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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.

If you have sold or transferred all your shares in Weihai Bank Co., Ltd.\*, you should at once hand this circular and the proxy form to the purchaser or transferee or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 09677)**

- (1) PROPOSED ISSUANCE OF DOMESTIC SHARES TO SPECIFIC TARGET PLACES**
- (2) PROPOSED NON-PUBLIC ISSUANCE OF H SHARES**
- (3) ENTERING INTO DOMESTIC SHARES SUBSCRIPTION AGREEMENTS AND CONNECTED TRANSACTION RELATING TO SUBSCRIPTION OF DOMESTIC SHARES BY SHANDONG HI-SPEED SUBSCRIBERS**
- (4) PROPOSED CHANGES IN REGISTERED CAPITAL AND CONSEQUENTIAL AMENDMENTS TO THE RELEVANT PROVISIONS OF THE ARTICLES OF ASSOCIATION**
- (5) PROPOSED DISSOLUTION OF THE BOARD OF SUPERVISORS**
- (6) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**
- (7) PROPOSED CHANGE OF DIRECTORS**
- (8) NOTICE OF 2025 FIRST EXTRAORDINARY GENERAL MEETING AND**
- (9) NOTICE OF 2025 FIRST H SHAREHOLDERS CLASS MEETING**

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



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The letter from the Board is set out on pages 6 to 32 of this circular. The letter from the Independent Board Committee is set out on page 33 of this circular. The letter from the Independent Financial Adviser is set out on pages 34 to 53 of this circular.

The 2025 First Extraordinary General Meeting, the 2025 First Domestic Shareholders Class Meeting and the 2025 First H Shareholders Class Meeting of the Bank will be convened in sequence at the Conference Room, 3/F, Weihai Bank Digital Financial Center, No. 137A, Qingdao North Road, Weihai City, Shandong Province, the PRC at 9:00 a.m. on Monday, September 29, 2025.

Whether or not you intend to attend and/or vote at the 2025 First Extraordinary General Meeting and/or the 2025 First H Shareholders Class Meeting in person, you are requested to complete the proxy forms in accordance with the instructions printed thereon and return the proxy forms to the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in case of H Shareholders), or to the office of the Board of the Bank ("Office of the Board") (in case of Domestic Shareholders) at Room 2309, No. 137A, Qingdao North Road, Weihai City, Shandong Province, the PRC as soon as possible and in any event, not later than 24 hours before the fixed time (i.e. 9:00 a.m. on Sunday, September 28, 2025) to hold the 2025 First Extraordinary General Meeting and/or the 2025 First H Shareholders Class Meeting or any adjournment thereof (as the case may be). Completion and return of the proxy forms will not preclude you from attending in person and voting at the 2025 First Extraordinary General Meeting and/or the 2025 First H Shareholders Class Meeting should you so wish, in this case, the instrument appointing a proxy should be deemed to be revoked. The notices of the 2025 First Extraordinary General Meeting and the 2025 First H Shareholders Class Meeting and forms of proxy for use at the 2025 First Extraordinary General Meeting and the 2025 First H Shareholders Class Meeting have been sent to the Shareholders.

\* Weihai Bank 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/deposit-taking business in Hong Kong.

September 14, 2025

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

“2025 First Domestic Shareholders Class Meeting”	the 2025 first domestic shareholders class meeting of the Bank to be held on Monday, September 29, 2025 (immediately after the 2025 First Extraordinary General Meeting) or any adjournment thereof
“2025 First H Shareholders Class Meeting”	the 2025 first H shareholders class meeting of the Bank to be held on Monday, September 29, 2025 (immediately after the 2025 First Domestic Shareholders Class Meeting) or any adjournment thereof
“Articles of Association”	the articles of association of the Bank, as amended, modified or otherwise supplemented from time to time
“associate(s)”	has the meaning as ascribed to it in the Hong Kong Listing Rules
“Bank”	Weihai Bank Co., Ltd.* (formerly known as Weihai City Commercial Bank Co., Ltd.), a joint stock company established in the PRC in July 1997 in accordance with relevant PRC laws and regulations, and (as the context requires) includes its predecessor, branches and sub-branches (excluding subsidiaries)
“Board”	the board of directors of the Bank
“Board of Supervisors”	the board of supervisors of the Bank
“Class Meeting(s)”	the general designation for the 2025 First Domestic Shareholders Class Meeting and the 2025 First H Shareholders Class Meeting held immediately after the 2025 First Extraordinary General Meeting, to approve the proposed Issuance, and related authorization matters, Shandong Hi-Speed’s Subscription and proposed amendments to the Articles of Association
“Company Law”	The Company Law of the People’s Republic of China, as amended, supplemented or otherwise modified from time to time
“connected person(s)”	has the meaning as ascribed to it in the Hong Kong Listing Rules

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## DEFINITIONS

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“Controlling Shareholder(s)”	has the meaning as ascribed to it in the Hong Kong Listing Rules
“Director(s)”	the director(s) of the Bank
“Domestic Share(s)”	the ordinary share(s) issued by the Bank, with a nominal value of RMB1.00 each, which are subscribed for or credited as fully paid in RMB
“Domestic Shareholder(s)”	holder(s) of Domestic Shares
“Domestic Shares Subscription Agreements”	Domestic Shares Subscription Agreement I and Domestic Shares Subscription Agreement II
“Domestic Shares Subscription Agreement I”	on September 1, 2025, the Bank and Shandong Hi-Speed Group entered into a subscription agreement for the subscription of no more than 324,213,962 Domestic Shares in respect of the Issuance of Domestic Shares
“Domestic Shares Subscription Agreement II”	on September 1, 2025, the Bank and Shandong Hi-Speed entered into a subscription agreement for the subscription of no more than 105,816,432 Domestic Shares in respect of the Issuance of Domestic Shares
“Extraordinary General Meeting” or “2025 First Extraordinary General Meeting”	the 2025 first extraordinary general meeting of the Bank to be convened at the Conference Room, 3/F, Weihai Bank Digital Financial Center, No. 137A, Qingdao North Road, Weihai City, Shandong Province, the PRC at 9:00 a.m. on Monday, September 29, 2025, or any adjournment thereof
“Group”	the Bank and its subsidiaries
“H Share(s)”	the ordinary share(s) issued by the Bank in Hong Kong, with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars, and are listed and traded on the Hong Kong Stock Exchange
“H Share Registrar”	Computershare Hong Kong Investor Services Limited
“H Shareholder(s)”	holder(s) of H Shares
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

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## DEFINITIONS

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“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Board Committee”	an independent board committee consisting of all independent non-executive Directors (namely Mr. FAN Chi Chiu, Mr. WANG Yong, Ms. SUN Zuying, Mr. YANG Yunhong and Mr. PENG Feng)
“Independent Financial Adviser” or “Gram Capital”	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser to advise the Independent Board Committee and the independent Shareholders in respect of the Shandong Hi-Speed’s Subscription
“independent Shareholder(s)”	the Shareholders who are not required to abstain from voting at the Extraordinary General Meeting and Class Meetings to approve the resolutions relating to Shandong Hi-Speed’s Subscription
“Issuance”	the Issuance of Domestic Shares and the Issuance of H Shares
“Issuance of Domestic Share(s)”	the Bank intends to non-publicly issue no more than 758,020,103 Domestic Shares (intent to include Shandong Hi-Speed Group and Shandong Hi-Speed) to specific target places through the Specific Mandate
“Issuance of H Share(s)”	the Bank intends to non-publicly issue no more than 153,834,000 H Shares through the Specific Mandate
“Latest Practicable Date”	September 10, 2025, being the latest practicable date for the purpose of ascertaining certain information contained in this circular prior to its printing
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers

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## DEFINITIONS

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“NFRA”	National Financial Regulatory Administration
“PRC”	the People’s Republic of China, but for the purpose of this circular only and, unless the context otherwise requires, excluding Hong Kong, Macau and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Shandong Hi-Speed Group”	Shandong Hi-Speed Group Co. Ltd., a company established in the PRC with limited liability. As at the Latest Practicable Date, it jointly holds 47.16% of the Bank’s total Shares with Shandong Hi-Speed and is the Controlling Shareholder of the Bank
“Shandong Hi-Speed”	Shandong Hi-Speed Company Limited (山東高速股份有限公司), a limited liability company incorporated in the PRC, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600350.SH). As at the Latest Practicable Date, Shandong Hi-Speed Group holds approximately 70.57% of its interest
“Shandong Hi-Speed’s Subscription”	subscription under the Issuance of Domestic Shares by Shandong Hi-Speed Group and Shandong Hi-Speed
“Shandong Hi-Speed subscribers”	Shandong Hi-Speed Group and Shandong Hi-Speed
“Shandong SASAC”	State-owned Assets Supervision and Administration Commission of Shandong Provincial People’s Government (山東省人民政府國有資產監督管理委員會)
“Share(s)”	Domestic Shares and H Shares of the Bank
“Shareholder(s)”	holder(s) of the Shares
“Specific Mandate(s)”	specific mandate(s) respectively for the Issuance of Domestic Shares and the Issuance of H Shares to be granted by the Shareholders at the Extraordinary General Meeting and the Class Meetings

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## DEFINITIONS

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“Substantial Shareholder(s)” has the meaning as ascribed to it in the Hong Kong Listing Rules

“Supervisor(s)” the supervisor(s) of the Bank

“%” Percent

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LETTER FROM THE BOARD

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**WEIHAI BANK CO., LTD.\***

**威海银行股份有限公司\***

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

**(Stock Code: 09677)**

*Executive Directors:*

Mr. MENG Dongxiao (*Chairman*)  
Mr. ZHANG Wenbin  
Mr. LU Jiliang  
Mr. JIANG Yi

*Registered Address and Address of Head Office:*

Weihai Bank Digital Financial Center  
No. 137A, Qingdao North Road  
Weihai City  
Shandong Province, the PRC

*Non-executive Directors:*

Mr. CHEN Xiaojun  
Mr. ZHAO Bing  
Mr. JIAO Weifeng  
Mr. KANG Jian  
Ms. LI Jie

*Principal Place of Business in Hong Kong:*

40th Floor, Dah Sing Financial Centre  
248 Queen's Road East  
Wanchai  
Hong Kong

*Independent Non-executive Directors:*

Mr. FAN Chi Chiu  
Mr. WANG Yong  
Ms. SUN Zuying  
Mr. YANG Yunhong  
Mr. PENG Feng

September 14, 2025



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## LETTER FROM THE BOARD

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To the Shareholders,

Dear Sir/Madam,

- (1) PROPOSED ISSUANCE OF DOMESTIC SHARES TO SPECIFIC TARGET PLACES**
- (2) PROPOSED NON-PUBLIC ISSUANCE OF H SHARES**
- (3) ENTERING INTO DOMESTIC SHARES SUBSCRIPTION AGREEMENTS AND CONNECTED TRANSACTION RELATING TO SUBSCRIPTION OF DOMESTIC SHARES BY SHANDONG HI-SPEED SUBSCRIBERS**
- (4) PROPOSED CHANGES IN REGISTERED CAPITAL AND CONSEQUENTIAL AMENDMENTS TO THE RELEVANT PROVISIONS OF THE ARTICLES OF ASSOCIATION**
- (5) PROPOSED DISSOLUTION OF THE BOARD OF SUPERVISORS**
- (6) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**
- (7) PROPOSED CHANGE OF DIRECTORS**
- (8) NOTICE OF 2025 FIRST EXTRAORDINARY GENERAL MEETING AND**
- (9) NOTICE OF 2025 FIRST H SHAREHOLDERS CLASS MEETING**

### **I. INTRODUCTION**

The 2025 First Extraordinary General Meeting, the 2025 First Domestic Shareholders Class Meeting and the 2025 First H Shareholders Class Meeting of the Bank will be convened in sequence at the Conference Room, 3/F, Weihai Bank Digital Financial Center, No. 137A, Qingdao North Road, Weihai City, Shandong Province, the PRC at 9:00 a.m. on Monday, September 29, 2025. The following resolutions will be proposed at these meetings for the Shareholders to consider and, if thought fit, to approve: (1) proposed issuance of Domestic Shares to specific target places; (2) proposed non-public issuance of H Shares; (3) entering into the Domestic Shares Subscription Agreements and connected transaction in respect of subscription of Domestic Shares by Shandong Hi-Speed Subscribers; (4) proposed changes in registered capital and consequential amendments to the relevant provisions of the Articles of Association; (5) proposed dissolution of the Board of Supervisors; (6) proposed amendments to the Articles of Association; and (7) proposed change of Directors.

The notices of the 2025 First Extraordinary General Meeting and the 2025 First H Shareholders Class Meeting are set out on pages 252 to 255 and pages 256 to 259 of this circular, respectively.

The purpose of this circular is to provide you with further details of these proposed matters to enable you to make an informed voting decision on the proposed resolutions at the 2025 First Extraordinary General Meeting and/or the 2025 First H Shareholders Class Meeting, if applicable.

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## LETTER FROM THE BOARD

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### II. MATTERS TO BE RESOLVED AT THE 2025 FIRST EXTRAORDINARY GENERAL MEETING AND/OR THE CLASS MEETINGS

#### 1. THE ISSUANCE

Reference is made to the announcement of the Bank dated July 31, 2025 relating to, among other things, the Issuance.

The Board is pleased to announce that, in order to improve the capital adequacy ratio of the Bank, ensure that the capital adequacy ratio meets regulatory requirements, safeguard the steady growth of various businesses and effectively support the development of the real economy, on July 31, 2025, the Board passed a resolution proposing the issuance of no more than 758,020,103 Domestic Shares and no more than 153,834,000 H Shares to the eligible subscribers.

The net proceeds from the Issuance, after deducting relevant issuance expenses, will be entirely used to supplement the Bank's core Tier 1 capital. As at August 31, 2025, the Group's core Tier 1 capital adequacy ratio was 8.12%. In accordance with the Administrative Measures for the Capital of Commercial Banks, the required minimum core Tier 1 capital adequacy ratio is 7.5%. The Issuance will be made under a Specific Mandate.

#### *(I) PROPOSED ISSUANCE OF DOMESTIC SHARES TO SPECIFIC TARGET PLACEES*

On July 31, 2025, the Board approved the resolution on the proposed issuance of Domestic Shares and proposed to seek approval from Shareholders in relation to the granting of Specific Mandate at the Extraordinary General Meeting and the Class Meetings, to approve and authorize the Board to issue no more than 758,020,103 Domestic Shares to eligible subscribers (proposed to include Shandong Hi-Speed Group and Shandong Hi-Speed). The details of the Issuance of Domestic Shares are set out below:

<b>Type and par value of Shares to be issued</b>	:	The type of Shares to be issued under the Issuance of Domestic Shares is ordinary Domestic Shares, to be subscribed in RMB, with par value of RMB1.00 each.
<b>Number of Shares to be issued</b>	:	The number of Shares to be issued under the Issuance of Domestic Shares will not exceed 758,020,103 Shares, representing approximately 15.25% of the number of Domestic Shares of the Bank in issue prior to the Issuance of Domestic Shares. The actual number of Shares to be issued will be determined in accordance with the approval of the issuance plan by the National Financial Regulatory Administration Shandong Office and China Securities Regulatory Commission.

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## LETTER FROM THE BOARD

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The Bank shall make further announcement if there is any adjustment to the number of Shares to be issued under the Issuance of Domestic Shares as approved by the regulatory authorities.

**Target placees** : The target placees of the Issuance of Domestic Shares are eligible existing domestic state-owned Shareholders of the Bank. Among them, Shandong Hi-Speed Group and Shandong Hi-Speed intend to participate in the Issuance of Domestic Shares according to their existing shareholding ratios. The actual target placees of the Issuance of Domestic Shares and the number of Shares to be subscribed shall be finally subject to the approval of the regulatory authorities. The subscription terms for the participation of Shandong Hi-Speed Group and Shandong Hi-Speed in the Issuance of Domestic Shares (including but not limited to the number of Shares subscribed and the subscription price, etc.) were determined in the Domestic Shares Subscription Agreements.

**Pricing and total proceeds** : The issue price of the Issuance of Domestic Shares was determined to be RMB3.29 per Share in accordance with market practices and regulatory requirements, taking into account the capital market conditions and the share price of the Bank's H Shares, with due consideration of Shareholders' interests, acceptability of the investors and issue risks, and the approximate proceeds raised will not exceed RMB2,493,886,139. Given that the Bank will also proceed with the Issuance of H Shares, the issue price of Domestic Shares is consistent with the issue price of H Shares adjusted for exchange rates.

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## LETTER FROM THE BOARD

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- Method of Issuance** : The Issuance of Domestic Shares will be conducted by way of targeted issuance of Shares to eligible existing domestic state-owned Shareholders of the Bank under Specific Mandate.
- Timing of Issuance** : The Board shall select an appropriate occasion and window to complete the Issuance of Domestic Shares according to market conditions after obtaining the approval of the Issuance of Domestic Shares from the Shareholders of the Bank and the approval/registration of the relevant regulatory authorities (including but not limited to securities regulatory authorities, banking regulatory authorities and their local offices) and within the validity period of the issuance plan approved by the Shareholders at the Extraordinary General Meeting and the Class Meetings. Given that the Bank will also proceed with the Issuance of H Shares, the Issuance of Domestic Shares will be completed simultaneously with or not earlier than the Issuance of H Shares.
- The Issuance of Domestic Shares is conditional upon the Issuance of H Shares.
- Use of proceeds** : The net proceeds raised from the Issuance of Domestic Shares after deducting related issuance costs will be entirely used to replenish core Tier 1 capital of the Bank.
- Distribution of retained profit** : The retained profit accrued before the Issuance of Domestic Shares will be shared by existing and new Shareholders upon the Issuance of Domestic Shares in proportion to their respective shareholdings.

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## LETTER FROM THE BOARD

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- Lock-up arrangement** : The new Domestic Shares of the Bank held by investors participating in the Issuance of Domestic Shares will be transferred in accordance with the Company Law, the Interim Measures for the Administration of Equity of Commercial Banks, Implementation Measures for Administrative Licensing Matters of Domestic Commercial Banks by the China Banking and Insurance Regulatory Commission, the Articles of Association and other relevant regulations. Among them, subscribers holding 5% or more of the Bank's outstanding Shares after the completion of the Issuance of Domestic Shares, or Shareholders holding less than 5% of the outstanding Shares but with significant influence over the operation and management of the Bank, shall not transfer the newly subscribed Shares within five years from the date of the issuance of the new Shares to them. The aforesaid significant influence includes, but is not limited to, the assignment of Directors, supervisors or senior management personnel to the Bank, influencing the Bank's financial and operation and management decisions through agreements or other means, and other circumstances as determined by the banking regulatory authorities or their local offices. Save as aforesaid, there are no other lock-up arrangements for the Issuance of Domestic Shares.
- Validity period** : The validity period for the plan of the Issuance of Domestic Shares shall remain valid for 12 months from the date on which resolutions are considered and approved at the Extraordinary General Meeting and the Class Meetings. The Board may seek for the consideration and approval of the extension of the validity period for the plan of the Issuance of Domestic Shares at general meetings depending on the circumstances.

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## LETTER FROM THE BOARD

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The relevant proposals for the Issuance of Domestic Shares can only be implemented after being considered and approved by special resolutions at the Extraordinary General Meeting and the Class Meetings, and approved/registered by relevant regulatory authorities such as banking regulatory authorities and China securities regulatory authorities, and finally subject to the scheme approved/registered by the regulatory authorities.

*(II) PROPOSED NON-PUBLIC ISSUANCE OF H SHARES*

On July 31, 2025, the Board also approved the resolution on the proposed Issuance of H Shares and proposed to seek approval from Shareholders in relation to the granting of Specific Mandate at the Extraordinary General Meeting and the Class Meetings, to approve and authorize the Board to issue no more than 153,834,000 H Shares to eligible subscribers. The details of the Issuance of H Shares are set out below:

<b>Type and par value of Shares to be issued</b>	:	The type of Shares to be issued under the Issuance of H Shares is ordinary H Shares, which are subscribed in Hong Kong dollars with par value of RMB1.00 each.
<b>Number of Shares to be issued</b>	:	The number of Shares to be issued under the Issuance of H Shares will not exceed 153,834,000 Shares, representing approximately 15.25% of the Bank's H Shares in issue prior to the Issuance. The actual issue number is subject to the approval of the issuance plan by the National Financial Regulatory Administration Shandong Office, market conditions and the actual conditions of the Bank. The Bank shall make further announcement if there is any adjustment to the number of Shares to be issued under the Issuance of H Shares as approved by the regulatory authorities.

In addition, as the Bank will also conduct the Issuance of Domestic Shares, the actual number of H Shares to be issued will be determined with reference to the actual number of Shares to be issued under the Issuance of Domestic Shares, so as to maintain the Minimum Public Float upon completion of the Issuance of H Shares and the Issuance of Domestic Shares.

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## LETTER FROM THE BOARD

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- Target placees** : The target placees of the Issuance of H Shares shall be investors who are eligible for the subscription of H Shares of the Bank and independent of the Bank and its connected persons. The selection of placees is subject to market conditions and the situation of the Bank.
- Pricing and total proceeds** : The issue price of the Issuance of H Shares is determined to be RMB3.29 per Share equivalent to Hong Kong dollars (converted at the central parity rate announced by the People's Bank of China on the Board meeting date), in accordance with market practice and regulatory requirements, the then capital market conditions and the pricing of the Issuance of Domestic Shares, with due consideration of interest of the Shareholders, acceptability of the investors and issue risks, and the approximate proceeds raised will not exceed RMB506,113,860.
- Method of Issuance** : The Issuance of H Shares will be conducted by way of targeted issuance of Shares to investors who are eligible for the subscription of H Shares of the Bank under Specific Mandate.
- Timing of Issuance** : The Board of the Bank shall select an appropriate occasion and window to complete the issuance of new H Shares according to market conditions after obtaining the approval of the Issuance of H Shares from the Shareholders of the Bank and the approval of the relevant regulatory authorities (including but not limited to the banking regulatory authorities and their local offices) and within the validity period of the Issuance of H Shares plan approved by the Shareholders at the Extraordinary General Meeting and the Class Meetings. Given that the Bank will also proceed with the Issuance of Domestic Shares, the Issuance of H Shares will be completed simultaneously with or earlier than the Issuance of Domestic Shares.

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## LETTER FROM THE BOARD

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The Issuance of H Shares is not conditional upon the Issuance of Domestic Shares. In the event that less than 153,834,000 H Shares are issued under the Issuance of H Shares, the Domestic Shares to be issued under the Issuance of Domestic Shares shall also be adjusted proportionately in order to maintain the Minimum Public Float.

- |  |   |  |
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| <b>Use of proceeds</b>                 | : | The net proceeds raised from the Issuance of H Shares after deducting related issuance costs will be entirely used to replenish core Tier 1 capital of the Bank.   |
| <b>Distribution of retained profit</b> | : | The retained profit accrued before the Issuance of H Shares will be shared by existing and new Shareholders upon the Issuance of H Shares in proportion to their respective shareholdings.   |
| <b>Validity period</b>                 | : | The validity period of the Issuance of H Shares shall remain valid for 12 months from the date on which resolutions are considered and approved at the Extraordinary General Meeting and the Class Meetings. The Board may seek for the consideration and approval of the extension of the validity period for the plan of the Issuance of H Shares at general meetings depending on the actual circumstances. |
| <b>Listing arrangement</b>             | : | Application will be made to the Hong Kong Stock Exchange by the Bank for the listing and permission to deal in the Issuance of H Shares on the Hong Kong Stock Exchange.   |

The relevant proposals on the Issuance of H Shares shall be implemented after being considered and approved by special resolutions at the Extraordinary General Meeting and the Class Meetings, and approved by relevant regulatory authorities such as banking regulatory authorities, and ultimately subject to the plan approved by regulatory authorities.



