPATCH OF CHEQUES FOR CASH PAYMENT UNDER
THE SCHEME AND THE SHARE AWARD OFFER**

Joint Financial Adviser to the Offeror

Joint Financial Adviser to the Offeror



**China International Capital Corporation
Hong Kong Securities Limited**

CLSA Capital Markets Limited

(in alphabetical order)

Financial Adviser to the Company

**Independent Financial Adviser to the
Independent Board Committee**



Yue Xiu Capital Limited

INTRODUCTION

Reference is made to (i) the composite scheme document (the “**Scheme Document**”) jointly issued by Chong Hing Bank Limited (the “**Company**”) and Yue Xiu Enterprises (Holdings) Limited (the “**Offeror**”) dated 30 July 2021 in relation to, among other matters, the Proposal, the Scheme and the Share Award Offer; (ii) the announcement issued by the Company dated 13 August 2021 in relation to, amongst other things, the unaudited consolidated results of the Group for the six months ended 30 June 2021 (the “**2021 Interim Results**”); (iii) the supplemental announcement jointly issued by the Company and the Offeror dated 13 August 2021 in relation to the 2021 Interim Results; (iv) the announcement jointly issued by the Company and the Offeror dated 23 August 2021 in relation to the irrevocable undertaking from Bauhinia 97 Ltd.; (v) the announcement jointly issued by the Company and the Offeror dated 30 August 2021 in relation to, amongst other things, the results of the Court Meeting and the EGM; and (vi) the announcement jointly issued by the Company and the Offeror dated 23 September 2021 in relation to, amongst other things, the sanction of the Scheme by the Court (the “**Court Sanction Announcement**”). Unless otherwise specified, all capitalised terms used herein shall have the same respective meanings as those defined in the Scheme Document.

EFFECTIVE DATE OF THE SCHEME

As set out in the Court Sanction Announcement, the Scheme was sanctioned without modification by the Court on Thursday, 23 September 2021. The reduction of the issued share capital of the Company involved in the Scheme (the “**Capital Reduction**”) was also confirmed by the Court on the same day.

A sealed copy of the order of the Court made on Thursday, 23 September 2021 sanctioning the Scheme and confirming the Capital Reduction under section 229 of the Companies Ordinance, and the minute of EGM in relation to the Capital Reduction (approved by the Court) and the return containing particulars required under section 230 of the Companies Ordinance were registered by the Registrar of Companies of Hong Kong on Monday, 27 September 2021. All of the Conditions of the Scheme as set out in the Scheme Document were fulfilled and the Scheme became effective on Monday, 27 September 2021 (the “**Effective Date**”).

RESULTS OF THE SHARE AWARD OFFER

The Share Award Offer is conditional upon the Scheme becoming effective. As the Scheme has become effective on Monday, 27 September 2021, the Share Award Offer has become unconditional on Monday, 27 September 2021.

As at the date of this announcement, the Offeror has received valid acceptances of the Share Award Offer in respect of all of the Outstanding Share Award Holders (totaling 52 Outstanding Share Award Holders). This represents acceptances in respect of 1,482,856 Outstanding Share Awards, representing 100% of the total number of Outstanding Share Awards as at the Scheme Record Date for determining the entitlement of the Outstanding Share Award Holders under the Share Award Offer, which is Thursday, 23 September 2021. As acceptances of the Share Award Offer have been received from all the Outstanding Share Award Holders, the Share Award Offer has closed and no further announcement of the results of the Share Award Offer will be published.

Immediately before 18 May 2021 (the commencement of the offer period (within the meaning of the Takeovers Code)), as at 18 May 2021 (the date of the Announcement), the Scheme Record Date and immediately prior to the Scheme becoming effective on the date of this announcement:

- (i) the Offeror SPV Entity legally or beneficially owned, controlled, or had direction over 729,394,500 Shares (representing approximately 74.97% of the entire issued share capital of the Company). Such 729,394,500 Shares did not form part of the Scheme Shares and were not voted at the Court Meeting;
- (ii) the Offeror Concert Parties (other than the Offeror SPV Entity, members of the CICC Group and members of the CLSA Group) legally or beneficially owned, controlled, or had direction over 87,137,421 Shares (representing approximately 8.96% of the entire issued share capital of the Company). Such 87,137,421 Shares formed part of the Scheme Shares and will be cancelled upon the Scheme becoming effective;
- (iii) members of the CICC Group (except those which are exempt principal traders or exempt fund managers for the purpose of the Takeovers Code), being the Offeror Concert Parties, did not legally or beneficially own, control, or have direction over any Shares;
- (iv) members of the CLSA Group, being the Offeror Concert Parties, did not legally or beneficially own, control, or have direction over any Shares; and
- (v) Mr Zong Jianxin and Mr Lau Wai Man, being Offeror Concert Parties, held 150,806 and 74,386 Outstanding Share Awards, respectively, and Mr Zong Jianxin and Mr Lau Wai Man have accepted the Share Award Offer in respect of such Outstanding Share Awards. Save as disclosed above, there were no convertible securities, warrants, options or derivatives in respect of the Shares held, controlled or directed by the Offeror Concert Parties.

