

HERBERT SMITH FREEHILLS ADVISES CHINA EVERBRIGHT BANK ON US\$4 BILLION H-SHARE PLACEMENT

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Deals and cases

Leading global law firm Herbert Smith Freehills has advised China Everbright Bank on its issue and private placement of 5.8 billion new H shares on the Hong Kong Stock Exchange.

The placement was made to China Everbright Group Limited and Overseas Chinese Town Enterprises Company, and completed on 22 December after Chinese regulatory approval was received. It injects close to US\$4 billion into the bank, a Hong Kong and Shanghai listed company and one of the largest commercial banks in China.

This placement is the largest issue of shares by a listed Chinese bank in the past five years, and the second largest issue of shares by a listed bank in the Hong Kong market.

Beijing partner [Tom Chau](#) led the team advising China Everbright Bank on the placement, assisted by senior associate [Lawrence Wang](#).

"While lending has flourished in China in recent years, fuelled by the soaring economy, the country's banking regulators have also tightened capital adequacy ratios," explained Tom. "Many major Chinese banks, including China Everbright Bank, were in acute need of fresh capital as a result, and we're delighted to have helped them with this placement."

Herbert Smith Freehills first advised China Everbright Bank right after its flotation on the Hong Kong Stock Exchange in 2013. Since then it has advised the bank on a number of transactions, including the RMB30 billion issue of six-year convertible bonds in the PRC – the largest issue of convertible bonds worldwide in 2017.

KEY CONTACTS

If you have any questions, or would like to know how this might affect your business, phone, or email these key contacts.



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