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## LETTER FROM THE BOARD

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### *(III) GRANT OF AUTHORITY TO THE BOARD TO HANDLE MATTERS IN RELATION TO THE ISSUANCE*

According to the need of the Issuance, proposals are to be put forward at the Extraordinary General Meeting and the Class Meetings for the Shareholders to authorize the Board, who would in turn authorize the chairman to handle matters in relation to the Issuance, including but not limited to:

1. Subject to the approval of the issuance plan at the Extraordinary General Meeting and the Class Meetings, to modify, improve and implement the issuance plan under its constraints with reference to the opinions of domestic and overseas regulatory authorities and the Hong Kong Stock Exchange, taking into consideration the market environment and the actual situation of the Bank, including but not limited to determining the number of Shares to be issued, the issue price, method of pricing, target placees, issue time, use of proceeds, lock-up period and other matters in relation to the Issuance; to make corresponding adjustments to matters in relation to the Issuance, such as details of the issuance plan (including suspending and terminating the implementation of the issuance plan) in the event of any change in the relevant laws, regulations or normative documents, or in regulatory policies or market conditions, except for matters which require re-voting at the general meetings according to relevant laws, regulations, normative documents and the Articles of Association.
2. To negotiate with the placing agent(s) and/or subscriber(s) on the subscription of the Shares (including the terms of the share subscription agreement(s)) according to the issuance plan, and to decide, execute, implement and complete the placing agreement and/or share subscription agreement (including supplementary agreement(s) as required).
3. To handle all matters related to the examination, registration, filing, approval and consent of the Issuance with domestic and overseas regulatory authorities and the Hong Kong Stock Exchange according to the issuance plan (including applying to the Hong Kong Stock Exchange for the Issuance of new H Shares listed and traded on the Hong Kong Stock Exchange); to execute, implement, modify and submit to domestic and overseas institution, organization and individuals all necessary documents in relation to the Issuance; to do all necessary, expedient or desirable acts related to the Issuance.

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## LETTER FROM THE BOARD

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4. To prepare, modify, execute, submit, publish, disclose, implement, suspend, terminate all agreements, contracts, announcement, circulars or other relevant legal documents in relation to the Issuance; to engage financial advisors, placing agents, law firms, accounting firms and other intermediary agencies in relation to the Issuance, as well as determine and pay for the associated costs for the Issuance.
5. To amend the terms in relation to the Bank's registered capital, share capital structure and other corresponding terms in the Articles of Association, and proceed with the modification, registration and filing with the Bank's registration authorities and other relevant governmental authorities upon the completion of the Issuance.
6. To handle share registration and listing matters, increase the registered capital of the Bank subject to the outcome of the Issuance, and to proceed with relevant approval procedures with the regulatory authorities and relevant registration and filing procedures (including application for change of the Bank's company registration particulars and replacement of business license) with the market supervision authority upon the completion of the Issuance.
7. To complete the registration procedures for the non-public issuance of Domestic Shares to specific target placees with the equity custodian institution for Domestic Shares.
8. To approve and authorize the Bank's H share registrar, Computershare Hong Kong Investor Services Limited, on behalf of the Bank (i) to issue share certificates to placees and to register the placees in the register of H Shares in Hong Kong as holders of the new H Shares; and/or (ii) to issue share certificates to HKSCC Nominees Limited as holder of the new H Shares under the instruction of the placees and in accordance with the relevant guidelines of the Hong Kong Stock Exchange, and to deliver the share certificates to Hong Kong Securities Clearing Company Limited for deposition into the Central Clearing and Settlement System accounts maintained and operated by Hong Kong Securities Clearing Company Limited and to register HKSCC Nominees Limited in the register of H Shares of the Bank in Hong Kong as holder of the new H Shares.
9. To take all necessary acts to handle other matters related to the Issuance within the scope permitted by relevant laws and regulations.

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## LETTER FROM THE BOARD

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The above authorizations will be effective for 12 months from the dates on which they are considered and approved at the 2025 First Extraordinary General Meeting, the 2025 First Domestic Shareholders Class Meeting and the 2025 First H Shareholders Class Meeting. The Board may put forward proposal to extend the validity period of the authorizations at the general meetings for consideration and approval according to actual situation.

*(IV) SPECIFIC MANDATES FOR THE ISSUANCE*

The Issuance will be conducted under the Specific Mandates, and will constitute a variation of class rights of the Domestic Shareholders and H Shareholders of the Bank under the Articles of Association. Pursuant to the Articles of Association and the Hong Kong Listing Rules, the Bank will convene an Extraordinary General Meeting and Class Meetings to seek approval from Shareholders in relation to the granting of the Specific Mandate to conduct the Issuance.

*(V) FUND-RAISING ACTIVITIES OF THE BANK FOR THE PAST TWELVE MONTHS*

The Directors confirm that the Bank has not carried out any fund-raising activities in relation to the issuance of its equity securities within the 12 months immediately preceding the Latest Practicable Date.

**2. ENTERING INTO THE DOMESTIC SHARES SUBSCRIPTION AGREEMENTS AND CONNECTED TRANSACTION RELATING TO SUBSCRIPTION OF DOMESTIC SHARES BY SHANDONG HI-SPEED SUBSCRIBERS**

*(I) ENTERING INTO THE DOMESTIC SHARES SUBSCRIPTION AGREEMENTS*

Reference is made to the announcement of the Bank dated September 1, 2025, in relation to, among others, entering into the Domestic Shares Subscription Agreements.

The Board is pleased to announce that, on September 1, 2025, the Bank entered into the Domestic Shares Subscription Agreements with effective conditions with Shandong Hi-Speed Group and Shandong Hi-Speed respectively, pursuant to which, each of Shandong Hi-Speed Group and Shandong Hi-Speed has conditionally agreed to subscribe, and the Bank has conditionally agreed to issue and allot, no more than 324,213,962 Domestic Shares and no more than 105,816,432 Domestic Shares respectively, aggregating to no more than 430,030,394 Domestic Shares in total, at a subscription price of RMB3.29 per Domestic Share, with total consideration of no more than approximately RMB1,066,663,935 and RMB348,136,062 (equivalent to HK\$1,171,141,466 and HK\$382,235,271 respectively, based on the median rate of the exchange rates published by the People's Bank of China on the date of the Board meeting) respectively.

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## LETTER FROM THE BOARD

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The issue price of the Issuance of RMB3.29 per Share (equivalent to HK\$3.61 per Share, based on the median rate of the exchange rates published by the People's Bank of China on the date of the Board meeting) represents:

- (a) a premium of approximately 23.63% over the closing price of HK\$2.92 per H Share as quoted on the Hong Kong Stock Exchange as at the Latest Practicable Date;
- (b) a premium of approximately 23.63% over the closing price of HK\$2.92 per H Share as quoted on the Hong Kong Stock Exchange for the last trading date immediately prior to the date of the Domestic Shares Subscription Agreements;
- (c) a premium of approximately 23.63% to the average closing price of HK\$2.92 per Share for the last five consecutive trading days of the Bank's H Shares up to and including the Latest Practicable Date; and
- (d) a discount of approximately 19.76% to the net asset value ("NAV") per Share of approximately RMB4.10 as at 30 June 2025, calculated based on the Group's unaudited NAV of RMB24,548,280,000 as at 30 June 2025 and 5,980,058,344 Shares in issue as at the Latest Practicable Date.

Based on the current proposed Issuance and the estimated expenses in relation to the Issuance, the estimated net issue price per Share is approximately RMB3.28 per Share.

The Issuance will be conducted under the Specific Mandate, and will constitute a variation of class rights of the Domestic Shareholders and H Shareholders of the Bank under the Articles of Association. Pursuant to the Articles of Association and the Hong Kong Listing Rules, the Bank will convene an Extraordinary General Meeting and Class Meetings to seek approval from Shareholders in relation to the granting of the Specific Mandate to conduct the Issuance. The net proceeds from the Issuance, after deducting relevant issuance expenses, will be entirely used to supplement the Bank's core Tier 1 capital.

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## LETTER FROM THE BOARD

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### I DOMESTIC SHARES SUBSCRIPTION AGREEMENTS

The terms of the Domestic Shares Subscription Agreements entered into between the Bank and Shandong Hi-Speed Group and Shandong Hi-Speed with effective conditions are basically the same, the principal terms of which are as follows:

- |                             |   |   |
|-----------------------------|---|---|
| <b>Date</b>                 | : | September 1, 2025   |
| <b>Parties</b>              | : | Domestic Shares Subscription Agreement I: <ul style="list-style-type: none"><li>(i) the Bank (as the issuer)</li><li>(ii) Shandong Hi-Speed Group (as the subscriber)</li></ul> Domestic Shares Subscription Agreement II: <ul style="list-style-type: none"><li>(i) the Bank (as the issuer)</li><li>(ii) Shandong Hi-Speed (as the subscriber)</li></ul>  |
| <b>Effective conditions</b> | : | Effective conditions which cannot be waived include: <ul style="list-style-type: none"><li>(i) the respective parties have signed the Domestic Shares Subscription Agreements and affixed the official seals thereof;</li><li>(ii) the relevant resolutions in relation to the Issuance of Domestic Shares being considered and approved by the Board, Extraordinary General Meeting, and the Class Meetings of the Bank;</li></ul> |

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## LETTER FROM THE BOARD

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- (iii) the plan of the Issuance of Domestic Shares has been reviewed and approved by the internal decision-making procedures of Shandong Hi-Speed Group and Shandong Hi-Speed respectively, and has been reviewed and approved by the competent state-owned assets department;
- (iv) the Issuance of Domestic Shares and the related plan to change the registered capital have been approved by the NFRA or its authorized dispatching authorities according to law;
- (v) the Issuance of Domestic Shares shall be declared to and registered by the China Securities Regulatory Commission according to law; and
- (vi) other necessary approval procedures (if involved)

Within 10 days when the above effective conditions are met and the Issuance of H Shares has been completed, the Shandong Hi-Speed subscribers shall remit the total subscription price to the designated account(s) of the Bank. As at the Latest Practicable Date, save for condition (i), no other conditions have been fulfilled.

<b>Type and par value of Shares to be issued</b>	:	The type of shares to be issued under the Issuance of Domestic Shares is ordinary Domestic Shares with par value of RMB1.00 each.
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## LETTER FROM THE BOARD

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<b>Number of Shares to be issued</b>	:	<p>The total number of Shares in the Issuance of Domestic Shares is no more than 758,020,103 Domestic Shares, of which:</p> <p>(i) Shandong Hi-Speed Group shall subscribe for not more than 324,213,962 Domestic Shares; and</p> <p>(ii) Shandong Hi-Speed shall subscribe for not more than 105,816,432 Domestic Shares,</p> <p>totaling not more than 430,030,394 Domestic Shares.</p>
<b>Subscription price and pricing method</b>	:	<p>The subscription price of the Issuance of Domestic Shares is RMB3.29 per Domestic Share.</p> <p>The issue price of the Issuance of Domestic Shares was determined in accordance with market practices and regulatory requirements, taking into account the capital market conditions and the share price of the Bank's H Shares, with due consideration of Shareholders' interests, acceptability of the investors and issue risks. Given that the Bank will also proceed with the Issuance of H Shares, the issue price of Domestic Shares is consistent with the issue price of H Shares adjusted for exchange rates.</p>
<b>Total proceeds</b>	:	<p>The Issuance of Domestic Shares raised approximately no more than RMB2,493,886,139, of which Shandong Hi-Speed Group and Shandong Hi-Speed will contribute approximately no more than RMB1,066,663,935 and RMB348,136,062 respectively.</p>
<b>Use of proceeds</b>	:	<p>The net proceeds raised from the Issuance of Domestic Shares after deducting related issuance costs will be entirely used to replenish core Tier 1 capital of the Bank.</p>

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## LETTER FROM THE BOARD

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**Distribution of retained profit** : The retained profit accrued before the Issuance of Domestic Shares will be shared by existing and new Shareholders upon the Issuance of Domestic Shares in proportion to their respective shareholdings.

**Conditions precedent and delivery** : The Issuance of Domestic Shares is subject to the satisfaction of the following conditions precedent which cannot be waived:

- (i) each subscriber of the Issuance of Domestic Shares has remitted the total share subscription price to the account designated by the Bank; and
- (ii) the Bank has obtained the approval issued by NFRA or its authorized dispatching authorities on the change of the Bank's registered capital proposal.

Within 30 days from the date when the above conditions precedent are met, the Bank shall complete the delivery procedures for the Shares subscribed by the Shandong Hi-Speed subscribers. As at the Latest Practicable Date, no conditions precedent has been fulfilled.

**Lock-up period** : The shares of the Bank subscribed under the Issuance of Domestic Shares by Shandong Hi-Speed Group and Shandong Hi-Speed shall not be transferred within five years from the date of acquisition of the Shares, except for special circumstances such as risk disposal measures approved by NFRA or its dispatching authorities, orders for transfer, judicial enforcement or transfer of equity between different entities controlled by the same investor.



## LETTER FROM THE BOARD

### II. EFFECT OF THE ISSUANCE ON THE SHAREHOLDING STRUCTURE OF THE BANK

Once allotted, the new Domestic Shares and new H Shares to be issued under the Issuance will rank *pari passu* in all respect with those Domestic Shares and H Shares already issued when those new Domestic Shares and H Shares are issued and allotted.

Assuming that there are no other changes to the total issued share capital of the Bank other than the Issuance from the Latest Practicable Date to the date of the completion of the Issuance, the shareholding structure of the Bank (1) as at the Latest Practicable Date; (2) immediately after the completion of the Issuance of H Shares (assuming the number of H Shares to be issued is 153,834,000 shares, and the Issuance of Domestic Shares is not completed); (3) immediately after the completion of the Issuance (assuming the number of Domestic Shares to be issued is 758,020,103 shares and the number of H Shares to be issued is 153,834,000 shares during the Issuance) is set out as below:

	As at the Latest Practicable Date		Immediately after the completion of the Issuance of H shares (assuming only H Shares are issued)		Immediately after the completion of the Issuance	
	Approximate percentage of total issued		Approximate percentage of total issued		Approximate percentage of total issued	
	Number of Shares	Shares of the Bank	Number of Shares	Shares of the Bank	Number of Shares	Shares of the Bank
Domestic Shares	4,971,197,344	83.13%	4,971,197,344	81.04%	5,729,217,447	83.13%
Of which:						
Shandong Hi-Speed Group	2,126,237,528	35.56%	2,126,237,528	34.66%	2,450,451,490	35.56%
Shandong Hi-Speed	693,957,987	11.60%	693,957,987	11.31%	799,774,419	11.60%
H Shares (Note 1)	1,008,861,000	16.87%	1,162,695,000	18.96%	1,162,695,000	16.87%
Total	<u>5,980,058,344</u>	<u>100%</u>	<u>6,133,892,344</u>	<u>100%</u>	<u>6,891,912,447</u>	<u>100%</u>

Notes:

- (1) The Bank expects that the percentage of H Shares in public hands shall remain the same before and after the Issuance and accordingly, the public float of the Bank shall remain the same at 16.87% before and after the Issuance, maintaining the minimum public float as adjusted by the waiver granted by the Hong Kong Stock Exchange at the time of the listing of the Bank (the “**Minimum Public Float**”) and does not have any implication under the Code on Takeovers and Mergers and Share Buy-backs arising from the Issuance.
- (2) Certain amounts and percentage figures included in the table above have been subject to rounding adjustments, any discrepancy between the total amount and the arithmetical sum of the amounts listed is due to rounding.

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## LETTER FROM THE BOARD

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### *(II) CONNECTED TRANSACTION OF SUBSCRIPTION OF DOMESTIC SHARES BY SHANDONG HI-SPEED SUBSCRIBERS*

As Shandong Hi-Speed Group and Shandong Hi-Speed are the Controlling Shareholder and Substantial Shareholder of the Bank respectively, Shandong Hi-Speed Group and Shandong Hi-Speed are connected persons of the Bank, Shandong Hi-Speed's Subscription will constitute a connected transaction of the Bank pursuant to the Hong Kong Listing Rules and is subject to the announcement, reporting and independent Shareholders' approval under Chapter 14A of the Hong Kong Listing Rules. The Bank will convene an EGM and the Class Meetings to seek independent Shareholders' approval for the Shandong Hi-Speed's Subscription. Shandong Hi-Speed Group and Shandong Hi-Speed shall abstain from voting on the proposals in relation to the Issuance and Shandong Hi-Speed's Subscription considered at the EGM and the Class Meetings.

The Bank has established an Independent Board Committee comprising of all independent non-executive Directors pursuant to the Hong Kong Listing Rules to advise independent Shareholders on the Shandong Hi-Speed's Subscription. The Bank has appointed Gram Capital Limited as the Independent Financial Adviser, advising the Independent Board Committee and independent Shareholders on the Shandong Hi-Speed's Subscription.

### *(III) REASONS FOR AND BENEFITS OF THE SHANDONG HI-SPEED'S SUBSCRIPTION*

The Directors are of the view that the Shandong Hi-Speed's Subscription helps to prove the confidence of the Controlling Shareholder and Substantial Shareholder to the Bank and improve the Bank's capital adequacy ratio, ensure that the capital adequacy ratio meets regulatory requirements, ensure the steady growth of various businesses and eventually effectively support the development of the real economy.

As such, the Directors (other than the independent non-executive Directors whose views are contained in the "Letter from the Independent Board Committee" in this circular having considered the advice from the Independent Financial Adviser) believe that the Shandong Hi-Speed's Subscription by Shandong Hi-Speed subscribers is fair and reasonable and on normal commercial terms, and is in the interests of the Bank and the Shareholders as a whole.

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## LETTER FROM THE BOARD

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### (IV) GENERAL INFORMATION

#### **The Bank**

The Bank is a joint stock limited liability company incorporated in the PRC in July 1997 and its H Shares are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 09677). The Bank is principally engaged in taking deposits from the public, extending short-term, medium-term and long-term loans, effecting domestic settlements, discounting bills, and acting as an agent for issuance of, settlement for, and underwriting of, government bonds, and other financial services.

#### **Shandong Hi-Speed Group**

Shandong Hi-Speed Group was established in July 1997, which is a state-owned capital investment company in the field of infrastructure in Shandong Province and a Fortune Global 500 company with a registered capital of RMB92.2 billion and total assets exceeding RMB1.7 trillion. Shandong Hi-Speed Group is directly held by Shandong SASAC, Shandong Guohui Investment Holding Group Co., Ltd., a wholly-owned subsidiary of Shandong SASAC, and Shandong Caixin Assets Operation Co., Ltd. as to 70.00%, 20.00% and 10.00%, respectively. Shandong Hi-Speed Group vigorously develops its core business of infrastructure, committing to building an infrastructure investment, construction, operation and service provider and an industry leader with outstanding main business and strong core competitiveness, and provide strong support for the construction of “Strong transportation province” in Shandong Province. Shandong Hi-Speed Group operates and manages 9,070 kilometers of expressways, of which 7,335 kilometers are in Shandong province, accounting for 84% of the province, and has six listed companies, namely Shandong Hi-Speed Company Limited (600350.SH), Shandong Hi-Speed Road & Bridge Group Co., Ltd. (000498.SZ), Shandong Hi-Speed Holdings Group Limited (00412.HK), Qilu Expressway Company Limited (01576.HK), Weihai Bank Co., Ltd. (09677.HK), and Shandong Hi-Speed New Energy Group Limited (01250.HK). It has been awarded domestic AAA-level and international A-level credit ratings.

#### **Shandong Hi-Speed**

Shandong Hi-Speed was established in 1999, with approximately 70.57% of its equity held by Shandong Hi-Speed Group. In March 2002, it was listed on the Shanghai Stock Exchange, with a registered capital of RMB4.835 billion. The company is primarily engaged in the investment and operation of transportation infrastructure, as well as equity investments in upstream and downstream sectors related to the expressway industry chain.

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## LETTER FROM THE BOARD

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### 3. PROPOSED CHANGES IN REGISTERED CAPITAL AND CONSEQUENTIAL AMENDMENTS TO THE RELEVANT PROVISIONS OF THE ARTICLES OF ASSOCIATION

Upon completion of the Issuance, the Bank's registered capital and the number of Shares will be changed accordingly, and the provisions in the Articles of Association relating to the Bank's registered capital, the number of Shares and the share capital structure also need to be amended to reflect the relevant changes arising from the Issuance. The Bank shall submit the application materials for changes of registered capital to the banking regulatory authority in accordance with the requirements of domestic and overseas laws, regulations and other regulatory documents. Upon approval, the Bank will amend the relevant provisions of the Articles of Association and register the change with the market regulatory authority, Hong Kong Companies Registry and other relevant authorities. The specific amendments are as follows:

Articles of Association before the amendment	Amended Articles of Association
<b>Article 6</b> The registered capital of the Bank is RMB5,980,058,344.	<b>Article 6</b> The registered capital of the Bank is RMB[●].
<b>Article 21</b> Upon approval by the examination and approval department authorized by the State Council, the Bank may issue 5,980,058,344 ordinary shares in total. The equity structure of the Bank is: 5,980,058,344 ordinary shares, including 4,971,197,344 domestic shares, accounting for 83.13% of the total ordinary shares that the Bank could issue; 1,008,861,000 H shares, accounting for 16.87% of the total ordinary shares that the Bank could issue. The Bank may issue shares to domestic and foreign investors upon approval by the China Banking Regulatory Authority and the securities regulatory authorities of the State Council.	<b>Article 21</b> Upon approval by the examination and approval department authorized by the State Council, the Bank may issue [●] ordinary shares in total. The equity structure of the Bank is: [●] ordinary shares, including [●] domestic shares, accounting for [●]% of the total ordinary shares that the Bank could issue; [●] H shares, accounting for [●]% of the total ordinary shares that the Bank could issue. The Bank may issue shares to domestic and foreign investors upon approval by the China Banking Regulatory Authority and the securities regulatory authorities of the State Council.

### 4. PROPOSED DISSOLUTION OF THE BOARD OF SUPERVISORS

Reference is made to the announcement of the Bank dated August 28, 2025 in relation to, among other things, the proposed dissolution of the Board of Supervisors.

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## LETTER FROM THE BOARD

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Pursuant to the Company Law, the Notice on Matters Related to the Coordination of Corporate Governance Regulations and the Company Law 《關於公司治理監管規定與公司法銜接有關事項的通知》issued by the National Financial Regulatory Administration, and other relevant rules and regulations and regulatory requirements, as well as the actual circumstances the Bank, the Bank proposes to dissolve the Board of Supervisors and its special committees and standing bodies (the “**Proposed Dissolution of the Board of Supervisors**”). The authority of the Board of Supervisors, as required by the Company Law and the provisions of the relevant state authorities, will be exercised by the audit committee of the Board of Directors. The Bank will concurrently make amendments to relevant corporate governance documents, including the Articles of Association, and simultaneously repeal or adjust accordingly the Rules of Procedure for the Board of Supervisors of the Bank and other corporate governance documents related to the Board of Supervisors or supervisors. The current members of the Board of Supervisors will cease to serve as supervisors or any related positions in the Board of Supervisors. The above adjustments shall take effect on the date when the EGM approves both the dissolution of the Board of Supervisors and the Resolution on the Amendments to the Articles of Association (《關於修改〈公司章程〉的議案》), and the revised Articles of Association is approved by the National Financial Regulatory Administration Shandong Office. Members of the Board of Supervisors confirmed that they had no disagreements with the Board and that there were no matters in relation to the Proposed Dissolution of the Board of Supervisors that need to be brought to the attention of the Hong Kong Stock Exchange and the Shareholders.

### 5. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Bank dated August 28, 2025 in relation to, among other things, the proposed amendments to the Articles of Association.

The Board further announces that, in accordance with the latest regulatory requirements of national laws and regulations and regulatory authorities, and taking into account the Bank’s actual circumstances, including the arrangements related to the adjustment of the Board of Supervisors, the Bank proposes to amend the Articles of Association (the “**Proposed Amendments to the Articles of Association**”). The Proposed Amendments to the Articles of Association include, but are not limited to, the Proposed Dissolution of the Board of Supervisors, as well as changes to the existing rights of the Bank’s class shareholders and the existing arrangements concerning class meetings. In accordance with PRC laws, Domestic Shares and H Shares are already regarded as ordinary Shares, and the substantive rights attached to both (including voting rights, dividend rights, and asset distribution rights upon liquidation) are identical. Therefore, the deletion of provisions related to class meetings in the existing Articles of Association will not prejudice the interests of the Bank’s H Shareholders nor have a material impact on the shareholder protection mechanism. The Proposed Amendments to the Articles of Association shall be submitted to the EGM and the Class Meetings for consideration and approval and will take effect after the approval of the National Financial Regulatory Administration Shandong Office.