Neither the Offeror nor the Offeror Concert Parties have acquired or agreed to acquire any Shares or rights over Shares or any convertible securities, warrants, options or derivatives in respect of the Shares since the date of the Announcement and up to the date of this announcement. As at the date of this announcement, neither the Offeror nor the Offeror Concert Parties have borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

WITHDRAWAL OF LISTING OF THE SHARES

Pursuant to the approval of the Stock Exchange, listing of the Shares on the Main Board of the Stock Exchange will be withdrawn at 4:00 p.m. on Thursday, 30 September 2021.

For the avoidance of doubt, the debt securities of the Company which are listed on the Stock Exchange (Debt Stock Codes: 04419, 05249 and 40329) will remain listed on the Stock Exchange following the Effective Date and 30 September 2021 after the listing of the Shares on the Stock Exchange is withdrawn.

DESPATCH OF CHEQUES FOR CASH PAYMENT UNDER THE SCHEME AND THE SHARE AWARD OFFER

Cheques for the payment of the Cancellation Price will be despatched by ordinary post in postage pre-paid envelopes addressed to the Scheme Shareholders at their respective addresses as appearing in the register of members of the Company as at the Scheme Record Date or, in the case of joint holders, at the address appearing in the register of members of the Company as at the Scheme Record Date of the joint holder whose name then stands first in the register of members of the Company in respect of the relevant joint holding. All such cheques will be posted as soon as possible but in any event on or before Thursday, 7 October 2021 at the risk of the addressees and none of the Offeror, the Offeror Concert Parties, the Company, CICC, CLSA, Yue Xiu Capital, the Independent Financial Adviser, their respective ultimate beneficial owners, directors, officers, agents and associates and any other person involved in the Proposal or the Scheme will be responsible for any loss or delay in transmission.

Payment of the Share Award Offer Price due to the Outstanding Share Award Holders who accepted the Share Award Offer in accordance with the terms of the Share Award Offer will be held by the Offeror in a separate account and will be retained in such account pending payment to the Outstanding Share Award Holders as and when the payments are due in accordance with the Share Award Offer. Such payments will be made to the Outstanding Share Award Holders by the Offeror within seven (7) business days (as defined in the Takeovers Code) following the relevant vesting date of the relevant Outstanding Share Award(s) which is determined in accordance with the existing vesting schedule of the relevant Outstanding Share Award(s) held by such Outstanding Share Award Holder(s) as at the Scheme Record Date. In accordance with the terms of the Share Award Offer Letter, Outstanding Share Award Holders are reminded to inform the Human Resources Division of the Company of their preferred method of payment no later than two weeks prior to the relevant vesting date of their respective Outstanding Share Award(s).

By order of the board of directors of
Yue Xiu Enterprises (Holdings) Limited
Yu Tat Fung
Company Secretary

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

Hong Kong, 27 September 2021

As at the date of this announcement, the directors of the Offeror are Mr Zhang Zhaoxing, Mr Ye Shanhu, Mr Wu Shanghui, Ms Chen Shu, Mr Tan Yue, Mr Chen Ping and Mr Liang Yuxing.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than the information relating to the Group) and confirm, having made all reasonable inquiries, that, to the best of their knowledge, opinions expressed in this announcement (other than the opinions expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

As at the date of this announcement, the directors of Yuexiu Holdings are Mr Zhang Zhaoxing, Mr Ye Shanhu, Mr Wu Shanghui, Ms Chen Shu, Mr Tan Yue, Mr Chen Ping, Mr Liang Yuxing, Mr Zeng Yun and Mr Qian Siting.

The directors of Yuexiu Holdings jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than the information relating to the Group) and confirm, having made all reasonable inquiries, that, to the best of their knowledge, opinions expressed in this announcement (other than the opinions expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

As at the date of this announcement, the Board comprises the following members:

- *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 Lee Ka Lun and Mr Yu Lup Fat Joseph.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than the information relating to the Offeror and the Offeror Concert Parties) and confirm, having made all reasonable inquiries, that, to the best of their knowledge, opinions expressed in this announcement (other than the opinions expressed by the directors of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.