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## LETTER FROM THE BOARD

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For details of the Proposed Amendments to the Articles of Association, please refer to Appendix I of this circular. The amendments have been approved by the Board of Directors. The Articles of Association is prepared in Chinese and there is no official English version. Therefore, any English translation is for reference only and the Chinese version shall prevail in case of any inconsistency.

### 6. PROPOSED CHANGE OF DIRECTORS

Reference is made to the announcement of the Bank dated August 28, 2025 in relation to, among other things, the Proposed Change of Directors.

The Board hereby announces that it proposes to nominate Mr. GUO Youhui and Mr. ZHOU Liang as candidates for non-executive directors of the Bank (the “**Candidates for Directors**”). The appointment of the Directors is subject to approval by the Shareholders’ general meeting, and shall take effect upon the approval of their qualifications from the National Financial Regulatory Administration Shandong Office. The term of office shall be effective from the date on which their qualifications are approved and ending on the expiration of the term of the ninth session of the Board of Directors of the Bank. Each of the two Candidates for Directors will enter into a service contract with the Bank upon their qualifications are approved. Then, Mr. JIAO Weifeng and Mr. KANG Jian will cease to hold the positions of non-executive directors of the Bank and their respective roles in the relevant special committees of the Board. According to the Remuneration System for Directors and Supervisors (《董事、監事薪酬制度》) of the Bank, Mr. GUO Youhui and Mr. ZHOU Liang shall not receive any directors’ emolument or allowance from the Bank.

Biographical details of Mr. GUO Youhui and Mr. ZHOU Liang are set out as follows:

**Mr. GUO Youhui (郭有輝)**, aged 55, is a senior political work specialist. Mr. Guo has served as an accredited external director of the Talent Development Institute of Shandong Hi-Speed Group Co., Ltd. since February 2025. From November 2020 to February 2025, he served as chairman of Shandong Hi-Speed Weihai Development Company Limited. From January 2016 to November 2020, he served as secretary of the Party Committee of Qilu Transportation Development Group Company Limited Weihai Branch (renamed as Shandong High-speed Group Co., Ltd. Weirong Branch in September 2020); during this period, from July 2017 to April 2018, he concurrently served as general manager of Qilu Transportation Weihai Development Co. Ltd. (齊魯交通威海發展有限公司). From December 2012 to January 2016, he served as director of the expressway management office of Weihai Highway Administration Bureau (威海市公路管理局); during this period, from January 2013 to January 2016, he concurrently served as deputy director of Weihai Highway Administration Bureau. From January 2008 to December 2012, he served as director of Weihai City Rushan Highway Administration Bureau. From July 1993 to January 2008, he successively held the positions of secretary of the office, deputy director of the office, director of the office, and director of the political work office of Weihai Highway Administration Bureau.



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## LETTER FROM THE BOARD

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Mr. GUO Youhui graduated from the Party School of the Communist Party of China Shandong Provincial Committee (中共山東省委黨校) in 2010, majoring in economics management.

**Mr. ZHOU Liang (周亮)**, aged 54, is a senior accountant. Mr. Zhou has served as chief accountant of Shandong Hi-speed Company Limited (a company listed on the Shanghai Stock Exchange, stock code: 600350) since August 2019. From August 2016 to August 2019, he served as deputy chief accountant and manager of the planning and finance department of Shandong Hi-Speed Company Limited. From March 2014 to August 2016, he served as chief financial officer of Shandong Hi-Speed Everbright Industrial Investment Fund Management Co., Ltd. From November 2008 to March 2014, he successively held the positions of staff member of the planning and finance department, deputy manager of the planning and finance department, and manager of the audit department of Shandong Hi-Speed Company Limited. From November 1999 to November 2008, he successively held the positions of staff member, deputy section chief, and section chief of the planning and finance section of Shandong Hi-Speed Company Limited Zibo Branch. From July 1996 to November 1999, he served as a staff member of the planning and finance section of Zibo management office of Jiqing Expressway Administration Bureau (濟青高速公路管理局).

Mr. ZHOU Liang has concurrently served as a director of Dongxing Securities Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 601198) since October 2019.

Mr. ZHOU Liang graduated from Xi'an Highway and Transportation Institute in 1996, majoring in accounting.

As confirmed by Mr. GUO Youhui and Mr. ZHOU Liang, as at the Latest Practicable Date, save as disclosed above, none of them (1) has held any other positions in the Bank or any of its subsidiary within the past three years, has held any directorship in any other listed company; (2) has any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Bank; and (3) has any interest in or is deemed to be interested in any shares, underlying shares or debentures of the Bank or any of its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed above, the Board is not aware of any other matters in relation to the proposed appointments of Mr. GUO Youhui and Mr. ZHOU Liang that are required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules, nor is it aware of any other matters that need to be brought to the attention of Hong Kong Stock Exchange and the Shareholders.

The proposal regarding the Proposed Change of Directors will be submitted at the Extraordinary General Meeting as an ordinary resolution for consideration and voting by way of a cumulative voting system.

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## LETTER FROM THE BOARD

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### III. 2025 FIRST EXTRAORDINARY GENERAL MEETING AND CLASS MEETING

The 2025 First Extraordinary General Meeting, the 2025 First Domestic Shareholders Class Meeting and the 2025 First H Shareholders Class Meeting will be held at the Conference Room, 3/F, Weihai Bank Digital Financial Center, No. 137A, Qingdao North Road, Weihai City, Shandong Province, the PRC at 9:00 a.m. on Monday, September 29, 2025, to consider and, if appropriate, pass resolutions relating to matters set out in the notices of the 2025 First Extraordinary General Meeting and the 2025 First H Shareholders Class Meeting. The notices of the 2025 First Extraordinary General Meeting and the 2025 First H Shareholders Class Meeting and the proxy forms applicable to the 2025 First Extraordinary General Meeting and the 2025 First H Shareholders Class Meeting have been sent to the Shareholders.

The register of members of the Bank will be closed from Saturday, September 27, 2025 to Monday, September 29, 2025, both days inclusive, during which period no transfer of shares will be registered. Shareholders whose names appear on the register of members of the Bank on Monday, September 29, 2025 will be entitled to attend and vote at the 2025 First Extraordinary General Meeting and/or the 2025 First H Shareholders Class Meeting. In order to be eligible to attend and vote at the 2025 First Extraordinary General Meeting and/or the 2025 First H Shareholders Class Meeting, all transfer document(s) together with the relevant share certificates and other appropriate document(s) shall be sent for registration to the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for the H Shareholders) or the Office of the Board of the Bank at Room 2309, No. 137A, Qingdao North Road, Weihai City, Shandong Province, the PRC (for the Domestic Shareholders) not later than 4:30 p.m. on Friday, September 26, 2025.

If the power of attorney of the proxy is signed by the authorized person of the appointer under a power of attorney or other authorization document(s) given by the appointer, such power of attorney or other authorization document(s) shall be notarized and served at the same time as the power of attorney. To be valid, the form of proxy, together with a notarial certified copy of the power of attorney or other authorization document(s) must be delivered to the Bank's H share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for the H Shareholders), or to the Office of the Board of the Bank at Room 2309, No. 137A, Qingdao North Road, Weihai City, Shandong Province, the PRC (for the Domestic Shareholders) no later than 24 hours before the fixed time for holding the 2025 First Extraordinary General Meeting and the 2025 First H Shareholders Class Meeting (i.e. 9:00 a.m. on Sunday, September 28, 2025) or any adjournment thereof (as the case may be). Upon completion and return of the form of proxy, you can still attend and vote in person at the 2025 First Extraordinary General Meeting and the 2025 First H Shareholders Class Meeting or any adjournment thereof should you so wish, in this case, the instrument appointing a proxy shall be deemed to be revoked.



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## LETTER FROM THE BOARD

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Notice of the Domestic Shareholders Class Meeting will be separately issued by the Bank.

Pursuant to the Hong Kong Listing Rules, all resolutions at the 2025 First Extraordinary General Meeting and/or the 2025 First H Shareholders Class Meeting will be voted by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands). The voting results will be published on the websites of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Bank ([www.whccb.com](http://www.whccb.com)) in accordance with the Hong Kong Listing Rules.

The Bank will hold the Extraordinary General Meeting, at which the following will be submitted respectively: (i) special resolutions to consider and if thought fit, approve (among other things) the Issuance of Domestic Shares, the Issuance of H Shares, the authorization of the Board and its authorized persons to handle all matters in relation to the Issuance, the proposed change in registered capital and consequential amendments to the relevant provisions of the Articles of Association, and the Proposed Amendments to the Articles of Association, and (ii) ordinary resolutions to consider and, if thought fit, approve (among other things) the Shandong Hi-Speed's Subscription, the Proposed Dissolution of the Board of Supervisors, and the Proposed Change of Directors. The Bank will hold Class Meetings, at which the following will be submitted respectively: (i) special resolutions in respect of the Issuance of Domestic Shares, the Issuance of H Shares, the authorization of the Board and its authorized persons to handle all matters in relation to the Issuance and the Proposed Amendments to the Articles of Association, and (ii) an ordinary resolution in respect of the Shandong Hi-Speed's Subscription, to seek the approval from holders of Domestic Shares and H Shares respectively. As Shandong Hi-Speed Group and Shandong Hi-Speed are the Controlling Shareholder and Substantial Shareholder of the Bank respectively, holding 47.16% (including the interest of Shandong Hi-Speed) and 11.60% of the Bank's total capital respectively, Shandong Hi-Speed Group and Shandong Hi-Speed participating in the subscription shall abstain from voting on the proposals in relation to the Issuance and Shandong Hi-Speed's Subscription considered at the Extraordinary General Meeting and the Class Meetings. As at the Latest Practicable Date, save as disclosed, to the best of the knowledge, information and belief of the Directors, no other Shareholder has a material interest in the resolutions to be submitted at Extraordinary General Meeting or the Class Meetings and shall abstain from voting. As Mr. MENG Dongxiao, an executive Director, and Mr. CHEN Xiaojun, Mr. JIAO Weifeng and Mr. KANG Jian, non-executive Directors, are nominated by Shandong Hi-Speed Group and Shandong Hi-Speed respectively, Mr. MENG Dongxiao, Mr. CHEN Xiaojun, Mr. JIAO Weifeng and Mr. KANG Jian are deemed to have material interests in the Board resolutions approving the matters relating to the Issuance and have abstained from voting thereon. As at the Latest Practicable Date, save as disclosed above, no other Directors are deemed to have material interests in the resolutions to be submitted at the 2025 First Extraordinary General Meeting and the Class Meetings and are required to abstain from voting on the Board resolutions.

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## LETTER FROM THE BOARD

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### IV. RECOMMENDATIONS

The Board (other than the independent non-executive Directors whose views in relation to the Shandong Hi-Speed's Subscription are contained in the "Letter from the Independent Board Committee" in this circular having considered the advice from the Independent Financial Adviser) is of the opinion that all resolutions proposed at the 2025 First Extraordinary General Meeting and the Class Meetings are on normal commercial terms, fair and reasonable and are in the interests of the Bank and the Shareholders as a whole. Thus, the Board recommends that the Shareholders should vote in favor of all the relevant resolutions proposed at the 2025 First Extraordinary General Meeting and the Class Meetings.

### V. ADDITIONAL INFORMATION

Your attention is drawn to (1) the letter from the Independent Board Committee set out on page 33 of this circular containing its recommendation in respect of the Shandong Hi-Speed's Subscription and the transactions contemplated thereunder; (2) the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 34 to 53 of this circular, containing its recommendation in respect of the Shandong Hi-Speed's Subscription and the transactions contemplated thereunder; and (3) the additional information set out in the appendices to this circular.

**Weihai Bank Co., Ltd.\***  
**Board of Directors**

Weihai, China

September 14, 2025

\* Weihai Bank 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/deposit-taking business in Hong Kong.



**WEIHAI BANK CO., LTD.\***  
**威海銀行股份有限公司\***

*(A joint stock company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 09677)**

To the independent Shareholders,

Dear Sir/Madam,

**CONNECTED TRANSACTION – Shandong Hi-Speed's Subscription**

We refer to the circular of Weihai Bank Co., Ltd.\* (the “Bank”) dated September 14, 2025 (“Circular”) of which this letter forms part. Terms defined in the Circular shall have the same meanings as those used in this letter unless the context otherwise requires.

We have been appointed as members of the Independent Board Committee to advise the independent shareholders on the Shandong Hi-Speed's Subscription and the transactions thereunder, details of which are set out in the “Letter from the Board” of the Circular. Gram Capital Limited has been approved by us to be appointed as the Independent Financial Adviser to advise the Independent Board Committee and independent Shareholders on these matters.

Your attention is drawn to the “Letter from the Board” set out on pages 6 to 32 of the Circular, the “Letter from the Independent Financial Adviser” set out on pages 34 to 53 of the Circular, and other information set out in the Appendix to the Circular.

Having considered, among other things, the principal factors and reasons considered by the Independent Financial Adviser and the opinions provided by the Independent Financial Adviser as set out in the “Letter from the Independent Financial Adviser” in the Circular, we agree with the Independent Financial Adviser that although the connected transaction in relation to the Shandong Hi-Speed's Subscription was not entered into in the ordinary course of business of the Group, their terms were normal commercial terms and fair and reasonable to the independent Shareholders, and that the Shandong Hi-Speed's Subscription and the transactions thereunder were in the interests of the Bank and the shareholders as a whole. Accordingly, we propose the independent Shareholders to vote in favour of the resolution to be proposed at the Extraordinary General Meeting and the Class Meetings in relation to the approval of the Shandong Hi-Speed's Subscription and the transactions thereunder.

Independent Board Committee  
**Mr. FAN Chi Chiu**  
**Mr. WANG Yong**  
**Ms. SUN Zuying**  
**Mr. YANG Yunhong**  
**Mr. PENG Feng**

September 14, 2025

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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*Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Shandong Hi-Speed's Subscription for the purpose of inclusion in this circular.*



Room 1209, 12/F.  
Nan Fung Tower  
88 Connaught Road Central/  
173 Des Voeux Road Central  
Hong Kong

14 September 2025

*To: The independent board committee and the independent shareholders  
of Weihai Bank Co., Ltd.\**

Dear Sir/Madam,

### CONNECTED TRANSACTION RELATING TO SUBSCRIPTION OF DOMESTIC SHARES BY SHANDONG HI-SPEED SUBSCRIBERS

#### INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Shandong Hi-Speed's Subscription, details of which are set out in the letter from the Board (the "**Board Letter**") contained in the circular dated 14 September 2025 issued by the Bank to the Shareholders (the "**Circular**"), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 31 July 2025, the Board passed a resolution proposing the issuance of no more than 758,020,103 Domestic Shares and no more than 153,834,000 H Shares to the eligible subscribers at the issue price of RMB3.29 per Share (the "**Issue Price**"). The net proceeds from the Issuance, after deducting relevant issuance expenses, will be entirely used to supplement the Bank's core Tier 1 capital.

On 1 September 2025, the Bank entered into conditional Domestic Shares Subscription Agreements with Shandong Hi-Speed Group and Shandong Hi-Speed respectively, pursuant to which, Shandong Hi-Speed Group and Shandong Hi-Speed conditionally agreed to subscribe for, and the Bank conditionally agreed to allot and issue, up to 324,213,962 Domestic Shares and up to 105,816,432 Domestic Shares respectively, representing a total of up to 430,030,394 Domestic Shares at the subscription price of RMB3.29 per Domestic Share, being the same as the Issue Price.

With reference to the Board Letter, the Shandong Hi-Speed's Subscription constitutes a connected transaction of the Bank pursuant to the Hong Kong Listing Rules and is subject to the announcement, reporting and Independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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The Independent Board Committee comprising Mr. FAN Chi Chiu, Mr. WANG Yong, Ms. SUN Zuying, Mr. YANG Yunhong and Mr. PENG Feng (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the Shandong Hi-Speed's Subscription are on normal commercial terms and are fair and reasonable; (ii) whether the Shandong Hi-Speed's Subscription is conducted in the ordinary and usual course of the business of the Group and is in the interests of the Bank and the Shareholders as a whole; and (iii) how the Independent Shareholders should vote in respect of the resolutions of the Shandong Hi-Speed's Subscription at the Extraordinary General Meeting and the Class Meetings. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

### INDEPENDENCE

We were not aware of (i) any relationships or interests between Gram Capital and the Bank; or (ii) any services provided by Gram Capital to the Bank, during the past two years immediately preceding the Latest Practicable Date, or any other parties that could be reasonably regarded as hindrance to Gram Capital's independence to act as the Independent Financial Adviser.

### BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Bank, its advisers and/or the Directors, which have been provided to us. Our opinion is based on the Directors' representation and confirmation that there are no undisclosed private agreements/arrangements or implied understanding with anyone concerning the Issuance (including the Shandong Hi-Speed's Subscription). We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Hong Kong Listing Rules.

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Bank. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement therein or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Bank, Shandong Hi-Speed Group, Shandong Hi-Speed or their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Issuance (including the Shandong Hi-Speed's Subscription). Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Bank.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources.

# LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

## PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Shandong Hi-Speed's Subscription, we have taken into consideration the following principal factors and reasons:

### 1. Information on the Bank

With reference of the Board Letter, the Bank is a joint stock limited liability company incorporated in the PRC in July 1997 and its H shares are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 09677). The Bank is principally engaged in taking deposits from the public, extending short-term, medium-term and long-term loans, effecting domestic settlements, discounting bills, and acting as an agent for issuance of, settlement for, and underwriting of, government bonds, and other financial services.

#### *Financial performance*

Set out below is a summary of the consolidated financial performance of the Bank for the two years ended 31 December 2024 and the six months ended 30 June 2025 (together with comparative figures) as extracted from the Bank's annual report for the year ended 31 December 2024 (the "2024 Annual Report") and the Bank's interim results announcement for the six months ended 30 June 2025 (the "2025 Interim Results"):

	For the six months ended 30 June 2025 ("1H2025") RMB'000 (unaudited)	For the six months ended 30 June 2024 ("1H2024") RMB'000 (unaudited)	Changes from 1H2024 to 1H2025 %	For the year ended 31 December 2024 ("FY2024") RMB'000 (audited)	For the year ended 31 December 2023 ("FY2023") RMB'000 (audited)	Changes from FY2023 to FY2024 %
Operating income	5,056,374	4,556,012	10.98	9,315,605	8,735,479	6.64
– Net interest income	3,647,895	3,463,337	5.33	6,999,921	6,623,535	5.68
– Net non-interest income	1,408,479	1,092,675	28.90	2,315,684	2,111,944	9.65
Net profit for the year/period attributable to the equity shareholders of the Bank	1,127,572	1,074,481	4.94	1,991,714	1,933,826	2.99

According to the above table, the Group's net interest income was a major component of the Group's operating income, accounted for approximately 75.82%, 75.14% and 72.14% of the Group's operating income for FY2023, FY2024 and 1H2025, respectively.



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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### *Comparison between FY2023 and FY2024*

The Group's net interest income increased by approximately 5.68% from approximately RMB6,624 million for FY2023 to approximately RMB7,000 million for FY2024. According to the 2024 Annual Report, the increase in net interest income for FY2024 was mainly due to the increase in interest income (i.e. from RMB15,605 million to RMB16,499 million) as a result of the steady expansion of the Group's loan business, offset by the increase in interest expenses (i.e. from RMB8,981 million to RMB9,499 million) as a result of the steady growth in the scale of the Group's liability business.

The Group's net non-interest income increased by approximately 9.65% from approximately RMB2,112 million for FY2023 to approximately RMB2,316 million for FY2024. According to the 2024 Annual Report, the increase in net non-interest income for FY2024 was mainly due to the increase of RMB438 million in net gains and losses arising from investment securities and RMB184 million in other net operating gains and losses for FY2024, primarily driven by a year-on-year increase in net gains arising from investment securities and operating lease business income.

Driven by the increase in operating income of the Group for FY2024 as mentioned above, the net profit for FY2024 attributable to the equity shareholders of the Bank increased by approximately 2.99% as compared to that for FY2023.

### *Comparison between 1H2024 and 1H2025*

The Group's net interest income increased by approximately 5.33% from approximately RMB3,463 million for 1H2024 to approximately RMB3,648 million for 1H2025. With reference to the 2025 Interim Results, the increase in net interest income for 1H2025 was mainly due to the increase in interest income (i.e. from RMB8,154 million to RMB8,392 million) as a result of the rapid growth in the Group's interest-earning assets, offset by the increase in interest expenses (i.e. from RMB4,690 million to RMB4,744 million) as a result of the growth in the scale of the Group's liability business.

The Group's net non-interest income increased by approximately 28.90% from approximately RMB1,093 million for 1H2024 to approximately RMB1,408 million for 1H2025. With reference to the 2025 Interim Results, the increase in net non-interest income for 1H2025 was mainly due to the increase of RMB189 million in net fee and commission income as a result of the Group's increased efforts to expand its intermediary business; and the increase of RMB127 million in net trading losses/gains, net gains arising from investments and other operating income, primarily attributable to the opportunity seized by the Group in light of the market interest rate fluctuations during 1H2025.



## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Driven by the increase in operating income of the Group for 1H2025 as mentioned above, the net profit for 1H2025 attributable to the equity shareholders of the Bank increased by approximately 4.94% as compared to that for 1H2024.

### *Financial position*

Set out below is a summary of the consolidated financial position of the Bank as at each of 31 December 2023, 31 December 2024 and 30 June 2025, as extracted from the 2024 Annual Report and the 2025 Interim Results:

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)	As at 31 December 2023 RMB'000 (audited)	Changes from 31 December 2024 to 30 June 2025 %	Changes from 31 December 2023 to 31 December 2024 %
Total assets	483,842,963	441,463,774	391,876,826	9.60	12.65
– Loans and advances to customers	226,159,859	207,506,283	187,404,674	8.99	10.73
– Financial investments (Note 1)	181,904,006	167,137,404	145,892,938	8.84	14.56
– Others	75,779,098	66,820,087	58,579,214	13.41	14.07
Total liabilities	451,341,821	410,666,307	363,868,933	9.90	12.86
– Deposits from customers	339,392,108	301,951,559	273,978,508	12.40	10.21
– Others	111,949,713	108,714,748	89,890,425	2.98	20.94
Net assets	32,501,142	30,797,467	28,007,893	5.53	9.96
Net assets attributable to Shareholders (Note 2)	24,548,280	24,898,851	22,140,747	(1.41)	12.46

#### *Notes:*

- The item included (i) financial investments measured at fair value through profit or loss; (ii) financial investments measured at fair value through other comprehensive income; and (iii) financial investments measured at amortised cost.
- For the avoidance of doubt, net assets attributable to Shareholders excluded perpetual capital bonds issued by the Bank.

According to the above table, the Group's loans and advances to customers and financial investments were major components of the Group's total assets, and in aggregate accounted for approximately 85.05%, 84.86% and 84.34% of the Group's total assets as at 31 December 2023, 31 December 2024 and 30 June 2025, respectively; while the Group's deposits from customers

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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was a major component of the Group's total liabilities, accounted for approximately 75.30%, 73.53% and 75.20% of the Group's total liabilities as at 31 December 2023, 31 December 2024 and 30 June 2025, respectively.

The Group's loans and advances to customers increased from approximately RMB187,405 million as at 31 December 2023 to approximately RMB207,506 million as at 31 December 2024, and further increased to approximately RMB226,160 million as at 30 June 2025. With reference to the 2024 Annual Report and the 2025 Interim Results, the aforesaid increases were mainly due to the increase in balances of corporate loans and discounted bills.

The Group's financial investments increased from approximately RMB145,893 million as at 31 December 2023 to approximately RMB167,137 million as at 31 December 2024, and further increased to approximately RMB181,904 million as at 30 June 2025. With reference to the 2024 Annual Report and the 2025 Interim Results, the increase in the Group's financial investments as at 31 December 2024 as compared to that as at 31 December 2023 was primarily attributable to the increase of approximately 48.85% in financial investments measured at fair value through other comprehensive income as a result of the expansion of investment scales in interest-rate bonds, bank and other financial institutions, as well as certificates of interbank deposits; while the increase in the Group's financial investments as at 30 June 2025 as compared to that as at 31 December 2024 was mainly due to the increase of approximately 21.55% in financial investments measured at amortised cost as a result of the improved structure of bond assets, the enhancement of the management of their duration, and the supplement of pledgable low-risk bond assets.

The Group's deposits from customers increased from approximately RMB273,979 million as at 31 December 2023 to approximately RMB301,952 million as at 31 December 2024, and further increased to approximately RMB339,392 million as at 30 June 2025. With reference to the 2024 Annual Report and the 2025 Interim Results, the increase in deposits from customers as at 31 December 2024 as compared to that as at 31 December 2023 was mainly due to continued efforts to strengthen deposit marketing and customer acquisition, which resulted in the steady growth in the Group's corporate deposits and personal deposits; while the increase in deposits from customers as at 30 June 2025 as compared to that as at 31 December 2024 was mainly due to the rapid increases in the Group's corporate deposits and personal deposits as the Group continue to amplify its marketing campaign for deposits.

As at 30 June 2025, the Group's net assets per share attributable to equity shareholders of the Bank (excluding perpetual bonds) (the "NAV") were approximately RMB24,548 million, representing the NAV of approximately RMB4.10 per Share (as at 31 December 2023 and 2024: approximately RMB3.70 per Share and RMB4.16 per Share respectively).

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### *Capital adequacy indicators*

Sets out below are the capital adequacy ratio of the Group as at 31 December 2023, 31 December 2024 and 30 June 2025, as extracted from the 2024 Annual Report and the 2025 Interim Report:

	As at 30 June 2025 %	As at 31 December 2024 %	As at 31 December 2023 %
Core Tier 1 capital adequacy ratio	8.33	9.31	8.77
Tier-1 capital adequacy ratio	10.38	10.82	10.41
Capital adequacy ratio	13.21	13.76	13.38

The Group's core Tier 1 capital adequacy ratio, Tier 1 capital adequacy ratio and capital adequacy ratio as at 30 June 2025 decreased as compared to the respective items as 31 December 2024.

As at 31 December 2023, 31 December 2024 and 30 June 2025, the Group's core Tier 1 capital adequacy ratio, Tier 1 capital adequacy ratio and capital adequacy ratio complied with the capital adequacy requirements under the Administrative Measures for Capital Management of Commercial Banks (for Trial Implementation)<sup>#</sup> (《商業銀行資本管理辦法(試行)》) (effective from 1 January 2013 up to 31 December 2023) and the Administrative Measures for Capital Management of Commercial Banks (《商業銀行資本管理辦法》) (effective from 1 January 2024 onward) (the “**Administrative Measures for Capital**”).

## 2. Information on Shandong Hi-Speed Group and Shandong Hi-Speed

As at the Latest Practicable Date, Shandong Hi-Speed Group and Shandong Hi-Speed jointly held 47.16% of the Bank's total shares and are the Controlling Shareholders of the Bank.

### *Shandong Hi-Speed Group*

With reference to the Board Letter, Shandong Hi-Speed Group was established in July 1997, which is a state-owned capital investment company in the field of infrastructure in Shandong Province and a Fortune Global 500 company with a registered capital of RMB92.2 billion, of which 70% is contributed by the Shandong Provincial SASAC, 20% by Shandong Guohui Investment Holding Group Co., Ltd., and 10% by Shandong Caixin Assets Operation Co., Ltd.

Shandong Hi-Speed Group vigorously develops its core business of infrastructure, committing to building an infrastructure investment, construction, operation and service provider and an industry leader with outstanding main business and strong core competitiveness, and provide strong support for the construction of “Strong transportation province” in Shandong Province.

### *Shandong Hi-Speed*

With reference to the Board Letter, Shandong Hi-Speed was established in 1999, with approximately 70.57% of its equity held by Shandong Hi-Speed Group. In March 2002, Shandong Hi-Speed was listed on the Shanghai Stock Exchange, with a registered capital of RMB4.835 billion. Shandong Hi-Speed is primarily engaged in the investment and operation of transportation infrastructure, as well as equity investments in upstream and downstream sectors related to the expressway industry chain.

### **3. Reasons for and benefits of the Shandong Hi-Speed’s Subscription**

Shandong Hi-Speed’s Subscription forms part of the Issuance. With reference to the Board Letter, the Issuance is aimed to improve the capital adequacy ratio of the Bank, ensure that the capital adequacy ratio meets regulatory requirements, safeguard the steady growth of various businesses and effectively support the development of the real economy.

As mentioned below and pursuant to the Administrative Measures for Capital, core Tier 1 capital constitutes, among other things, paid-in capital or ordinary share. Accordingly, we concur with the Bank that the core Tier 1 capital adequacy ratio of the Bank will be further enhanced after the completion of the Issuance, which is beneficial for enhancing the ability to resist various risks and ensuring healthy development of the Bank’s business.

The proceeds raised from the Issuance shall be no more than approximately RMB3,000 million, which, after deducting the relevant issuance expenses, will be fully used to replenish the core Tier 1 capital of the Bank.

As at 30 June 2025, the Group recorded net core Tier 1 capital of approximately RMB25,026.9 million and risk-weighted assets of approximately RMB300,481.4 million. As at 30 June 2025, the Group’s core Tier 1 capital adequacy ratio (which was calculated by net core Tier 1 capital over risk-weighted assets) was 8.33%. According to 「2025年商業銀行主要監管指標情況表(季度)」(2025 Commercial Banks Major Regulatory Indicators Table (Quarterly))<sup>#</sup> published by NFRA, the average core Tier 1 capital adequacy ratio of the PRC commercial banks was 10.93% in the second quarter of 2025. The Group’s core Tier 1 capital adequacy ratio was lower than the industry average of PRC commercial banks. Based on the Group’s financial information as at 30 June 2025 and assuming total proceeds from the Issuance amounted to RMB3,000 million and all of which shall be used to replenish the Bank’s core Tier 1 capital, the Group’s core Tier 1 capital adequacy ratio would increase to approximately 9.33%.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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Based on the above, we are of the view that the proposed use of proceeds from the Issuance is fair and reasonable.

### *Financing methods available to the Bank*

As advised by the Directors, given that core Tier 1 capital constitutes (i) paid-in capital or ordinary shares (實收資本或普通股); (ii) capital reserve (資本公積); (iii) surplus reserve (盈餘公積); (iv) general risk reserve (一般風險準備); (v) retained earnings (未分配利潤); (vi) accumulated other comprehensive income (累計其他綜合收益); and (vii) qualified portion of non-controlling interests (少數股東資本可計入部分), it is not applicable to replenish the core Tier 1 capital of the Bank using debt financing. Therefore, the Directors only considered the Issuance (including Shandong Hi-Speed's Subscription), rights issue, open offer and issuance of convertible bonds as re-financing plans for the purpose for the replenishment of the core Tier 1 capital of the Bank before determining the Issuance.

- In respect of the rights issue or open offer, (a) for the period from 1 June 2025 to 31 July 2025, being the last trading day (the “**Last Trading Day**”) immediately before the publication of the initial announcement in respect of the Issuance, subscription prices of all 11 rights issue transactions as published by companies listed on the Hong Kong Stock Exchange represented discounts to their respective closing prices as quoted on last trading day before the publication of such announcement and to their average closing prices for five trading days and 10 trading days immediately before the last trading days; whereas (b) for the period from 1 August 2022 to the Last Trading Day, the subscription prices of all four open offer transactions as published by companies listed on the Hong Kong Stock Exchange represented discounts to their respective closing prices as quoted on last trading day before the publication of such announcement and to their average closing prices for five trading days and 10 trading days immediately before their respective last trading days.

Although the existing Shareholders would be able to maintain their pro rata shareholding in the Bank through rights issue or open offer, given that based on our independent research as mentioned above, rights issue and open offer are often conducted at discount to the prevailing share price to increase the attractiveness of the rights issue or open offer; whereas the Issue Price is above the closing price range of the H Shares during the H Share Review Period (as defined below), the results of rights issue or open offer at the Issue Price may be uncertain.

In contrast, the Shandong Hi-Speed's Subscription would (i) secure the subscription amounts to be subscribe by Shandong Hi-Speed Group and Shandong Hi-Speed; and (ii) demonstrate the confidence of the Bank's controlling shareholder in the Bank's long-term business development and prospects.

- In respect to convertible bonds, it is a financing instrument combining the characteristics of both equity and debts and normally have a long conversion period, allowing the investors to have a longer period to decide whether to (i) convert the convertible bonds into shares; or (ii) hold to maturity. Comparing with the Issuance, the Bank might take a longer time to replenish its core Tier 1 capital by way of issuance of convertible bonds as the core Tier 1 capital will be replenished upon the conversion of such convertible bonds by the bondholder(s).

Based on the above, we are of the view that the Issuance is an appropriate fund raising method for the Bank to replenish core Tier 1 capital under the current market condition.

Taking into account (i) the aforesaid reasons for and benefits of the Issuance (including the Shandong Hi-Speed's Subscription); (ii) the proposed use of proceeds from the Issuance; (iii) the Issuance is an appropriate fund raising method for the Bank to replenish core Tier 1 capital under current market condition; and (iv) the Shandong Hi-Speed's Subscription demonstrates the confidence of the Bank's controlling shareholders in the Bank's long-term business development and prospects, we are of the view that although the Shandong Hi-Speed's Subscription is not conducted in the ordinary and usual course of business of the Group, the Shandong Hi-Speed's Subscription is in the interests of the Bank and the Shareholders as a whole.

#### **4. Principal terms of the Shandong Hi-Speed's Subscription**

Set out below are the principal terms of the Shandong Hi-Speed's Subscription, details of which are set out under the sections headed "DOMESTIC SHARES SUBSCRIPTION AGREEMENTS" in the Board Letter:

##### *Date*

1 September 2025

##### *Parties*

##### *Domestic Shares Subscription Agreement I:*

- (i) The Bank (as the issuer)
- (ii) Shandong Hi-Speed Group (as the subscriber)

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### *Domestic Shares Subscription Agreement II:*

- (i) The Bank (as the issuer)
- (ii) Shandong Hi-Speed (as the subscriber)

### *Type and nominal value of securities to be issued*

The type of shares to be issued under the Issuance is ordinary domestic shares, to be subscribed in RMB, with par value of RMB1.00 each.

### *Number of Shares to be issued*

The number of Domestic Shares to be issued in the Issuance will not exceed 758,020,103 shares, of which, (i) Shandong Hi-Speed Group shall subscribe for up to 324,213,962 Domestic Shares; and (ii) Shandong Hi-Speed shall subscribe for up to 105,816,432 Domestic Shares.

### *Use of proceeds*

The amount raised under the Issuance of Domestic Shares did not exceed RMB2,493,886,139, of which Shandong Hi-Speed Group and Shandong Hi-Speed will contribute approximately no more than RMB1,066,663,935 and RMB348,136,062 respectively. The net proceeds raised from the Issuance of Domestic Shares after deducting related issuance costs will be entirely used to replenish core Tier 1 capital of the Bank.

### *Issue Price and pricing principle*

The Issue Price of RMB3.29 per Share (equivalent to approximately HK\$3.61 per Share based on the exchange rate of HK\$1.00 to RMB0.91079, being the HK\$/RMB central parity rates as announced by The People's Bank of China on the Last Trading Day) was determined in accordance with market practices and regulatory requirements, taking into account the capital market conditions and the share price of the Bank's H shares, with due consideration of shareholders' interests, acceptability of the investors and issue risks.



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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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The Issue Price represents:

- (i) a premium of approximately 23.63% over the closing price of HK\$2.92 per H Share as quoted on the Hong Kong Stock Exchange on the Latest Practicable Date;
- (ii) a premium of approximately 23.63% over the closing price of HK\$2.92 per H Share as quoted on the Hong Kong Stock Exchange on the Last Trading Day (the “**LTD Premium**”);
- (iii) a premium of approximately 23.21% over the average closing price of approximately HK\$2.93 per H Share as quoted on the Hong Kong Stock Exchange for the last five trading days immediately preceding and including the Last Trading Day (the “**5 Days Premium**”);
- (iv) a premium of approximately 22.79% over the average closing price of approximately HK\$2.94 per H Share as quoted on the Hong Kong Stock Exchange for the last 20 trading days immediately preceding and including the Last Trading Day (the “**20 Days Premium**”);
- (v) a premium of approximately 21.55% over the average closing price of approximately HK\$2.97 per H Share as quoted on the Hong Kong Stock Exchange for the last 60 trading days immediately preceding and including the Last Trading Day (the “**60 Days Premium**”); and
- (vi) a discount of approximately 19.76% to the NAV per Share of approximately RMB4.10 as at 30 June 2025, calculated based on the Group’s unaudited NAV of RMB24,548,280,000 as at 30 June 2025 and 5,980,058,344 Shares in issue as at the Latest Practicable Date (the “**NAV Discount**”).



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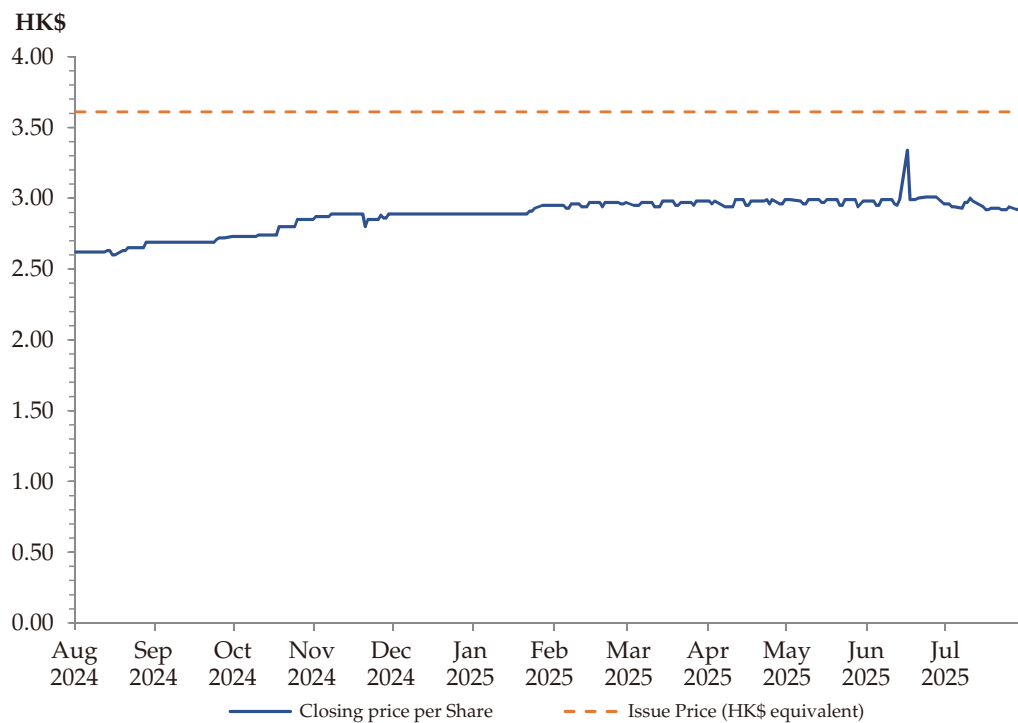
## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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### *Historical price performance of H Shares*

In order to assess the fairness and reasonableness of the Issue Price, we reviewed the daily closing price of the H Shares from 1 August 2024, being approximately one year prior to the Last Trading Day, up to and including the Last Trading Day (the “**H Share Review Period**”), which is commonly adopted for analysis and the duration of such period (number of trading days) is sufficient for us to perform a thorough analysis on the historical closing price of H Shares. The comparison of the daily closing price of H Shares and the Issue Price is illustrated as follows:

#### Historical daily closing price per Share



Source: Wind Financial Terminal

During the H Share Review Period, the lowest and highest closing prices of H Shares were HK\$2.60 per H Share recorded on 15 August 2024 and 16 August 2024 and HK\$3.34 per H Share recorded on 16 June 2025, respectively. The Issue Price of RMB3.29 per Domestic Share (equivalent to approximately HK\$3.61 per Domestic Share) is above the H Shares' closing price range during the H Share Review Period.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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From the start of the H Share Review Period, the closing prices of H Shares slightly decreased to the lowest closing price of HK\$2.60 per H Share on 15 August 2024 and 16 August 2024. Thereafter, the closing prices of H Shares fluctuated in a general increasing trend and H Share Review Period reached the highest closing price during the H Share Review Period of HK\$3.34 per H Share on 16 June 2025.

### *Comparison with other issuance of domestic shares*

To further assess the fairness and reasonableness of the Issue Price, we attempted to search for transactions comparable to the Issuance, i.e. standalone issuance of domestic shares by listed issuers (which were listed on the main board of Hong Kong Stock Exchange) under specific mandate, for comparison purposes. However, we could only identify three transactions as announced by the listed companies for last one year prior to the Last Trading Day. As the sample size is insufficient for our analyses purpose, we extended the review period to two years prior to the Last Trading Day. We identified seven transactions which met our aforesaid criteria and they are exhaustive, fair and representative (the “**Comparable Transactions**”). Despite that the businesses, operations and prospects of the Bank are not exactly the same as the listed companies involving in the Comparable Transactions, the Comparable Transactions are adequate and appropriate to demonstrate the market practices regarding issuance of domestic shares by companies listed on main board of the Hong Kong Stock Exchange.

## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Company name (stock code)	Announcement date	Premium/ (discount) of the issue price over/to the average closing price per share for the last five trading days immediately preceding and including the last trading day in relation to the respective issuance (the “Comparable Transactions 5 Days Premium/ Discount”)	Premium/ (discount) of the issue price over/to the average closing price per share for the last 20 trading days immediately preceding and including the last trading day in relation to the respective issuance (the “Comparable Transactions 20 Days Premium/ Discount”)	Premium/ (discount) of the issue price over/to the average closing price per share for the last 60 trading days immediately preceding and including the last trading day in relation to the respective issuance (the “Comparable Transactions 60 Days Premium/ Discount”)
		LTD Premium/ Discount (%)	Days Premium/ Discount (%)	Days Premium/ Discount (%)
Guangzhou Rural Commercial Bank Co., Ltd. (1551)	29 December 2023	7.73	7.73	14.08
Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd. (6990)	8 May 2024	(6.83)	(10.19)	(1.01)
Lianhua Supermarket Holdings Co., Ltd. (980)	12 May 2024	249.37 (Note)	273.05 (Note)	378.69 (Note)
Changan Minsheng APLL Logistics Co., Ltd. (1292)	22 August 2024	47.87	46.62	42.49
Jiangsu Recbio Technology Co., Ltd. (2179)	11 November 2024	(26.52)	(26.91)	(28.33)
Zhongguancun Science-Tech Leasing Co., Ltd. (1601)	17 January 2025	145.00	145.00	147.79
Shanghai REFIRE Group Limited (2570)	8 June 2025	(27.93)	(26.92)	(30.18)
<b>Maximum (excluding outlier)</b>		145.00	145.00	147.79
<b>Minimum (excluding outlier)</b>		(27.93)	(26.92)	(30.18)
<b>Average (excluding outlier)</b>		23.22	22.55	24.14
<b>Median (excluding outlier)</b>		0.45	(1.23)	6.53
<b>The Bank</b>	<b>31 July 2025</b>	<b>23.63</b>	<b>23.21</b>	<b>22.79</b>

*Source: Hong Kong Stock Exchange’s website and Wind Financial Terminal*

*Note:* The premium of relevant transaction was exceptionally high (more than two standard deviation away from the mean) and was considered to be an outlier.

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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As depicted in the above table:

- (i) the Comparable Transactions LTD Premium/Discount ranged from discount of approximately 27.93% to premium of approximately 145.00%, with average premium of approximately 23.22 % and median premium of approximately 0.45%;
- (ii) the Comparable Transactions 5 Days Premium/Discount ranged from discount of approximately 26.92% to premium of approximately 145.00%, with average premium of approximately 22.55% and median discount of approximately 1.23%;
- (iii) the Comparable Transactions 20 Days Premium/Discount ranged from discount of approximately 30.18% to premium of approximately 147.79%, with average premium of approximately 24.14% and median premium of approximately 6.53%; and
- (iv) the Comparable Transactions 60 Days Premium/Discount ranged from discount of approximately 21.86% to premium of approximately 146.28%, with average premium of approximately 26.11% and median premium of approximately 15.55%.

The LTD Premium, 5 Days Premium, 20 Days Premium and 60 Days Premium are all within the relevant ranges of the Comparable Transactions.

### *NAV Discount*

As mentioned above, the Issue Price represented a discount of approximately 19.76% to the NAV per Share of approximately RMB4.10 as at 30 June 2025 (i.e. the NAV Discount).

Comparison with the issue price to their recent closing prices of other issuance of domestic shares is valid across industries because it measures the market sentiment to similar transactions. Conversely, a comparison of the NAV Discount with those observed in the Comparable Transactions is not valid as the industry in which the Bank involved was different from the industries in which the listed issuers of Comparable Transactions were involved, characterized by fundamentally different asset types and business models.

Instead, we performed the comparison of NAV Discount with the discounts (the “**Historical Discounts**”) of historical closing prices of H Shares of the Bank to (i) the then prevailing NAV per Share of the Bank; and (ii) the then prevailing NAV per Share of the Bank minus dividend per Share declared for the respective period that had not been paid (thus not reflected in the then prevailing NAV per Share of the Bank) during the H Share Review Period for analysis purpose, calculated by:

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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The Historical Discounts =  $A / B - 100\%$  where:

A is daily closing prices of the H Shares of the Bank; and

B is the then prevailing NAV per Share of the Bank; or the then prevailing NAV per Share of the Bank (excluding dividend per Share declared for the respective period that had not been paid).

Based on the Group's NAV of approximately RMB3.70 per Share (or approximately RMB3.60 per Share after excluding the final dividend for FY2023), RMB3.92 per Share (note: the Bank did not declare any dividend to the Shareholders for the six months ended 30 June 2024) and RMB4.16 per Share (or approximately RMB4.06 per Share after excluding the final dividend for FY2024) as at 31 December 2023, 30 June 2024 and 31 December 2024, respectively, the closing price of the H Shares during the H Share Review Period has been traded at discount ranging from approximately 25.61% to approximately 37.44% to the Group's then prevailing NAV per Share or approximately 23.74% to approximately 37.44% to the Group's then prevailing ex-dividend NAV per Share.

Given that the NAV Discount represented slighter discount of historical closing prices of H Shares to both historical NAV per Share and historical ex-dividend NAV per Share during the H Share Review Period, we are of the view that the NAV Discount is justifiable.

### *Our conclusion on the Issue Price*

Although the Issue Price represented discount to NAV per Share as at 30 June 2025, having considered that:

- (i) the Issue Price is the same as the issue price of the Issuance of H Shares and issue price applied to other independent third-party target placees under the Issuance of Domestic Shares;
- (ii) the Issue Price was above the closing price of the H Shares during the H Share Review Period and represents premiums over the recent daily closing price of the H Shares (including the Last Trading Day, last 5/20/60 trading days immediate before the Last Trading Day);
- (iii) the LTD Premium, 5 Days Premium, 20 Days Premium and 60 Days Premium are all within the relevant ranges of the Comparable Transactions; and
- (iv) the NAV Discount is justifiable as analysed on the subsection headed "NAV Discount" above,

we are of the view that the Issue Price is fair and reasonable.

### *Lock-up arrangement*

The shares subscribed by Shandong Hi-Speed Group and Shandong Hi-Speed under the Issuance of Domestic Shares of the Bank shall not be transferred within five years from the date of obtaining the shares, except for special circumstances such as risk disposal measures approved by NFRA or its local offices, mandatory transfer orders, involvement in judicial enforcement, or transfer of equity between different entities controlled by the same investor.

According to the Interim Measures for the Administration of Equity of Commercial Banks<sup>#</sup> (《商業銀行股權管理暫行辦法》), any major shareholders of commercial banks (shareholders holding or controlling 5% or more of shares or voting rights of the commercial banks, or any shareholders who do not hold 5% of total capital or equity but have significant influence over the business management of the commercial banks) are subject to the lock-up period of five years from the date of obtaining the relevant equity of the commercial banks. The lock-up period applicable to Shandong Hi-Speed Group and Shandong Hi-Speed is consistent with the relevant regulatory requirements.

Having considered that the lock-up arrangement is required by relevant PRC regulation, we consider that such arrangement is on normal commercial term and fair and reasonable.

### *Distribution of retained profit*

The retained profit accrued before the Issuance of Domestic Shares will be shared by existing and new Shareholders upon the Issuance of Domestic Shares in proportion to their respective shareholdings.

### *Our conclusion on terms of the Shandong Hi-Speed's Subscription*

Having considered our analyses above (including the Issue Price being fair and reasonable and the lock-up arrangement is on normal commercial term and fair and reasonable; and no abnormal term observed) and that the terms of the Shandong Hi-Speed's Subscription is largely the same as the terms of the Domestic Shares Subscription and the H Shares Subscription for other independent third party subscribers, we are of the view that the terms of the Shandong Hi-Speed's Subscription are on normal commercial terms and are fair and reasonable.

## **5. Dilution effect on the shareholding interests of the Existing Other Shareholders**

As illustrated by the table under the sub-section headed "EFFECT OF THE ISSUANCE ON THE SHAREHOLDING STRUCTURE OF THE BANK" of the Board Letter, on the assumption that (i) 758,020,103 Domestic Shares and 153,834,000 H Shares will be issued in total; and (ii) there will be no further change in the

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## LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

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shareholding structure of the Bank until the completion of the Issuance and the existing Shareholders other than Shandong Hi-Speed's Subscribers (the "**Existing Other Shareholders**") will not subscribe any Shares under the Issuance, the shareholding interests of the Existing Other Shareholders in the Bank would be diluted by approximately 6.99 percentage points immediately after completion of the Issuance. Nonetheless, in view of (i) the Issuance (including the Shandong Hi-Speed's Subscription) could replenish the Bank's core Tier 1 capital, enhancing the ability to resist various risks and ensuring healthy development of the Bank's business; (ii) the terms of the Shandong Hi-Speed's Subscription being on normal commercial terms and fair and reasonable; and (iii) our assessment and independent work done (including our summarised financial information of the Bank, our analyses on financing methods available to the Bank (in particular, the Issuance (including the Shandong Hi-Speed's Subscription) is an appropriate financing method to the Bank after considering various financing alternatives), use of proceeds from the Issuance to replenish the Bank's core Tier 1 capital and the key terms of the Issuance (e.g. the Issue Price, lock-up arrangement)) are fair and reasonable, we are of the view that the aforementioned level of dilution to the shareholding interests of the Existing Other Shareholders is acceptable.

### RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Shandong Hi-Speed's Subscription are on normal commercial terms and are fair and reasonable; and (ii) although the Shandong Hi-Speed's Subscription is not conducted in the ordinary and usual course of business of the Group, the Shandong Hi-Speed's Subscription is in the interests of the Bank and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolutions to be proposed at the Extraordinary General Meeting and the Class Meetings to approve the Shandong Hi-Speed's Subscription and we recommend the Independent Shareholders to vote in favour of the resolutions in this regard.

Yours faithfully,  
For and on behalf of  
**Gram Capital Limited**  
**Graham Lam**  
*Managing Director*

*Note:* Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 30 years of experience in investment banking industry.

\* *Weihai Bank 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/deposit-taking business in Hong Kong.*

# *For identification purpose only*

## APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Proposed amendments to the Articles of Association are detailed as follows:

Existing Articles of Association	Amended Articles of Association
Chapter 1 General Provisions	Chapter 1 General Provisions
<p><b>Article 1</b> To adapt to the requirements for development of socialist market economy, establish a modern state-owned enterprise system with Chinese characteristics, protect the legitimate rights and interests of Weihai Bank Co., Ltd. (hereinafter referred to as “the Bank”), Shareholders and creditors, regulate the organization and behaviour of the Bank, <del>protect the legitimate rights and interests of the Bank, Shareholders, depositors and other stakeholders,</del> the Articles of Association are formulated in accordance with Constitution of the Communist Party of China, the Company Law of the People’s Republic of China (hereinafter referred to as “Company Law”), Commercial Banking Law of the People’s Republic of China (hereinafter referred to as “Commercial Banking Law”), Interim Measures for Management of Commercial Bank Equity, Code of Corporate Governance of Banking and Insurance Institutions, and Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as “Hong Kong Listing Rules” or “Listing Rules”) and other relevant administrative regulations and departmental rules.</p>	<p><b>Article 1</b> To adapt to the requirements for development of socialist market economy, establish a modern state-owned enterprise system with Chinese characteristics, protect the legitimate rights and interests of Weihai Bank Co., Ltd. (hereinafter referred to as “the Bank”), Shareholders, <u>employees</u> and creditors, regulate the organization and behaviour of the Bank, the Articles of Association are formulated in accordance with Constitution of the Communist Party of China, the Company Law of the People’s Republic of China (hereinafter referred to as “Company Law”), Commercial Banking Law of the People’s Republic of China (hereinafter referred to as “Commercial Banking Law”), Interim Measures for Management of Commercial Bank Equity, Code of Corporate Governance of Banking and Insurance Institutions, and Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as “Hong Kong Listing Rules” or “Listing Rules”) and other relevant administrative regulations and departmental rules, <u>and with reference to the Guidelines on the Articles of Association of Listed Companies.</u></p>
<p><b>Article 5</b> Domicile of the Bank: No. 137A Qingdao North Road, Weihai City, Shandong Province, postal code: 264200; <b>Tel.:</b> <del>086-0631-5236187,</del> <b>Fax:</b> <del>086-0631-5210210.</del></p>	<p><b>Article 5</b> Domicile of the Bank: No. 137A Qingdao North Road, Weihai City, Shandong Province, postal code: 264200.</p>



Existing Articles of Association	Amended Articles of Association
<p><b>Article 8</b> The legal representative of the Bank is the chairman of the Board (the Director who acts on behalf of the Bank) elected by the Board and registered in accordance with laws. If a Director who serves as the legal representative resigns, he/she shall be deemed to have resigned from the position of the legal representative simultaneously. Where the legal representative resigns, the Bank shall determine a new legal representative within thirty days from the date of the resignation of the legal representative.</p>	<p><b>Article 8</b> The legal representative of the Bank is the chairman of the Board (the Director who acts on behalf of the Bank) elected by the Board and registered in accordance with laws. If a Director who serves as the legal representative resigns, he/she shall be deemed to have resigned from the position of the legal representative simultaneously. Where the legal representative resigns, the Bank shall determine a new legal representative within thirty days from the date of the resignation of the legal representative.</p> <p><u>The legal consequences of civil activities performed by the legal representative of the Bank in the name of the Bank shall be borne by the Bank. Restrictions imposed on the powers of the legal representative by the Articles of Association or by shareholders' meetings shall not be invoked against a bona fide counterparty. If the legal representative causes damage to others while performing his/her duties, the Bank shall assume civil liability for such damage. The Bank may, after assuming the civil liability, seek compensation from the legal representative at fault in accordance with laws or the Articles of Association.</u></p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 10</b> Commencing from the date when the Articles of Association take effect, the Articles of Association shall become a binding legal document for regulating the organization and behaviour of the Bank, as well as the rights and obligations between the Bank and its Shareholders and between and among the Bank’s Shareholders. The Articles of Association shall also be legally binding on the Bank and its Shareholders, members of the party committee (discipline inspection committee), Directors, <del>Supervisors</del> and senior management personnel, who shall have the right to make any claims and propositions regarding the Bank’s affairs based on the Articles of Association.</p>	<p><b>Article 10</b> Commencing from the date when the Articles of Association take effect, the Articles of Association shall become a binding legal document for regulating the organization and behaviour of the Bank, as well as the rights and obligations between the Bank and its Shareholders and between and among the Bank’s Shareholders. The Articles of Association shall also be legally binding on the Bank and its Shareholders, members of the party committee (discipline inspection committee), Directors, and senior management personnel, who shall have the right to make any claims and propositions regarding the Bank’s affairs based on the Articles of Association.</p>

Existing Articles of Association	Amended Articles of Association
<p>Any dispute between the Bank and its Shareholders, members of the party committee (discipline inspection committee), Directors, <b>Supervisors</b> and senior management personnel under the Articles of Association shall preferably be settled through friendly negotiation. Should the negotiation fail, the Shareholders may pursue actions against the Bank pursuant to the Articles of Association; <del>the Bank may pursue actions against its Shareholders pursuant to the Articles of Association;</del> the Shareholders may pursue actions against other Shareholders pursuant to the Articles of Association; the Shareholders may pursue actions against the Directors, <b>Supervisors, President and other</b> senior management personnel of the Bank pursuant to the Articles of Association. The aforesaid actions, include the instituting of legal proceedings with a court or filing with an arbitral authority for arbitration. If arbitration is selected, an application shall be filed to Weihai Arbitration Committee in Weihai, Shandong for arbitration and a final ruling shall be made according to the arbitration rules in effect at the time when the application is submitted. The arbitration shall be conducted in Chinese. The arbitration award shall be final and binding on the respective parties.</p> <p>If laws, <del>administrative</del> regulations, <del>rules and</del> securities regulatory rules of the place where shares of the Bank are listed and <del>Article 348 of the</del> Articles of Association have other provisions, such provisions shall prevail.</p>	<p>Any dispute between the Bank and its Shareholders, members of the party committee (discipline inspection committee), Directors, and senior management personnel under the Articles of Association shall preferably be settled through friendly negotiation. Should the negotiation fail, the Shareholders may pursue actions against the Bank pursuant to the Articles of Association; the Shareholders may pursue actions against other Shareholders pursuant to the Articles of Association; the Shareholders may pursue actions against the Directors, senior management personnel of the Bank pursuant to the Articles of Association; <u>the Bank may pursue actions against Shareholders, Directors and senior management personnel pursuant to the Articles of Association.</u> The aforesaid actions, include the instituting of legal proceedings with a court or filing with an arbitral authority for arbitration. If arbitration is selected, an application shall be filed to Weihai Arbitration Committee in Weihai, Shandong for arbitration and a final ruling shall be made according to the arbitration rules in effect at the time when the application is submitted. The arbitration shall be conducted in Chinese. The arbitration award shall be final and binding on the respective parties.</p> <p>If laws and regulations, <u>regulatory provisions</u>, securities regulatory rules of the place where shares of the Bank are listed and Articles of Association have other provisions, such provisions shall prevail.</p>

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APPENDIX I      PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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Existing Articles of Association	Amended Articles of Association
<p><b>Article 12</b> Senior management personnel mentioned in the Articles of Association refer to President, vice Presidents, secretary of the Board, financial controller, <del>chief audit officer</del> and other management personnel determined by the Board. The qualifications of the senior management personnel of the Bank shall be examined by the China Banking Regulatory Authority.</p>	<p><b>Article 12</b> Senior management personnel mentioned in the Articles of Association refer to President, vice Presidents, secretary of the Board, financial controller and other management personnel determined by the Board. The qualifications of the senior management personnel of the Bank shall be examined by the China Banking Regulatory Authority.</p>
<p><b>Article 14</b> According to the needs of business development, the Bank may set up branches and sub-branches in suitable places outside Weihai City upon examination and approval by the China Banking Regulatory Authority.</p> <p><del>The Bank may invest in other limited liability companies or joint-stock limited companies according to laws and shall be held responsible for the invested companies to the extent of its capital contribution or share subscription.</del></p> <p>For the established branches and sub-branches, the Bank shall allocate working capital in line with their business scale according to provisions.</p>	<p><b>Article 14</b> According to the needs of business development, the Bank may set up branches and sub-branches in suitable places outside Weihai City upon examination and approval by the China Banking Regulatory Authority.</p> <p>For the established branches and sub-branches, the Bank shall allocate working capital in line with their business scale according to provisions.</p>

Existing Articles of Association	Amended Articles of Association
Chapter 2 Business Objective and Scope	Chapter 2 Business Objective and Scope
<p><b>Article 16</b> Upon approval by the China Banking Regulatory Authority, the People's Bank of China, the securities regulatory authorities of the PRC and the foreign exchange administrative authority of the State and by the company registration authority, the Bank's business scope is as follows:</p> <p>.....</p> <p><del>(XV)</del> conducting other businesses upon approval by the banking regulatory securities of the PRC, <del>the People's Bank of China, the securities regulatory authorities of the PRC and the foreign exchange administrative authority of the State.</del></p>	<p><b>Article 16</b> Upon approval by the China Banking Regulatory Authority, the People's Bank of China, the securities regulatory authorities of the PRC and the foreign exchange administrative authority of the State and by the company registration authority, the Bank's business scope is as follows:</p> <p>.....</p> <p><u>(XV) sale of funds;</u></p> <p><u>(XVI) conducting other businesses upon approval or filing by the banking regulatory authorities of the PRC or other authorities with administrative licensing power.</u></p>

Existing Articles of Association	Amended Articles of Association
Chapter 3 Shares	Chapter 3 Shares
Section 1 Issuance of Shares	Section 1 Issuance of Shares
<p><b>Article 18</b> The shares of the Bank shall be issued following the principle of openness, fairness and justice, and each share in the same class shall rank pari passu.</p> <p>For the same class of shares issued at the same time, each share shall be issued on the same conditions and at the same price. <del>Any entity or individual</del> subscribing for the shares shall pay the same price for each share. <del>The Bank shall set up ordinary shares at any time. According to its needs, the Bank may create other classes of shares upon approval by the authorized department of the State Council.</del></p>	<p><b>Article 18</b> The shares of the Bank shall be issued following the principle of openness, fairness and justice, and each share in the same class shall rank pari passu.</p> <p>For the same class of shares issued at the same time, each share shall be issued on the same conditions and at the same price. <u>Subscriber(s)</u> subscribing for the shares shall pay the same price for each share.</p>
<p><b>Article 19</b> All shares issued by the Bank shall be in registered form <del>and have par values</del>, with each share having par value of RMB1.00. The Bank's share certificates shall specify:</p> <p>.....</p>	<p><b>Article 19</b> All shares issued by the Bank shall be in registered form and <u>be par value shares</u>, with each share having par value of RMB1.00. The Bank's share certificates shall specify:</p> <p>.....</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 21</b> Upon approval by the examination and approval department authorized by the State Council, the Bank may issue 5,980,058,344 ordinary shares in total. The equity structure of the Bank is: 5,980,058,344 ordinary shares, including 4,971,197,344 domestic shares, accounting for 83.13% of the total ordinary shares that the Bank could issue; 1,008,861,000 H shares, accounting for 16.87% of the total ordinary shares that the Bank could issue.</p> <p><del>The Bank may issue shares to domestic and foreign investors upon approval by the China Banking Regulatory Authority and the securities regulatory authorities of the State Council.</del></p>	<p><b>Article 21</b> Upon approval by the examination and approval department authorized by the State Council, the Bank may issue 5,980,058,344 ordinary shares in total. The equity structure of the Bank is: 5,980,058,344 ordinary shares, including 4,971,197,344 domestic shares, accounting for 83.13% of the total ordinary shares that the Bank could issue; 1,008,861,000 H shares, accounting for 16.87% of the total ordinary shares that the Bank could issue.</p>
<p><del>Article 22 Foreign investors as referred to in the preceding paragraph shall mean those investors in foreign countries and Hong Kong Special Administrative Region (hereinafter referred to as "Hong Kong"), Macao Special Administrative Region and Taiwan Region of the People's Republic of China (hereinafter referred to as "PRC") who subscribe for shares issued by the Bank. Domestic investors shall mean those investors in the PRC, excluding the aforementioned regions, who subscribe for shares of the Bank.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><b>Article 23</b> Shares that the Bank issues to domestic investors for subscription in RMB shall be known as domestic shares.</p> <p><del>Shares that the Bank issues to foreign investors for subscription in foreign currencies shall be known as foreign shares. Foreign shares listed outside the PRC are referred to as overseas listed foreign shares.</del></p> <p>The <del>overseas listed foreign</del> shares issued by the Bank and listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as “Hong Kong Stock Exchange”) are called H Shares for short.</p> <p>The domestic shares issued by the Bank shall be kept at the qualified institution, and the Bank’s H Shares are mainly kept in the securities registration and clearing institutions of Hong Kong and may be held by the Shareholders in their own names.</p>	<p><b>Article 22</b> Shares that the Bank issues to domestic investors for subscription in RMB shall be known as domestic shares.</p> <p>The shares issued by the Bank and listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as “Hong Kong Stock Exchange”) are called H Shares for short.</p> <p>The domestic shares issued by the Bank shall be kept at the qualified institution, and the Bank’s H Shares are mainly kept in the securities registration and clearing institutions of Hong Kong and may be held by the Shareholders in their own names.</p>



Existing Articles of Association	Amended Articles of Association
<p><del>Foreign currency referred to in the preceding paragraph means legal tender, other than RMB, of another country or region, which is recognized by the foreign exchange authority of the State and can be used to pay to the Bank for the shares.</del></p> <p>To the extent permitted by relevant laws, administrative regulations and departmental rules and upon approval by the relevant regulatory authorities such as the China Banking Regulatory Authority and the securities regulatory authorities of the State Council, the Shareholders of the Bank may list and trade overseas the unlisted shares they hold. Listing of the aforesaid shares on an overseas stock exchange shall also comply with the regulatory procedures, regulations and requirements of the overseas securities market. <del>Listing and trading of the aforesaid shares on an overseas stock exchange does not need resolution through voting at a class general meeting.</del></p>	<p>To the extent permitted by relevant laws, administrative regulations and departmental rules and upon approval by the relevant regulatory authorities such as the China Banking Regulatory Authority and the securities regulatory authorities of the State Council, the Shareholders of the Bank may list and trade overseas the unlisted shares they hold. Listing of the aforesaid shares on an overseas stock exchange shall also comply with the regulatory procedures, regulations and requirements of the overseas securities market.</p>

Existing Articles of Association	Amended Articles of Association
<p><del>Article 24 The Board of the Bank may make arrangements for separate issuance of overseas listed foreign shares and domestic shares in accordance with the issue scheme approved by the securities regulatory authorities of the State Council.</del></p> <p><del>According to the aforesaid scheme for separate issuance of overseas listed foreign shares and domestic shares, the Bank may issue the shares within 15 months after approval of the securities regulatory authorities of the State Council.</del></p>	
<p><del>Article 25 If the Bank separately issues overseas listed foreign shares and domestic shares within the total number specified in the issue scheme, the said shares shall be issued respectively at one time.</del></p>	
<p><del>Article 26 If it is impossible for the shares to be issued at one time for special reasons, the shares may be issued by several times upon approval by the securities regulatory authorities of the State Council.</del></p>	

Existing Articles of Association	Amended Articles of Association
Section 2 Increase, Decrease and Repurchase of Shares	Section 2 Increase, Decrease and Repurchase of Shares
<p><b>Article 27</b> The Bank may increase its capital as follows in the light of its business and development needs, in accordance with the relevant laws and regulations, resolutions made at the Shareholders' <del>general</del> meeting and upon approval by relevant regulatory authorities including the China Banking Regulatory Authority:</p> <p>(1) <del>public</del> offering of shares;</p> <p>(2) <del>non-public</del> offering of shares;</p> <p>.....</p> <p>(6) other methods stipulated by laws and <del>administrative</del> regulations.</p> <p>The Bank's increase of capital by issuing new shares shall be conducted in accordance with the procedures provided in relevant laws, regulations and regulatory provisions, after being approved according to the Articles of Association.</p>	<p><b>Article 23</b> The Bank may increase its capital as follows in the light of its business and development needs, in accordance with the relevant laws and regulations, <u>a</u> resolution made at the Shareholders' meeting and upon approval by relevant regulatory authorities including the China Banking Regulatory Authority:</p> <p>(1) offering of shares <u>to non-specific investors</u>;</p> <p>(2) offering of shares to <u>specific investors</u>;</p> <p>.....</p> <p>(6) other methods stipulated by laws, regulations, <u>regulatory provisions and the Articles of Association</u>.</p> <p>The Bank's increase of capital by issuing new shares shall be conducted in accordance with the procedures provided in relevant laws, regulations and regulatory provisions, after being approved according to the Articles of Association.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 29</b> The Bank may, in accordance with the provisions under the laws, administrative regulations, departmental rules and the Articles of Association and with the approval by the relevant competent authorities of the State, repurchase its shares in the following circumstances:</p> <p>.....</p> <p>(VII) any other circumstances as <b>permitted</b> by the laws, regulations <del>and the relevant competent authorities</del>.</p> <p>Except for the circumstances set out above, the Bank shall not be engaged in any activities of buying and selling its shares.</p> <p>The Bank's repurchase of its own shares under any of the circumstances set forth in items (I) and (II) above shall be subject to a resolution of the Shareholders' <del>general</del> meeting.</p> <p>The Bank's repurchase of its own shares under any of the circumstances set forth in items (III), (V) and (VI) above may, pursuant to the Articles of Association or the authorization of the Shareholders' <del>general</del> meeting, be subject to a resolution of a Board meeting at which more than two-thirds of Directors are present.</p>	<p><b>Article 25</b> The Bank may, in accordance with the provisions under the laws, administrative regulations, departmental rules and the Articles of Association and with the approval by the relevant competent authorities of the State, repurchase its shares in the following circumstances:</p> <p>.....</p> <p>(VII) any other circumstances as <u><b>stipulated</b></u> by the laws, regulations, <u><b>regulatory provisions and the stock exchange where the Bank is listed.</b></u></p> <p>Except for the circumstances set out above, the Bank shall not be engaged in any activities of buying and selling its shares.</p> <p>The Bank's repurchase of its own shares under any of the circumstances set forth in items (I) and (II) above shall be subject to a resolution of the Shareholders' meeting.</p> <p>The Bank's repurchase of its own shares under any of the circumstances set forth in items (III), (V) and (VI) above may, pursuant to the Articles of Association or the authorization of the Shareholders' meeting, be subject to a resolution of a Board meeting at which more than two-thirds of Directors are present.</p>

Existing Articles of Association	Amended Articles of Association
<p>After repurchasing its own shares pursuant to the provisions of the Articles of Association, the Bank shall, under the circumstance set forth in item (I), cancel them within 10 days after the repurchase; while under the circumstance set forth in either item (II) or (IV), transfer or cancel them within six months; and while under the circumstance set forth in item (III), (V) or (VI), aggregately hold not more than 10% of the total shares that have been issued by the Bank, and transfer or cancel them within three years.</p> <p>The Bank's repurchase of its own shares under the circumstances set out in items (III), (V) and (VI) under the Articles of Association shall be conducted by way of open and centralized transaction.</p>	<p>After repurchasing its own shares pursuant to the provisions of the Articles of Association, the Bank shall, under the circumstance set forth in item (I), cancel them within 10 days after the repurchase; while under the circumstance set forth in either item (II) or (IV), transfer or cancel them within six months; and while under the circumstance set forth in item (III), (V) or (VI), aggregately hold not more than 10% of the total shares that have been issued by the Bank, and transfer or cancel them within three years.</p> <p><b><u>Where the Bank repurchases of its own shares, it shall be conducted through public and centralized trading or other methods recognized by laws, regulations and securities regulatory authorities.</u></b></p> <p>The Bank's repurchase of its own shares under the circumstances set out in items (III), (V) and (VI) under the Articles of Association shall be conducted by way of open and centralized transaction.</p>

Existing Articles of Association	Amended Articles of Association
<p><del>Article 30 With the approval of the China Banking Regulatory Authority for repurchasing its shares, the Bank may conduct the repurchase in one of the following manners:</del></p> <p><del>(I) to make a repurchase tender offer to all Shareholders in the same proportion;</del></p> <p><del>(II) to repurchase its own shares through public transaction on a stock exchange;</del></p> <p><del>(III) to repurchase shares under an off-market agreement;</del></p> <p><del>(IV) by other means as permitted by the laws, administrative rules and regulations and the relevant competent authorities.</del></p> <p><del>After the repurchase of shares according to laws, the Bank shall deregister or transfer the said shares before the deadline specified by the laws and administrative regulations, and shall have the change of the registered capital registered with the registration authority of the Bank after deregistration of the shares. The aggregate par value of the deregistered shares shall be deducted from the registered capital of the Bank.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><del>Article 31 A prior approval shall be obtained from a Shareholders' general meeting in accordance with the provisions of the Articles of Association in respect of any share repurchased by the Bank through an off-market agreement. After the Shareholders' general meeting has given its approval in the same way, the Bank may rescind or alter any contracts entered into in the said manner or waive any rights under such contracts.</del></p> <p><del>The aforesaid contract to repurchase shares includes, but not limited to, an agreement to become obliged to repurchase or to acquire the right to repurchase shares.</del></p>	
<p><del>Article 32 The Bank shall not assign a contract for repurchasing its shares or any of its rights thereunder.</del></p>	
<p><del>Article 33 Where the Bank has the right to repurchase redeemable shares by means other than repurchases through the market or by tender, the repurchase price shall be limited to a maximum price; if repurchases are made by tender, an invitation for tenders shall be made to all Shareholders alike.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><del>Article 34 Unless the Bank is undergoing liquidation, it shall comply with the following requirements with respect to a repurchase of its issued shares:</del></p> <p><del>(I) for repurchases of shares by the Bank at their par value, payment shall be made from the book balance of its distributable profits or from the proceeds of a new issuance of shares for that purpose;</del></p> <p><del>(II) where the Bank repurchases its shares at a premium over its par value, payment up to the par value shall be made from the book balance of its distributable profits or from the proceeds of a new issuance of shares for that purpose. Payment of the portion which is in excess of the par value shall be made as follows:</del></p> <p><del>1. If the shares being repurchased are issued at par value, payment shall be made from the book balance of its distributable profits;</del></p>	



Existing Articles of Association	Amended Articles of Association
<p>2. <del>If the shares being repurchased are issued at a premium over its par value, payment shall be made from the book balance of its distributable profits or from the proceeds of the new issuance of shares for that purpose. However, the amount deducted from the proceeds of the new issuance of shares shall not exceed the aggregate amount of the premium received by the Bank from the issuance of the shares so repurchased, nor shall it exceed the amount in the Bank's premium account or capital reserve fund account (including premium on the new issue) at the time of such repurchase;</del></p> <p>(III) <del>the Bank shall make the following payments from the Bank's distributable profits:</del></p> <p>1. <del>acquisition of the rights to repurchase its own shares;</del></p> <p>2. <del>variation of any contracts for the repurchase of its shares;</del></p> <p>3. <del>release from its obligations under any repurchase contracts.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><del>(IV) after the aggregate par value of the cancelled shares is deducted from the Bank's registered capital in accordance with the relevant provisions, the amount deducted from the distributable profits used for the repurchase of the shares at par value shall be credited to the Bank's premium account or its capital reserve fund account.</del></p>	
<p><del>Article 35 If laws, regulations and securities regulatory rules at the place where shares of the Bank are listed have other provisions on the financial treatment involved in the aforesaid share repurchase, such provisions shall prevail.</del></p>	

Existing Articles of Association	Amended Articles of Association
Section 3 Transfer of Shares	Section 3 Transfer of Shares
<p><del>Article 38—Transfer of all H Shares shall be executed with a written transfer instrument in a common format or other format accepted by the Board (including the standard transfer format or transfer form specified by the Hong Kong Stock Exchange from time to time); the said written transfer instrument may be signed by hand, or be stamped with the company seal (if the transferor or the transferee is a company). Where the transferor or transferee is a recognized clearing house (the “Recognized Clearing House”) as defined by relevant regulations in the laws of Hong Kong effective from time to time, or any of its agents, the written transfer instrument may be signed by hand or by print.</del></p> <p><del>All transfer documents shall be kept at the legal address of the Bank or other place designated by the Board from time to time.</del></p>	
<p><b>Article 39</b> The Bank does not accept shares of the Bank as the subject of pledges.</p>	<p><b>Article 28</b> The Bank does not accept shares of the Bank as the subject of pledges.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 40</b> Shares of the Bank held by the promoters shall not be transferred within one year from the date of incorporation of the Bank as a joint-stock limited company. Shares that have been issued before public offering of the Bank shall not be transferred within one year from the date when the shares of the Bank are listed and traded on a stock exchange.</p> <p>The Directors, <del>Supervisors</del> and other senior management personnel of the Bank shall report to the Bank their shareholdings in the Bank and changes thereof and shall not transfer more than 25% of the total shares held by them in the Bank per annum during their terms of office; the shares they hold in the Bank shall not be transferred within one year from the date on which the shares of the Bank are listed and traded. The aforesaid persons shall not transfer their shares in the Bank within half a year after they terminate service with the Bank.</p> <p>Where the laws, regulations and rules governing securities of the place where shares of the Bank are listed have any other provisions in respect of the transfer of overseas listed foreign shares of the Bank, such provisions shall prevail.</p>	<p><b>Article 29</b> Shares of the Bank held by the promoters shall not be transferred within one year from the date of incorporation of the Bank as a joint-stock limited company. Shares that have been issued before public offering of the Bank shall not be transferred within one year from the date when the shares of the Bank are listed and traded on a stock exchange.</p> <p>The Directors and other senior management personnel of the Bank shall report to the Bank their shareholdings in the Bank and changes thereof and shall not transfer more than 25% of the total shares held by them in the Bank per annum during their terms of office <u>as determined at the time of their assumption of office</u>; the shares they hold in the Bank shall not be transferred within one year from the date on which the shares of the Bank are listed and traded. The aforesaid persons shall not transfer their shares in the Bank within half a year after they terminate service with the Bank.</p> <p>Where the laws, regulations and rules governing securities of the place where shares of the Bank are listed have any other provisions in respect of the transfer of overseas listed foreign shares of the Bank, such provisions shall prevail.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 41</b> If the Directors,<del>Supervisors</del>, senior management personnel, and Shareholders holding more than 5% shares of the Bank sell the shares held by them in the Bank within six months after buying the same or buy shares within six months after selling the same, the earnings arising therefrom shall belong to the Bank and the Board of the Bank shall recover the said earnings.</p> <p>If the Board of the Bank does not observe the provision <del>in the preceding paragraph</del>, the Shareholders have the right to require the Board to execute the provision within 30 days. If the Board of the Bank fails to execute the provision within the aforesaid period, the Shareholders have the right to directly institute legal proceedings to the people's court in their own names for the interests of the Bank.</p> <p>If the Board of the Bank fails to observe the provision <del>in the first paragraph</del>, the responsible Directors shall bear joint liability according to laws.</p>	<p><b>Article 30</b> If the Directors, senior management personnel, and Shareholders holding more than 5% shares of the Bank sell the shares <u>or other securities with an equity nature</u> held by them in the Bank within six months after buying the same or buy shares within six months after selling the same, the earnings arising therefrom shall belong to the Bank and the Board of the Bank shall recover the said earnings.</p> <p><u>Shares or other securities with an equity nature held by the Directors, senior management personnel and natural person shareholders referred to in the preceding paragraph include shares or other securities with an equity nature held by their spouses, parents and children and held under others' accounts.</u></p> <p>If the Board of the Bank does not observe the provision <u>in the first paragraph of this Article</u>, the Shareholders have the right to require the Board to execute the provision within 30 days. If the Board of the Bank fails to execute the provision within the aforesaid period, the Shareholders have the right to directly institute legal proceedings to the people's court in their own names for the interests of the Bank.</p> <p>If the Board of the Bank fails to observe the provision <u>in the first paragraph of this Article</u>, the responsible Directors shall bear joint liability according to laws.</p>

Existing Articles of Association	Amended Articles of Association
Section 4 Financial Assistance for the Acquisition of Shares in the Bank	Section 4 Financial Assistance for the Acquisition of Shares in the Bank
<p><del>Article 42 The Bank (including its branches and sub-branches) or its subsidiaries shall not offer any financial assistance at any time by any means to purchasers who will or who wish to purchase the Bank's shares. The aforementioned purchasers shall include both persons who have directly or indirectly assumed obligations due to purchasing the Bank's shares.</del></p> <p><del>The Bank (including its branches and sub-branches) or its subsidiaries shall not offer any financial assistance at any time by any means in order to reduce or relieve the obligations of the aforesaid obligors.</del></p> <p><del>The provisions of this article do not apply to the circumstances set out in Article 44 of the Articles of Association.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><del>Article 43—Financial assistance referred to in the Articles of Association for these purposes shall include, without limitation, the following means:</del></p> <p><del>(I) financial assistance given by gifts;</del></p> <p><del>(II) financial assistance given by guarantee (including the assumption of liability by the guarantor or the provision of assets by the guarantor to secure the performance of obligations by the obligor), indemnity (other than an indemnity in respect of the Bank's fault) or the release or waiver of any rights;</del></p> <p><del>(III) the provision of loans or the entrance into any agreement under which the obligations of the Bank are to be fulfilled before the obligations of another party, and a change in the parties to, or the assignment of rights arising under such loans or agreement;</del></p> <p><del>(IV) any other form of financial assistance given by the Bank when the Bank is insolvent, has no net assets, or when its net assets would be reduced to a material extent as a result of such financial assistance.</del></p> <p><del>The obligations referred to in this chapter shall include the obligations of an obligor which have arisen by making an agreement or arrangement (regardless of whether the aforesaid agreement or arrangement is enforceable, or whether such obligations are assumed by the obligor individually or jointly with any other person) or any obligations that arise out of changes made in any other way to the obligor's financial condition.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><del>Article 44—The acts listed below are not prohibited by Article 42 of the Articles of Association, subject to any prohibitions by the relevant laws, administrative regulations, rules or rules governing securities of the place where shares of the Bank are listed:</del></p> <p><del>(I) the financial assistance provided by the Bank is either genuinely for the interests of the Bank and the main purpose of the financial assistance is not to purchase shares of the Bank, or the financial assistance is an incidental part of the Bank's overall plans;</del></p> <p><del>(II) the lawful distribution of the Bank's assets in the form of dividends;</del></p> <p><del>(III) the distribution of dividends in the form of shares;</del></p> <p><del>(IV) the reduction of registered capital, repurchase of shares, and adjustment of shareholding structure, etc. in accordance with the Articles of Association;</del></p> <p><del>(V) the provision of a loan by the Bank within its scope of business and in the ordinary course of business (provided that this does not lead to a reduction in the net assets of the Bank or that if this causes a reduction, the financial assistance is taken from the Bank's distributable profits);</del></p>	



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APPENDIX I      PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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Existing Articles of Association	Amended Articles of Association
<p><del>(VI) provision of funds by the Bank for an employee shareholding scheme (provided that this does not lead to a reduction in the net assets of the Bank or that if this causes a reduction, the financial assistance is taken from the Bank's distributable profits).</del></p> <p><del>Where the laws, administrative regulations, rules and rules governing securities of the place where shares of the Bank are listed have any other provisions in respect of the financial arrangement relating to the aforesaid share repurchase, such provisions shall prevail.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p>Newly added provision</p>	<p><u>Article 31 The Bank or the Bank's subsidiaries (including affiliates of the Bank) shall not provide financial assistance in the form of grants, advances, guarantees, borrowings to others for the acquisition of shares of the Bank or those of its parent company, except where the Bank has implemented an employee stock ownership plan.</u></p> <p><u>In the interests of the Bank, the Bank may, by the resolution(s) of the Shareholders' meetings, or by the resolution(s) of the Board of Directors in accordance with the Articles of Association or authorization(s) granted by the Shareholders' meetings, provide financial assistance to others for the acquisition of shares of the Bank or those of its parent company, provided that the cumulative total of such financial assistance shall not exceed ten percent of the total issued share capital. The relevant resolution(s) of the Board of Directors shall be passed by more than two-thirds of all Directors.</u></p> <p><u>Where the Bank or any of its subsidiaries (including affiliates of the Bank) engages in the conduct specified in this article, it shall comply with applicable laws, administrative regulations, regulatory provisions and the Articles of Association.</u></p>

Existing Articles of Association	Amended Articles of Association
Chapter 4 Share Certificate and Shareholder Register	Chapter 4 Share Certificate and Shareholder Register
<p><del>Article 45—Share certificate of the Bank shall be signed by the chairman of the Board. If the stock exchange where shares of the Bank are listed requires senior management personnel of the Bank to sign the share certificate, the share certificate shall also be signed by the President or other relevant senior management personnel. The share certificate shall take effect after being affixed, or affixed by way of printing, with the seal of the Bank. Affixing the seal of the Bank to the share certificate requires authorization of the Board. The signature of the chairman, President or other relevant senior management personnel of the Bank may also be printed on the share certificate.</del></p> <p><del>Issuance or trading of the shares of the Bank in a non-paper form shall comply with other regulations of the securities regulatory authorities at the place where shares of the Bank are listed and the stock exchange where shares of the Bank are listed.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><b>Article 46</b> The Bank shall establish a shareholder register, which is a sufficient proof for Shareholders' shareholding in the Bank and shall record the following matters or register Shareholders pursuant to the provisions of the laws, regulations, rules and the Hong Kong Listing Rules:</p> <p>(I) the name (title), address (domicile); <del>occupation or nature</del> of each Shareholder;</p> <p><del>(II) the amount paid or payable for the shares held by each Shareholder;</del></p> <p><del>(III) the class and number of shares held by each Shareholder;</del></p> <p><del>(IV) the serial number(s) of the share(s) held by each Shareholder;</del></p> <p><del>(V) the date on which each Shareholder is registered as a Shareholder;</del></p> <p><del>(VI) the date on which each Shareholder ceases to be a Shareholder.</del></p> <p>The shareholder register is a sufficient evidence of the Shareholders' shareholdings in the Bank unless there is evidence to the contrary.</p>	<p><b>Article 32</b> The Bank shall establish a shareholder register, which is a sufficient proof for Shareholders' shareholding in the Bank and shall record the following matters or register Shareholders pursuant to the provisions of the laws, regulations, rules and the Hong Kong Listing Rules:</p> <p>(I) the name (title), address (domicile) of each Shareholder;</p> <p><u>(II) the class and number of shares subscribed by each shareholder;</u></p> <p><u>(III) for share certificates in paper form, the serial numbers of share certificates;</u></p> <p><u>(IV) the date on which each shareholder acquires the shares.</u></p> <p>The shareholder register is a sufficient evidence of the Shareholders' shareholdings in the Bank unless there is evidence to the contrary.</p>

Existing Articles of Association	Amended Articles of Association
<p><del>Article 47 The Bank may keep overseas the register of holders of overseas listed foreign shares and entrust it to the care of an overseas agency in accordance with the understanding and agreement reached between the securities regulatory authorities of the State Council and the overseas securities regulatory authorities. The original of register of holders of H Shares of the Bank shall be kept in Hong Kong.</del></p> <p><del>The Bank shall maintain a duplicate of the register of holders of overseas listed foreign shares at the Bank's domicile. The appointed overseas agency shall ensure the consistency between the original and the duplicate registers of holders of overseas listed foreign shares at all times. If there is any inconsistency between the original and the duplicate registers of holders of overseas listed foreign shares, the original version shall prevail.</del></p>	<p><u>Article 33 The register of holders of Shares of the Bank shall be maintained at the Bank.</u> The register of holders of H Shares of the Bank shall <u>also be maintained in Hong Kong for inspection by shareholders.</u></p>
<p><del>Article 48 The Bank shall keep a complete shareholder register. The shareholder register shall include the following parts:</del></p> <p><del>(I) shareholder register kept at the domicile of the Bank, save as specified in items (II) and (III) herein;</del></p> <p><del>(II) register of holders of overseas listed foreign shares kept at the overseas stock exchange;</del></p> <p><del>(III) shareholder register that the Board decided to keep at other place for the purpose of listing of the Bank's shares.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><del>Article 49 The respective parts of the shareholder register shall not overlap each other. In the event of transfer of shares registered in a specific part of the shareholder register, the said shares shall not be registered in any other part of the shareholder register in the duration of the registration of the said shares.</del></p> <p><del>Any change or correction of any part of the shareholder register shall comply with the law of the location where the said part is kept.</del></p>	
<p>Article 50 Change of the shareholder register resulting from transfer of shares shall not be registered within 20 days before convening of a Shareholders' <b>general</b> meeting or five days prior to the base date on which the Bank decides to distribute dividends.</p> <p>If the securities regulatory authorities at the place where shares of the Bank are listed have special provisions, such provisions shall prevail.</p>	<p><b>Article 34</b> Change of the shareholder register resulting from transfer of shares shall not be registered within 20 days before convening of a Shareholders' meeting or five days prior to the base date on which the Bank decides to distribute dividends.</p> <p>If the securities regulatory authorities at the place where shares of the Bank are listed have special provisions, such provisions shall prevail.</p>
<p><del>Article 51 If any person objects to the shareholder register and asks to have his/her name (title) recorded in or deleted from the shareholder register, the said person may apply to the people's court with jurisdiction to correct the shareholder register.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><del>Article 52 If any Shareholder in the shareholder register or any person requesting to have his/her name (title) recorded in the shareholder register has lost his/her share certificate (i.e. the "Original Share Certificate"), the said Shareholder or person may apply to the Bank to reissue new share certificate for the said shares (i.e. "the Relevant Shares").</del></p> <p><del>Application for reissue of share certificate lost by holders of domestic shares shall be processed pursuant to the Company Law.</del></p> <p><del>Application for reissue of share certificate lost by holders of overseas listed shares shall be processed pursuant to the laws, rules of the stock exchange or other relevant regulations of the place where the original of the register of holders of overseas listed foreign shares is kept.</del></p> <p><del>Application for reissue of share certificate lost by holders of overseas listed foreign shares of the Bank shall meet the following requirements:</del></p> <p><del>(f) the applicant shall submit an application with the standard format designated by the Bank and attach a notarial deed or statutory statement. The contents of the notarial deed or statutory statement shall include the reason for application, information and evidence about how the share certificate is lost, and a statement that no other person may request to be registered as Shareholder in respect of the Relevant Shares.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p>(II) <del>before deciding to reissue new share certificate, the Bank has not received a statement that nobody other than the applicant requests to be registered as Shareholder for the said shares.</del></p> <p>(III) <del>after deciding to reissue new share certificate to the applicant, the Bank shall publish announcements of reissue of new share certificate on the newspapers designated by the Board; the announcement period is 90 days, and the announcement shall be re-issued at least once every 30 days.</del></p> <p>(IV) <del>before publishing the announcement of reissue of new share certificate, the Bank shall submit a copy of the to-be-published announcement to the stock exchange on which the Bank is listed, and may publish the announcement only after receiving a reply from the said stock exchange confirming that the said announcement has been displayed in the stock exchange. The announcement shall be displayed in the stock exchange for a period of 90 days.</del></p> <p><del>If the application for reissuing new share certificate is not approved by the registered holder of the Relevant Shares, the Bank shall mail a copy of the to-be-published announcement to the said Shareholder.</del></p>	



Existing Articles of Association	Amended Articles of Association
<p><del>(V) if, after expiry of the 90-day period of announcement and display specified in items (III) and (IV) of this article, the Bank has not received any objection to reissue of share certificate from any person, the Bank may reissue new share certificate as requested by the applicant.</del></p> <p><del>(VI) when the Bank reissues new share certificate as specified herein, the Bank shall immediately deregister the Original Share Certificate and record such deregistration and reissue in the shareholder register.</del></p> <p><del>(VII) all expenses of the Bank for deregistering the Original Share Certificate and reissuing new share certificate shall be borne by the applicant. The Bank has the right to refuse to take any action before the applicant provides any reasonable guarantee.</del></p> <p><del>In case the Bank issues warrants to unregistered holders, no new warrants may be issued in place of the lost ones unless the Bank confirms, beyond all reasonable doubts, the original warrants have been destroyed.</del></p>	
<p><del>Article 53—After the Bank reissues new share certificate in accordance with the Articles of Association, the name (title) of the bona fide purchaser of the aforesaid new share certificate or the Shareholder (if he/she is a bona fide purchaser) later registered as owner of the said shares shall not be deleted from the shareholder register.</del></p>	

Existing Articles of Association	Amended Articles of Association
<del>Article 54 The Bank shall have no obligation to compensate any person for any loss arising from deregistration of the Original Share Certificate or reissue of new share certificate, unless the said person can prove that the Bank has committed any fraud.</del>	
<b>Chapter 5 Primary Organizations of the Party</b>	<b>Chapter 5 Primary Organizations of the Party</b>
<b>Article 56</b> The Bank has improved relevant rules and regulations to clarify the responsibilities of the CPC Committee of the Bank, Shareholders' <del>general</del> meetings, Board of Directors, <del>Board of Supervisors</del> and senior management. The CPC Committee supports the Shareholders' <del>general</del> meetings, Board of Directors, <del>Board of Supervisors</del> and senior management in exercising their functions and powers according to laws. The Bank has incorporated institutional setup, division of responsibilities, staffing, work tasks, and fund guarantee of its CPC Committee into the management system, and established a coordinated and effective corporate governance mechanism in which the aforesaid organs perform their respective duties within their terms of reference.	<b>Article 36</b> The Bank has improved relevant rules and regulations to clarify the responsibilities of the CPC Committee of the Bank, Shareholders' meetings, Board of Directors and senior management. The CPC Committee supports the Shareholders' meetings, Board of Directors and senior management in exercising their functions and powers according to laws. The Bank has incorporated institutional setup, division of responsibilities, staffing, work tasks, and fund guarantee of its CPC Committee into the management system, and established a coordinated and effective corporate governance mechanism in which the aforesaid organs perform their respective duties within their terms of reference.

Existing Articles of Association	Amended Articles of Association
<p><b>Article 58</b> The CPC committee of the Bank shall play a leading role in setting the direction, managing the overall situation and ensuring the implementation, and discuss and decide on major issues of the Bank in accordance with the regulations, with the main responsibilities as follows:</p> <p>.....</p> <p>(III) to study and discuss reform and development, significant matters concerning business management and major issues concerning immediate interests of the employees of the Bank, and propose opinions and suggestions, and support the Shareholders' <del>general</del> meetings, Board of Directors, <del>Board of Supervisors</del> and senior management in performing duties according to laws; and the employee representatives' meeting in carrying out work;</p> <p>.....</p>	<p><b>Article 38</b> The CPC committee of the Bank shall play a leading role in setting the direction, managing the overall situation and ensuring the implementation, and discuss and decide on major issues of the Bank in accordance with the regulations, with the main responsibilities as follows:</p> <p>.....</p> <p>(III) to study and discuss reform and development, significant matters concerning business management and major issues concerning immediate interests of the employees of the Bank, and propose opinions and suggestions, and support the Shareholders' meetings, Board of Directors and senior management in performing duties according to laws; and the employee representatives' meeting in carrying out work;</p> <p>.....</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 59</b> By insisting on and improving the leadership mechanism of “Dual Entry and Cross Appointment”, eligible members of the CPC Committee may be appointed as members of the Board of Directors, <del>Board of Supervisors</del> and senior management through legal procedures, and eligible party members from the Board of Directors, <del>Board of Supervisors</del> and senior management of the Company may be appointed as members of the CPC Committee pursuant to relevant requirements and procedures.</p> <p>Generally, the position of the secretary of the CPC Committee and the chairman of the Board shall be assumed by the same person, while the chairman of the Board and President of the Bank shall not be the same person. The President of the Bank who is a party member shall serve as the deputy secretary of the CPC Committee and join the Board.</p>	<p><b>Article 39</b> By insisting on and improving the leadership mechanism of “Dual Entry and Cross Appointment”, eligible members of the CPC Committee may be appointed as members of the Board of Directors and senior management through legal procedures, and eligible party members from the Board of Directors and senior management of the Company may be appointed as members of the CPC Committee pursuant to relevant requirements and procedures.</p> <p>Generally, the position of the secretary of the CPC Committee and the chairman of the Board shall be assumed by the same person, while the chairman of the Board and President of the Bank shall not be the same person. The President of the Bank who is a party member shall serve as the deputy secretary of the CPC Committee and join the Board.</p>

Existing Articles of Association	Amended Articles of Association
Chapter 6 Shareholders and Shareholders' <del>General</del> Meetings	Chapter 6 Shareholders and Shareholders' Meetings
Section 1 Shareholders	Section 1 Shareholders
<p><b>Article 60</b> Shareholders of the Bank are persons lawfully holding shares of the Bank, with names (titles) recorded in shareholder register. Shareholders of the Bank shall meet the conditions for investment and shareholding in financial institutions as specified in relevant laws and regulations and rules.</p> <p>.....</p> <p>(IV) in relation to the joint holders of any shares, only the joint holder listed first on the shareholder register shall have the right to take relevant share certificate from and receive notices of the Bank, and attend the Shareholders' <del>general</del> meetings of the Bank or exercise the full voting right of the relevant shares. Any notice served to the aforesaid person shall be deemed as having been served to all the joint holders of the relevant shares.</p> <p>.....</p>	<p><b>Article 40</b> <u>The Bank shall establish a register of Shareholders in accordance with the certificates issued by the securities registration and clearing institution. The register of Shareholders shall constitute sufficient evidence of shareholdings in the Bank.</u></p> <p>Shareholders of the Bank are persons lawfully holding shares of the Bank, with names (titles) recorded in shareholder register. Shareholders of the Bank shall meet the conditions for investment and shareholding in financial institutions as specified in relevant laws and regulations and rules.</p> <p>.....</p> <p>(IV) in relation to the joint holders of any shares, only the joint holder listed first on the shareholder register shall have the right to take relevant share certificate from and receive notices of the Bank, and attend the Shareholders' meetings of the Bank or exercise the full voting right of the relevant shares. Any notice served to the aforesaid person shall be deemed as having been served to all the joint holders of the relevant shares.</p> <p>.....</p>

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APPENDIX I      PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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Existing Articles of Association	Amended Articles of Association
<p><b>Article 61</b> A Shareholder shall enjoy rights and bear obligations according to <del>the class and quantity</del> of his/her shares. Holders of the same class shall enjoy the same rights and bear the same obligations.</p>	<p><b>Article 41</b> A Shareholder shall enjoy rights and bear obligations according to <u>the class</u> of his/her shares. Holders of the same class shall enjoy the same rights and bear the same obligations.</p>
<p><b>Article 62</b> When the Bank convenes a Shareholders' <del>general</del> meeting, distributes dividends, undergoes liquidation and engages in other acts requiring the confirmation of Shareholders' identities, the Board or the convener of the Shareholders' <del>general</del> meeting shall determine the shareholding registration date, <del>at the end of</del> which the Shareholders in the register shall be Shareholders entitled to relevant interests.</p>	<p><b>Article 42</b> When the Bank convenes a Shareholders' meeting, distributes dividends, undergoes liquidation and engages in other acts requiring the confirmation of Shareholders' identities, the Board or the convener of the Shareholders' meeting shall determine the shareholding registration date, <u>after the close of business</u> of which the Shareholders in the register shall be Shareholders entitled to relevant interests.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 63</b> The holders of ordinary shares of the Bank shall enjoy the following rights:</p> <p>(I) to receive dividends and other kinds of distributions as determined by the number of shares held by them;</p> <p>(II) to attend or appoint a proxy to attend Shareholders' <b>general</b> meetings, and to exercise corresponding voting rights;</p> <p>(III) to supervise the business operations of the Bank, and to make suggestions or inquiries accordingly;</p> <p>(IV) to transfer, bestow or pledge shares held by them in accordance with the laws, administrative regulations and the Articles of Association;</p> <p>(V) to review and make copies of the Articles of Association, the shareholder register, the minutes of Shareholders' <b>general</b> meetings, the resolutions of Board meetings, <b>the resolutions of meetings of the Board of Supervisors</b> and the financial reports, and may put forward suggestions or raise inquiries about the business operations of the Bank;</p> <p>.....</p>	<p><b>Article 43</b> The holders of ordinary shares of the Bank shall enjoy the following rights:</p> <p>(I) to receive dividends and other kinds of distributions as determined by the number of shares held by them;</p> <p>(II) to <u>request the holding of, convene, preside</u>, attend or appoint a proxy to attend Shareholders' meetings <u>in accordance with the laws</u>, and to <u>speak at Shareholders' meeting</u> and exercise <u>corresponding</u> voting rights;</p> <p>(III) to supervise the business operations of the Bank, and to make suggestions or inquiries accordingly;</p> <p>(IV) to transfer, bestow or pledge shares held by them in accordance with the laws, administrative regulations and the Articles of Association;</p> <p>(V) to review and make copies of the Articles of Association, the shareholder register, the minutes of Shareholders' meetings, the resolutions of Board meetings and the financial reports, and may put forward suggestions or raise inquiries about the business operations of the Bank;</p> <p>.....</p>

Existing Articles of Association	Amended Articles of Association
<p>(VI) to participate in the distribution of the remaining <b>assets</b> of the Bank based on the number of shares held in the event of the Bank's dissolution or liquidation;</p> <p>(VII) to demand the Bank to acquire their shares (for Shareholders who disagree with the resolutions adopted at a Shareholders' <b>general</b> meeting in relation to the merger or division of the Bank);</p> <p>(VIII) to have other rights conferred in accordance with the laws, administrative regulations, departmental rules or the Articles of Association.</p> <p>Shareholders who shall seek approval from but fail to report to regulatory authorities shall not exercise such rights as the right to request convening the Shareholders' <b>general</b> meeting, voting right, right of nomination, proposal right and right of disposition. For any Shareholder who has made any false statement, abuses Shareholder's rights or has other acts that harm the interests of the Bank, the China Banking Regulatory Authority may restrict or prohibit any related party transactions between the Bank and him/her and restrict the quota of a commercial bank's equity held by him/her and equity pledge ratio as well as his/her rights including the right to request convening the Shareholders' <b>general</b> meeting, voting right, right of nomination, proposal right and right of disposition.</p>	<p>(VI) to participate in the distribution of the remaining <b>property</b> of the Bank based on the number of shares held in the event of the Bank's dissolution or liquidation;</p> <p>(VII) to demand the Bank to acquire their shares (for Shareholders who disagree with the resolutions adopted at a Shareholders' meeting in relation to the merger or division of the Bank);</p> <p>(VIII) to have other rights conferred in accordance with the laws, administrative regulations, departmental rules or the Articles of Association.</p> <p>Shareholders who shall seek approval from but fail to report to regulatory authorities shall not exercise such rights as the right to request convening the Shareholders' meeting, voting right, right of nomination, proposal right and right of disposition. For any Shareholder who has made any false statement, abuses Shareholder's rights or has other acts that harm the interests of the Bank, the China Banking Regulatory Authority may restrict or prohibit any related party transactions between the Bank and him/her and restrict the quota of a commercial bank's equity held by him/her and equity pledge ratio as well as his/her rights including the right to request convening the Shareholders' meeting, voting right, right of nomination, proposal right and right of disposition.</p>



Existing Articles of Association	Amended Articles of Association
<p><b>Article 65</b> If any resolution of the Shareholders' <del>general</del> meeting or the Board of the Bank violates the laws or administrative regulations, the Shareholders shall have the right to request the people's court to invalidate the resolution.</p> <p>If the convening procedure or voting method of the Shareholders' <del>general</del> meetings or Board meetings violates the laws, administrative regulations or the Articles of Association or the contents of any resolution run counter to the Articles of Association, the Shareholders may request the people's court to cancel the said procedure, method or resolution within 60 days after adoption of the resolution.</p> <p><del>If any Shareholder institutes legal proceedings as per the preceding paragraph, the people's court may, upon request of the Bank, require the Shareholder to provide corresponding guarantees.</del></p> <p>If the Bank has registered the changes in accordance with the resolution of the Shareholders' <del>general</del> meeting or the Board, <del>after</del> the people's court declares that the resolution is invalid <del>or</del> revokes <del>the resolution</del>, the Bank shall apply to the registration authority of the Bank for cancellation of the registration.</p>	<p><b>Article 45</b> If any resolution of the Shareholders' meeting or the Board of the Bank violates the laws or administrative regulations, the Shareholders shall have the right to request the people's court to invalidate the resolution.</p> <p>If the convening procedure or voting method of the Shareholders' meetings or Board meetings violates the laws, administrative regulations or the Articles of Association or the contents of any resolution run counter to the Articles of Association, the Shareholders may request the people's court to cancel the said procedure, method or resolution within 60 days after adoption of the resolution. <u>However, this does not apply if such procedures for convening the Shareholders' meetings and Board meetings, or the voting method thereat, have only minor flaws that have no substantial impact on the resolution.</u></p> <p><u>Shareholders who have not been notified to participate in the Shareholders' meeting may file a petition with the People's Court to revoke the resolution within 60 days from the date when they know or should know that the resolution is made; if they do not exercise the right to revoke within one year from the date of the resolution, the revoke right shall be extinguished.</u></p>

Existing Articles of Association	Amended Articles of Association
	<p><u>Where the Board of Directors, Shareholders and other stakeholders dispute the validity of a resolution of a Shareholders' meeting, they shall promptly file a lawsuit with the People's Court. Before the People's Court makes a judgement or ruling, such as a cancellation of a resolution, the stakeholders shall execute the resolution of the Shareholders' meeting. The Bank, Directors and senior management shall perform their duties diligently to ensure the normal operation of the Bank.</u></p> <p><u>A resolution of the Shareholders' meeting or Board meeting of the Bank shall not be valid under any of the following circumstances:</u></p> <p><u>(I) no Shareholders' meeting or Board meeting has been convened to pass the resolution;</u></p> <p><u>(II) the resolution is not voted on at the Shareholders' meeting or Board meeting;</u></p>

Existing Articles of Association	Amended Articles of Association
	<p>(III) <u>the number of persons attending the meeting or the number of voting rights held by them does not reach the quorum or the number of voting rights held as stipulated in the Company Law or the Articles of Association;</u></p> <p>(IV) <u>the number of persons or the number of voting rights held by them voting for the resolution does not reach the quorum or the number of voting rights held as stipulated in the Company Law or the Articles of Association.</u></p> <p>If the Bank has registered the changes in accordance with the resolution of the Shareholders' meeting or the Board, after the people's court declares that the resolution is invalid, <u>revoked or confirmed to be invalid</u>, the Bank shall apply to the registration authority of the Bank for cancellation of the registration <u>that has been processed based on the resolution.</u></p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 66</b> If any Director or senior management personnel violates the laws, administrative regulations or the Articles of Association in fulfilling their duties in the Bank, thereby incurring any loss to the Bank, the Shareholder(s) severally or jointly holding more than 1% shares of the Bank for more than 180 days continuously shall have the right to submit a written request to <del>the Board of Supervisors</del> to institute legal proceedings to the people's court; if <del>the Board of Supervisors</del> violates the laws, administrative regulations or the Articles of Association in fulfilling its duties in the Bank, thereby incurring any loss to the Bank, the Shareholders shall have the right to request the Board in writing to institute legal proceedings to the people's court.</p> <p>If <del>the Board of Supervisors</del> or the Board refuses to institute legal proceedings after receipt of the aforesaid written request from the Shareholders or does not institute legal proceedings within 30 days after receipt of the said request, or if the circumstance is urgent and any delay of legal proceedings may incur irreparable damage to the interests of the Bank, the Shareholders as specified in the preceding paragraph shall be entitled to directly institute legal proceedings to the people's court in their own names in the interests of the Bank.</p> <p>If any other person infringes upon the legitimate rights and interests of the Bank, thereby causing any loss to the Bank, the Shareholders as specified in the first paragraph of this article may institute legal proceedings to the people's court pursuant to the preceding two paragraphs.</p>	<p><b>Article 46</b> If any Director or senior management personnel <u>other than members of the Audit Committee of the Board</u> violates the laws, administrative regulations or the Articles of Association in fulfilling their duties in the Bank, thereby incurring any loss to the Bank, the Shareholder(s) severally or jointly holding more than 1% shares of the Bank for more than 180 days continuously shall have the right to submit a written request to <u>the Audit Committee of the Board</u> to institute legal proceedings to the people's court; if <u>the members of the Audit Committee of the Board</u> violates the laws, administrative regulations or the Articles of Association in fulfilling its duties in the Bank, thereby incurring any loss to the Bank, the Shareholders shall have the right to request the Board in writing to institute legal proceedings to the people's court.</p> <p>If <u>the Audit Committee of the Board</u> or the Board refuses to institute legal proceedings after receipt of the aforesaid written request from the Shareholders or does not institute legal proceedings within 30 days after receipt of the said request, or if the circumstance is urgent and any delay of legal proceedings may incur irreparable damage to the interests of the Bank, the Shareholders as specified in the preceding paragraph shall be entitled to directly institute legal proceedings to the people's court in their own names in the interests of the Bank.</p> <p>If any other person infringes upon the legitimate rights and interests of the Bank, thereby causing any loss to the Bank, the Shareholders as specified in the first paragraph of this article may institute legal proceedings to the people's court pursuant to the preceding two paragraphs.</p>

Existing Articles of Association	Amended Articles of Association
<p><del>Article 69 The controlling Shareholders and de facto controllers of the Bank shall not use their related party relationship to damage the interests of the Bank; otherwise, they shall make compensation for any loss incurred to the Bank.</del></p> <p><del>The controlling Shareholders and de facto controllers of the Bank shall perform fiduciary duty to the Bank and other Shareholders of the Bank. The controlling Shareholders shall exercise contributors' rights in strict accordance with law, shall not damage the legitimate rights and interests of the Bank and general public Shareholders by such means as profit distribution, asset reorganization, external investment, fund appropriation and loan guarantee and shall not abuse its controlling status to damage the interests of the Bank and other Shareholders of the Bank.</del></p> <p><del>The substantial Shareholders, controlling Shareholders and de facto controllers of the Bank shall not:</del></p> <p class="list-item-l1">(I) <del>be listed as the target of joint punishment for dishonesty by relevant authorities;</del></p> <p class="list-item-l1">(II) <del>be involved in serious evasion of bank debts;</del></p> <p class="list-item-l1">(III) <del>provide false information or make untrue statements;</del></p> <p class="list-item-l1">(IV) <del>bear heavy liability for the business failure of commercial banks or major violations of laws and regulations;</del></p>	<p><u>Article 49 The controlling Shareholders and de facto controllers of the Bank shall exercise their rights and fulfil their obligations in accordance with laws, regulations and regulatory rules to safeguard the interests of the Bank. Controlling Shareholders and de facto controllers of the Bank shall comply with the following provisions:</u></p> <p class="list-item-l1">(I) <u>to exercise their rights as Shareholders in accordance with the law and not to abuse their control or use their related party relationship to prejudice the legitimate interests of the Bank or other Shareholders;</u></p> <p class="list-item-l1">(II) <u>to strictly fulfil their public statements and various undertakings and not to change or waive such statements and undertakings;</u></p> <p class="list-item-l1">(III) <u>to fulfil their information disclosure obligations in strict accordance with relevant regulations, proactively cooperate with the Bank in information disclosure and inform the Bank in a timely manner of material events that have occurred or are intended to occur;</u></p> <p class="list-item-l1">(IV) <u>not to appropriate the Bank's funds in any way;</u></p> <p class="list-item-l1">(V) <u>not to order, instruct, or request the Bank and its relevant personnel to provide guarantees in violation of laws and regulations;</u></p>

Existing Articles of Association	Amended Articles of Association
<p><del>(V) refuse or hinder the legal supervision of the China Banking Regulatory Authority;</del></p> <p><del>(VI) be investigated by financial regulatory authorities or relevant government authorities due to violation of laws and regulations, causing bad influence;</del></p> <p><del>(VII) be involved in other circumstances that may adversely affect the Bank's business management.</del></p>	<p><u>(VI) not to make use of the Bank's undisclosed material information to gain benefits, or disclose in any way undisclosed material information relating to the Bank, or engage in insider trading, short-term trading, market manipulation or other illegal and unlawful acts;</u></p> <p><u>(VII) not to prejudice the legitimate interests of the Bank and other Shareholders through unfair related party transactions, profit distribution, asset restructuring, external investment or any other means;</u></p> <p><u>(VIII) to ensure the integrity of the Bank's assets, and the independence of its personnel, finance, organization and business, and not to affect the independence of the Bank in any way;</u></p> <p><u>(IX) laws, administrative regulations, departmental rules, regulatory rules and other requirements of the Articles of Association.</u></p>

Existing Articles of Association	Amended Articles of Association
	<p><u>If a controlling Shareholder or de facto controller of the Bank does not act as a Director of the Bank but actually executes the affairs of the Bank, the provisions of the Articles of Association on the duties of loyalty and diligence of Directors shall apply.</u></p> <p><u>Where a controlling Shareholder or de facto controller of the Bank instructs a Director or senior officer to engage in an act that is detrimental to the interests of the Bank or its Shareholders, he/she shall bear joint and several liability with the Director or senior officer.</u></p>
Newly added provision	<p><u>Article 50 Where a controlling Shareholder or de facto controller of the Bank pledges the shares of the Bank that he/she holds or effectively controls, he/she shall maintain the stability of the Bank's control and that of its production and operation.</u></p> <p><u>Where a controlling Shareholder or de facto controller of the Bank transfers the shares of the Bank held by him/her, he/she shall comply with the restrictive provisions on the transfer of shares set out in laws, regulations, and regulatory requirements, as well as his/her undertakings in respect of restrictions on the transfer of shares.</u></p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 70</b> Shareholders shall observe the following rules when they pledge the shares of the Bank:</p> <p>(I) If the Shareholders pledge their shares in the Bank to provide guarantees for themselves or others, they shall comply with the laws, regulations and the requirements of regulatory authorities, and shall submit a written report to the Board of the Bank in advance; and shall submit a written report to the Bank on the date on which the said pledge is executed. The Office of the Board shall be responsible for collecting, sorting out and reporting the information on pledge of the Bank's shares and other daily work.</p> <p>If Shareholders serving as Directors <del>or Supervisors</del> of the Bank or Shareholders who directly or indirectly hold or control above 2% of the shares or voting rights of the Bank pledge the shares of the Bank, they shall make an application to the Board of the Bank for filing in advance to state basic information such as reason for pledge, number of shares, duration of the pledge and the pledgee. Filing shall not be made if the Board determines that it has material adverse effect on the stability of the Bank's shareholding, corporate governance, risk and control on related party transactions. The Director(s) appointed by a Shareholder proposing to pledge his/her shares shall abstain from voting at the meeting of the Board at which such proposal is considered.</p>	<p><b>Article 51</b> Shareholders shall observe the following rules when they pledge the shares of the Bank:</p> <p>(I) If the Shareholders pledge their shares in the Bank to provide guarantees for themselves or others, they shall comply with the laws, regulations and the requirements of regulatory authorities, and shall submit a written report to the Board of the Bank in advance; and shall submit a written report to the Bank on the date on which the said pledge is executed. The Office of the Board shall be responsible for collecting, sorting out and reporting the information on pledge of the Bank's shares and other daily work.</p> <p>If Shareholders serving as Directors of the Bank or Shareholders who directly or indirectly hold or control above 2% of the shares or voting rights of the Bank pledge the shares of the Bank, they shall make an application to the Board of the Bank for filing in advance to state basic information such as reason for pledge, number of shares, duration of the pledge and the pledgee. Filing shall not be made if the Board determines that it has material adverse effect on the stability of the Bank's shareholding, corporate governance, risk and control on related party transactions. The Director(s) appointed by a Shareholder proposing to pledge his/her shares shall abstain from voting at the meeting of the Board at which such proposal is considered.</p>



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APPENDIX I      PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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Existing Articles of Association	Amended Articles of Association
<p>.....</p> <p>(IV) When the shares pledged by a Shareholder reach or exceed 50% of its shares in the Bank, the voting rights of such Shareholder at the Shareholders' <del>general</del> meetings and the voting rights of Directors appointed by such Shareholder at Board meetings shall be restricted.</p>	<p>.....</p> <p>(IV) When the shares pledged by a Shareholder reach or exceed 50% of its shares in the Bank, the voting rights of such Shareholder at the Shareholders' meetings and the voting rights of Directors appointed by such Shareholder at Board meetings shall be restricted.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 72</b> Credit offered by the Bank to Shareholders shall comply with laws, regulations and regulatory requirements. The balance of credit extended to a related party as Shareholder shall not be more than 10% of the Bank's net capital; the total balance of credit extended to group customers, to which a related corporate shareholder or other organization as Shareholder is subordinated, shall not be more than 15% of the Bank's net capital.</p> <p>If substantial Shareholders fail to repay outstanding loans from the Bank when overdue, the voting rights of such Shareholders at the Shareholders' <del>general</del> meetings, as well as the voting rights of the Directors proposed or appointed by such Shareholders at Board meetings shall be subject to restrictions during the overdue period.</p> <p>Shareholders, who fail to repay outstanding loans from the Bank when overdue, shall not exercise the voting rights and shall not be counted in the quorum attending the Shareholders' <del>general</del> meeting during the overdue period, and the Bank shall have the right to withhold the dividends receivable by such Shareholders to be used in priority to repay their loans from the Bank, and any assets to be distributed to such Shareholders in the Bank's liquidation process shall be used in priority to repay their loans from the Bank.</p>	<p><b>Article 53</b> Credit offered by the Bank to Shareholders shall comply with laws, regulations and regulatory requirements. The balance of credit extended to a related party as Shareholder shall not be more than 10% of the Bank's net capital; the total balance of credit extended to group customers, to which a related corporate shareholder or other organization as Shareholder is subordinated, shall not be more than 15% of the Bank's net capital.</p> <p>If substantial Shareholders fail to repay outstanding loans from the Bank when overdue, the voting rights of such Shareholders at the Shareholders' meetings, as well as the voting rights of the Directors proposed or appointed by such Shareholders at Board meetings shall be subject to restrictions during the overdue period.</p> <p>Shareholders, who fail to repay outstanding loans from the Bank when overdue, shall not exercise the voting rights and shall not be counted in the quorum attending the Shareholders' meeting during the overdue period, and the Bank shall have the right to withhold the dividends receivable by such Shareholders to be used in priority to repay their loans from the Bank, and any assets to be distributed to such Shareholders in the Bank's liquidation process shall be used in priority to repay their loans from the Bank.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 74</b> In addition to the obligations required under the laws, regulations, regulatory rules or the listing rules of the place where shares of the Bank are listed, when exercising their rights as a Shareholder, controlling Shareholders shall not exercise their voting rights to make any decision detrimental to the interests of all or some of the Shareholders in connection with the following issues:</p> <p>(I) relieving a Director <del>or Supervisor</del> of their responsibility to act in good faith and in the best interests of the Bank;</p> <p>(II) approving a Director <del>or a Supervisor</del> in depriving the Bank of its assets in any form, including but not limited to any business opportunities that are advantageous to the Bank, regardless of whether the deprivation is made for the Director <del>or Supervisor</del>'s benefit or for the benefit of others;</p> <p>(III) approving a Director <del>or a Supervisor</del> (for his/her own benefit or for the benefit of others) in depriving other Shareholders of their personal interests, including but not limited to any distribution rights and voting rights, unless the deprivation is made pursuant to a Bank restructuring submitted to and adopted at the Shareholders' <del>general</del> meeting in accordance with the Articles of Association.</p>	<p><b>Article 55</b> In addition to the obligations required under the laws, regulations, regulatory rules or the listing rules of the place where shares of the Bank are listed, when exercising their rights as a Shareholder, controlling Shareholders shall not exercise their voting rights to make any decision detrimental to the interests of all or some of the Shareholders in connection with the following issues:</p> <p>(I) relieving a Director of his/her responsibility to act in good faith and in the best interests of the Bank;</p> <p>(II) approving a Director in depriving the Bank of its assets in any form, including but not limited to any business opportunities that are advantageous to the Bank, regardless of whether the deprivation is made for the Director's benefit or for the benefit of others;</p> <p>(III) approving a Director (for his/her own benefit or for the benefit of others) in depriving other Shareholders of their personal interests, including but not limited to any distribution rights and voting rights, unless the deprivation is made pursuant to a Bank restructuring submitted to and adopted at the Shareholders' meeting in accordance with the Articles of Association.</p>

Existing Articles of Association	Amended Articles of Association
Section 2 General Provisions for Shareholders' General Meetings	Section 2 General Provisions for Shareholders' Meetings
<p><b>Article 75</b> The Shareholders' <del>general</del> meeting shall be an organ of power of the Bank. It shall exercise the following functions and powers in accordance with the law:</p> <p>(I) to elect and replace Directors <del>and Supervisors</del> which are not appointed as employee representatives and to decide on the remuneration of the relevant Directors <del>and Supervisors</del>;</p> <p>(II) to consider and approve reports made by the Board;</p> <p>(III) <del>to consider and approve reports made by the Board of Supervisors</del>;</p> <p>(IV) to consider and approve the Bank's profit distribution plans and loss recovery plans;</p> <p>(V) to resolve on the increase or reduction in the Bank's registered capital;</p> <p>(VI) to resolve on the issuance of bonds or the listing of the Bank;</p> <p>(VII) to resolve on the merger, division, dissolution, liquidation, or change of the form of organization of the Bank;</p> <p>(VIII) to amend the Articles of Association;</p>	<p><b>Article 56</b> The Shareholders' meeting shall be an organ of power of the Bank. It shall exercise the following functions and powers in accordance with the law:</p> <p>(I) to elect and replace Directors which are not appointed as employee representatives and to decide on the remuneration of the relevant Directors;</p> <p>(II) to consider and approve reports made by the Board;</p> <p>(III) to consider and approve the Bank's profit distribution plans and loss recovery plans;</p> <p>(IV) to resolve on the increase or reduction in the Bank's registered capital;</p> <p>(V) to resolve on the issuance of bonds or the listing of the Bank;</p> <p>(VI) to resolve on the merger, division, dissolution, liquidation, or change of the form of organization of the Bank;</p> <p>(VII) to amend the Articles of Association;</p> <p>(VIII) to resolve on the engagement or dismissal of the accounting firm that is responsible for the regular statutory audits of the Bank's financial reports;</p>

Existing Articles of Association	Amended Articles of Association
(IX) to resolve on the engagement or dismissal of the accounting firm that is responsible for the regular statutory audits of the Bank's financial reports;	(IX) to consider and approve the matters concerning guarantee as specified in Article 57;
(X) to consider and approve the matters concerning guarantee as specified in Article 76;	(X) to consider the purchase and disposal of fixed assets and intangible assets, external investment, acquisition and sale of assets, asset disposal and write-off, pledge of assets, entrusted wealth management, etc. involving an amount exceeding 30% (exclusive) of the Bank's latest audited net assets, as well as especially significant related party transactions, etc.;
(XI) to consider the purchase and disposal of fixed assets and intangible assets, external investment, acquisition and sale of assets, asset disposal and write-off, pledge of assets, entrusted wealth management, etc. involving an amount exceeding 30% (exclusive) of the Bank's latest audited net assets, as well as especially significant related party transactions, etc.;	(XI) to consider and approve the change in use of proceeds raised;
(XII) to consider and approve the change in use of proceeds raised;	(XII) to consider equity incentive plans and employee stock ownership plans;
(XIII) to consider equity incentive plans and employee stock ownership plans;	(XIII) to consider and approve the rules of procedures for the Shareholders' meeting and the Board of Directors;
(XIV) to consider and approve the rules of procedures for the Shareholders' <del>general</del> meeting, the Board of Directors <del>and Board of Supervisors</del> ;	(XIV) to pass a resolution in relation to the acquisition of the shares of the Bank in accordance with the requirements of the laws;
(XV) to pass a resolution in relation to the acquisition of the shares of the Bank in accordance with the requirements of the laws;	(XV) to consider proposals raised by the Shareholders who hold above 1% of the total voting shares of the Bank;

Existing Articles of Association	Amended Articles of Association
<p>(XVI) to consider proposals raised by the Shareholders who hold above 1% of the total voting shares of the Bank;</p> <p>(XVII) to consider other issues which should be decided by the Shareholders' <del>general</del> meeting as stipulated by the laws, administrative regulations, departmental rules or the Articles of Association.</p> <p>The aforesaid matters within the functions and powers of the Shareholders' <del>general</del> meeting shall be considered and decided by the Shareholders' <del>general</del> meeting. But, in necessary, reasonable and lawful circumstances, the Shareholders' <del>general</del> meeting may authorize the Board to make such decisions and such authorization shall be clear and specific in content.</p> <p>With regard to authorization granted by the Shareholders' <del>general</del> meeting to the Board, if the matter should be approved by the Shareholders' <del>general</del> meeting via an ordinary resolution according to the Articles of Association, it shall be passed by votes representing a majority of the voting rights held by the Shareholders (including their proxies) present at the meeting; and if the matter should be approved by the Shareholders' <del>general</del> meeting via a special resolution according to the Articles of Association, it shall be passed by votes representing more than two-thirds of the voting rights held by the Shareholders (including their proxies) present at the meeting.</p>	<p>(<u>XVI</u>) to consider other issues which should be decided by the Shareholders' meeting as stipulated by the laws, administrative regulations, departmental rules or the Articles of Association.</p> <p>The aforesaid matters within the functions and powers of the Shareholders' meeting shall be considered and decided by the Shareholders' meeting. But, in necessary, reasonable and lawful circumstances, the Shareholders' meeting may authorize the Board to make such decisions and such authorization shall be clear and specific in content.</p> <p>With regard to authorization granted by the Shareholders' meeting to the Board, if the matter should be approved by the Shareholders' meeting via an ordinary resolution according to the Articles of Association, it shall be passed by votes representing a majority of the voting rights held by the Shareholders (including their proxies) present at the meeting; and if the matter should be approved by the Shareholders' meeting via a special resolution according to the Articles of Association, it shall be passed by votes representing more than two-thirds of the voting rights held by the Shareholders (including their proxies) present at the meeting.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 76</b> In principle, the Bank does not provide any third party with any risk-taking guarantee other than normal business such as letter of guarantees. If necessary, such guarantee shall be considered and approved at the Shareholders' <del>general</del> meeting.</p>	<p><b>Article 57</b> In principle, the Bank does not provide any third party with any risk-taking guarantee other than normal business such as letter of guarantees. If necessary, such guarantee shall be considered and approved at the Shareholders' meeting.</p>
<p><b>Article 77</b> Unless the Bank is in a crisis or any special circumstance, the Bank shall not enter into any contract with anyone other than a Director, <del>Supervisor</del> or senior management personnel to have all or significant part of the Bank's business in the care of such person, unless approved by the Shareholders at a Shareholders' <del>general</del> meeting by way of special resolution <del>in advance</del>.</p>	<p><b>Article 58</b> Unless the Bank is in a crisis or any special circumstance, the Bank shall not enter into any contract with anyone other than a Director or senior management personnel to have all or significant part of the Bank's business in the care of such person, unless approved by the Shareholders at a Shareholders' meeting by way of special resolution.</p>
<p><b>Article 78</b> There are two types of Shareholders' <del>general</del> meetings: annual general meetings and extraordinary general meetings. Annual general meetings shall be convened once a year within six months from the end of the previous fiscal year. If the annual general meeting or the extraordinary general meeting needs to be postponed for special reasons, the Bank shall promptly report to the China Banking Regulatory Authority and explain the reasons for adjournment.</p>	<p><b>Article 59</b> There are two types of Shareholders' meetings: annual general meetings and extraordinary general meetings. Annual general meetings shall be convened once a year within six months from the end of the previous fiscal year. If the annual general meeting or the extraordinary general meeting needs to be postponed for special reasons, the Bank shall promptly report to the China Banking Regulatory Authority and explain the reasons for adjournment.</p>

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**APPENDIX I      PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

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Existing Articles of Association	Amended Articles of Association
<p><b>Article 79</b> The Bank shall convene an extraordinary general meeting within two months from the date of occurrence of any of the following events:</p> <p>(I) the number of Directors is less than the quorum required by the Company Law or less than two-thirds of the number stipulated in the Articles of Association;</p> <p>(II) the outstanding loss of the Bank is at least one-third of the Bank’s total paid-up share capital;</p> <p>(III) Shareholder(s) severally or jointly holding more than 10% shares of the Bank have requested to convene the meeting;</p> <p>(IV) the Board deems it necessary to convene the meeting;</p> <p>(V) <del>the Board of Supervisors</del> proposes to convene the meeting;</p> <p>(VI) above half of the independent Directors propose to convene the meeting;</p> <p>(VII) any other circumstances as stipulated by the laws, administrative regulations, departmental rules, or the Articles of Association.</p>	<p><b>Article 60</b> The Bank shall convene an extraordinary general meeting within two months from the date of occurrence of any of the following events:</p> <p>(I) the number of Directors is less than the quorum required by the Company Law or less than two-thirds of the number stipulated in the Articles of Association;</p> <p>(II) the outstanding loss of the Bank is at least one-third of the Bank’s total paid-up share capital;</p> <p>(III) Shareholder(s) severally or jointly holding more than 10% shares of the Bank have requested to convene the meeting;</p> <p>(IV) the Board deems it necessary to convene the meeting;</p> <p>(V) <u>the Audit Committee of the Board</u> proposes to convene the meeting;</p> <p>(VI) above half of the independent Directors propose to convene the meeting;</p> <p>(VII) any other circumstances as stipulated by the laws, administrative regulations, departmental rules, or the Articles of Association.</p>



Existing Articles of Association	Amended Articles of Association
<p>In the case of item (II) above, the time limit for convening an extraordinary general meeting shall be calculated from the day when the Bank becomes aware of the occurrence of the event.</p> <p>In the case of item (III) above, the number of shares held shall be calculated based on the date on which the Shareholders submit the written request.</p>	<p>In the case of item (II) above, the time limit for convening an extraordinary general meeting shall be calculated from the day when the Bank becomes aware of the occurrence of the event.</p> <p>In the case of item (III) above, the number of shares held shall be calculated based on the date on which the Shareholders submit the written request.</p>
<p><b>Article 80</b> The venue of Shareholders' <del>general</del> meeting of the Bank is the domicile of the Bank or other place specified in the notice of Shareholders' <del>general</del> meeting. Shareholders' <del>general</del> meetings shall be held onsite at the venue.</p> <p>The Bank may also, when conditions are ripe, provide network or any other means for its Shareholders to conveniently participate in Shareholders' <del>general</del> meetings. Shareholders participating in a Shareholders' <del>general</del> meeting by the aforementioned means shall be deemed to have attended such meeting.</p>	<p><b>Article 61</b> The venue of Shareholders' meeting of the Bank is the domicile of the Bank or other place specified in the notice of Shareholders' meeting. Shareholders' meetings shall be held onsite at the venue.</p> <p>The Bank may also, when conditions are ripe, provide network or any other means for its Shareholders to conveniently participate in Shareholders' meetings. Shareholders participating in a Shareholders' meeting by the aforementioned means shall be deemed to have attended such meeting.</p>
<p><b>Article 81</b> When holding a Shareholders' <del>general</del> meeting, the Bank shall engage lawyers to give legal opinions on the following issues:</p> <p>.....</p>	<p><b>Article 62</b> When holding a Shareholders' meeting, the Bank shall engage lawyers to give legal opinions on the following issues:</p> <p>.....</p>

Existing Articles of Association	Amended Articles of Association
Section 3 Convening of Shareholders' General Meetings	Section 3 Convening of Shareholders' Meetings
<p><b>Article 82</b> An extraordinary general meeting may be held upon proposal by more than half of the independent Directors to the Board. For the proposal of independent Directors to convene an extraordinary general meeting, the Board shall, pursuant to laws, administrative regulations, departmental rules and the Articles of Association, give a written reply on whether or not it agrees to convene such an extraordinary general meeting within 10 days after receipt of the proposal of the independent Directors to convene such a meeting.</p> <p>If the Board agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board; if the Board does not agree to convene the extraordinary general meeting, it shall give the reasons.</p>	<p><b>Article 63</b> An extraordinary general meeting may be held upon proposal by more than half of the independent Directors to the Board. For the proposal of independent Directors to convene an extraordinary general meeting, the Board shall, pursuant to laws, administrative regulations, departmental rules and the Articles of Association, give a written reply on whether or not it agrees to convene such an extraordinary general meeting within 10 days after receipt of the proposal of the independent Directors to convene such a meeting.</p> <p>If the Board agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board; if the Board does not agree to convene the extraordinary general meeting, it shall give the reasons.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 83 <del>The Board of Supervisors</del></b> shall <del>have the right to</del> propose to the Board to convene an extraordinary general meeting, and shall put forward such proposal to the Board in writing. The Board shall, pursuant to laws, administrative regulations and the Articles of Association, give a written reply on whether or not it agrees to convene such an extraordinary general meeting within 10 days after receipt of the proposal.</p> <p>If the Board agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. Any change to the original proposal set forth in the notice shall be subject to approval by <del>the Board of Supervisors</del>.</p> <p>If the Board does not agree to convene the extraordinary general meeting or fails to give a written reply within 10 days after receipt of the proposal, it shall be deemed to be unable to perform or fail to perform the duty of convening the extraordinary general meeting, and <del>the Board of Supervisors</del> may convene and preside over the meeting by itself.</p>	<p><b>Article 64 <u>The Audit Committee of the Board</u></b> shall propose to the Board to convene an extraordinary general meeting, and shall put forward such proposal to the Board in writing. The Board shall, pursuant to laws, administrative regulations and the Articles of Association, give a written reply on whether or not it agrees to convene such an extraordinary general meeting within 10 days after receipt of the proposal.</p> <p>If the Board agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. Any change to the original proposal set forth in the notice shall be subject to approval by <u>the Audit Committee of the Board</u>.</p> <p>If the Board does not agree to convene the extraordinary general meeting or fails to give a written reply within 10 days after receipt of the proposal, it shall be deemed to be unable to perform or fail to perform the duty of convening the extraordinary general meeting, and <u>the Audit Committee of the Board</u> may convene and preside over the meeting by itself.</p>

Existing Articles of Association	Amended Articles of Association
<p><del>Article 84 Shareholder(s) severally or jointly holding more than 10% shares with voting rights at the meeting to be convened shall have the right to request the Board to convene an extraordinary general meeting or a class meeting, and shall follow the following procedure:</del></p> <p><del>Shareholder(s) severally or jointly holding more than 10% shares with voting rights at the meeting to be convened shall propose to the Board in writing to convene the extraordinary general meeting or class meeting and specify the topics of the meeting. The aforesaid number of shares held shall be calculated based on the date on which the Shareholders submit the written request. The Board shall, pursuant to laws, administrative regulations and the Articles of Association, give a written reply on whether or not it agrees to convene the extraordinary general meeting or class meeting within 10 days after receipt of the request.</del></p> <p>If the Board agrees to convene the extraordinary general meeting <del>or class meeting</del>, it shall serve a notice of such meeting within five days after the resolution is made by the Board. Any change to the original request set forth in the notice shall be subject to approval by the relevant Shareholders.</p>	<p><u>Article 65 Shareholders who individually or together hold over ten percent of the shares of the Bank shall propose to convene an extraordinary general meeting to the Board of Directors in writing. Within ten days of receiving such proposal, the Board of Directors shall provide its written decision as to whether it agrees to convene such meeting in accordance with the laws, administrative regulations and the Articles of Association.</u></p> <p>If the Board agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. Any change to the original request set forth in the notice shall be subject to approval by the relevant Shareholders.</p> <p>If the Board does not agree to convene the extraordinary general meeting or fails to give a written reply within 10 days after receipt of the request, the Shareholder(s) severally or jointly holding more than 10% shares with voting rights at the meeting to be convened shall have the right to request <u>the Audit Committee of the Board</u> to convene an extraordinary general meeting, and shall put forward such request to <u>the Audit Committee of the Board</u> in writing.</p>

Existing Articles of Association	Amended Articles of Association
<p>If the Board does not agree to convene the extraordinary general meeting <del>or class meeting</del> or fails to give a written reply within 10 days after receipt of the request, the Shareholder(s) severally or jointly holding more than 10% shares with voting rights at the meeting to be convened shall have the right to request <del>the Board of Supervisors</del> to convene an extraordinary general meeting <del>or class meeting</del>, and shall put forward such request to <del>the Board of Supervisors</del> in writing.</p> <p>If <del>the Board of Supervisors</del> agrees to convene the extraordinary general meeting <del>or class meeting</del>, it shall serve a notice of such meeting within five days after receipt of such request. Any change to the original proposal set forth in the notice shall be approved by the relevant Shareholders.</p> <p>If <del>the Board of Supervisors</del> fails to serve the notice of Shareholders' <del>general</del> meeting within the prescribed period, <del>it</del> shall be deemed as failing to convene and preside over the Shareholders' <del>general</del> meeting, and the Shareholder(s) severally or jointly holding more than 10% shares of the Bank <del>(such shares have voting rights at the meeting to be convened)</del> for consecutively 90 days may convene and preside over the meeting by themselves.</p>	<p>If <u>the Audit Committee of the Board</u> agrees to convene the extraordinary general meeting or class meeting, it shall serve a notice of such meeting within five days after receipt of such request. Any change to the original proposal set forth in the notice shall be approved by the relevant Shareholders.</p> <p>If <u>the Audit Committee of the Board</u> fails to serve the notice of Shareholders' meeting within the prescribed period, <u>it</u> shall be deemed as failing to convene and preside over the Shareholders' meeting, and the Shareholder(s) severally or jointly holding more than 10% shares of the Bank for consecutively 90 days may convene and preside over the meeting by themselves.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 85</b> Where <del>the Board of Supervisors</del> or Shareholders decide to convene a Shareholders' <del>general</del> meeting by itself/themselves, it/they shall notify the Board in writing and file with <del>the China Banking Regulatory Authority at the location of the Bank and the stock exchange where shares of the Bank are listed</del> in accordance with relevant regulations.</p> <p>Before the resolution is <del>made</del> at the Shareholders' <del>general</del> meeting, the shareholding of Shareholders who convene the meeting shall not be less than 10%.</p> <p>The convening Shareholders shall, upon issuing a notice of Shareholders' <del>general</del> meeting and announcing the resolution thereof, submit the relevant documentation to <del>the CSRC office at the location of the Bank and the stock exchange</del>.</p>	<p><b>Article 66</b> Where <u>the Audit Committee of the Board</u> or Shareholders decide to convene a Shareholders' meeting by itself/themselves, it/they shall notify the Board in writing and file with <u>the regulatory authority</u> in accordance with relevant regulations.</p> <p>Before the resolution is <b>published</b> at the Shareholders' meeting, the shareholding of Shareholders who convene the meeting shall not be less than 10%.</p> <p><u>The Audit Committee of the Board or the convening Shareholders</u> shall, upon issuing a notice of Shareholders' meeting and announcing the resolution thereof, submit the relevant documentation to <u>the regulatory authority in accordance with relevant regulations</u>.</p>
<p><b>Article 86</b> With regard to the Shareholders' <del>general</del> meeting convened by <del>the Board of Supervisors</del> or Shareholders on its/their own initiative, the Board of Directors and its secretary shall offer cooperation. The Board shall provide a shareholder register as of the shareholding registration date.</p>	<p><b>Article 67</b> With regard to the Shareholders' meeting convened by <u>the Audit Committee of the Board</u> or Shareholders on its/their own initiative, the Board of Directors and its secretary shall offer cooperation. The Board shall provide a shareholder register as of the shareholding registration date.</p>
<p><b>Article 87</b> Expenses necessary for a Shareholders' <del>general</del> meeting convened by <del>the Board of Supervisors</del> or Shareholders by itself/themselves shall be borne by the Bank <del>and deducted from the monies payable by the Bank to the defaulting Directors</del>.</p>	<p><b>Article 68</b> Expenses necessary for a Shareholders' meeting convened by <u>the Audit Committee of the Board</u> or Shareholders by itself/themselves shall be borne by the Bank.</p>

Existing Articles of Association	Amended Articles of Association
<b>Section 4 Proposals and Notices of Shareholders' <del>General</del> Meetings</b>	<b>Section 4 Proposals and Notices of Shareholders' Meetings</b>
<p><b>Article 88</b> The contents of the proposals shall fall within the functions and powers of the Shareholders' <del>general</del> meeting, shall have clear discussion topics and specific matters to be resolved, and shall comply with relevant requirements of laws, administrative regulations, departmental rules and the Articles of Association.</p>	<p><b>Article 69</b> The contents of the proposals shall fall within the functions and powers of the Shareholders' meeting, shall have clear discussion topics and specific matters to be resolved, and shall comply with relevant requirements of laws, administrative regulations, departmental rules and the Articles of Association.</p>
<p><b>Article 89</b> Where the Bank convenes a Shareholders' <del>general</del> meeting, the Board, <del>the Board of Supervisors</del> and Shareholder(s) severally or jointly holding more than 1% shares of the Bank shall be entitled to make proposals to the Bank in writing.</p> <p>Shareholder(s) severally or jointly holding more than 1% shares of the Bank may submit written interim proposals to the convener 10 days before a Shareholders' <del>general</del> meeting is convened. The convener shall serve a supplementary notice of Shareholders' <del>general</del> meeting by announcement within two days after receipt of the proposals and announce the contents of the interim proposals, unless the interim proposals violate the laws, administrative regulations or provisions of the Articles of Association, or do not fall within the functions and powers of the Shareholders' <del>general</del> meeting.</p>	<p><b>Article 70</b> Where the Bank convenes a Shareholders' meeting, the Board, <u>the Audit Committee of the Board</u> and Shareholder(s) severally or jointly holding more than 1% shares of the Bank shall be entitled to make proposals to the Bank in writing. <u>The interim proposals shall have clear subject and specific matters for resolution.</u></p> <p>Shareholder(s) severally or jointly holding more than 1% shares of the Bank may submit written interim proposals to the convener 10 days before a Shareholders' meeting is convened. The convener shall serve a supplementary notice of Shareholders' meeting by announcement within two days after receipt of the proposals and announce the contents of the interim proposals <u>and submit such interim proposals to the Shareholders' meeting for review,</u> unless the interim proposals violate the laws, administrative regulations or provisions of the Articles of Association, or do not fall within the functions and powers of the Shareholders' meeting.</p>

Existing Articles of Association	Amended Articles of Association
<p>Save as specified in the preceding paragraph, the convener, after issuing the notice of the Shareholders' <del>general</del> meeting, shall neither revise the proposals stated in the notice of Shareholders' <del>general</del> meetings nor add new proposals.</p> <p>Proposals not set out in the notice of Shareholders' <del>general</del> meeting or not complying with Article 88 of the Articles of Association shall not be voted on or resolved at the Shareholders' <del>general</del> meeting.</p>	<p>Save as specified in the preceding paragraph, the convener, after issuing the notice of the Shareholders' meeting, shall neither revise the proposals stated in the notice of Shareholders' meetings nor add new proposals.</p> <p>Proposals not set out in the notice of Shareholders' meeting or not complying with Article 69 of the Articles of Association shall not be voted on or resolved at the Shareholders' meeting.</p>
<p><b>Article 90</b> When the Bank is to convene an annual general meeting, the conveners shall issue a notice by announcement, 21 days prior to the date of the meeting, to all Shareholders whose names appear on the shareholder register, stating the time and venue of the meeting and the matters to be considered at the meeting. A notice of extraordinary general meeting shall be served to all Shareholders by announcement, 15 days prior to the date of the meeting.</p> <p>If the securities regulatory authorities at the place where shares of the Bank are listed have provisions on a longer notice period for Shareholders' <del>general</del> meetings, such provisions shall apply.</p>	<p><b>Article 71</b> When the Bank is to convene an annual general meeting, the conveners shall issue a notice by announcement, 21 days prior to the date of the meeting, to all Shareholders whose names appear on the shareholder register, stating the time and venue of the meeting and the matters to be considered at the meeting. A notice of extraordinary general meeting shall be served to all Shareholders by announcement, 15 days prior to the date of the meeting.</p> <p>If the securities regulatory authorities at the place where shares of the Bank are listed have provisions on a longer notice period for Shareholders' meetings, such provisions shall apply.</p>
<p><del><b>Article 91</b>—An extraordinary general meeting shall not resolve on matters not specified in the notice.</del></p>	



Existing Articles of Association	Amended Articles of Association
<p><b>Article 92</b> The notice of a Shareholders' <del>general</del> meeting shall be made in writing and contain the following contents:</p> <p>(I) the time, venue and duration of the meeting;</p> <p>(II) the matters and proposal to be discussed at the meeting;</p> <p>(III) a prominent statement that a Shareholder <del>entitled to attend and vote at</del> the Shareholders' <del>general</del> meeting is entitled to appoint one or more proxy/proxies to attend and vote on his/her behalf and such proxy need not be a Shareholder of the Bank;</p> <p>(IV) the shareholding registration date of Shareholders entitled to attend the Shareholders' <del>general</del> meeting;</p> <p>(V) <del>all necessary information and explanation to enable Shareholders to make informed decisions on the matters to be discussed. This means that when the following matters, which shall include, but shall not be limited to: any merger, share repurchase, share capital reorganization or other change in the structure of the Bank, are involved, the detailed terms of the proposed transaction, copies of the proposed agreement (if any) and detailed explanation as to the cause and effect of such a proposed transaction shall be provided;</del></p>	<p><b>Article 72</b> The notice of a Shareholders' meeting shall be made in writing and contain the following contents:</p> <p>(I) the time, venue and duration of the meeting;</p> <p>(II) the matters and proposal to be discussed at the meeting;</p> <p>(III) a prominent statement that Shareholders <u>including all ordinary Shareholders and Shareholders holding special voting shares</u> entitled to attend the Shareholders' meeting is entitled to appoint one or more proxy/proxies <u>in writing</u> to attend and vote on his/her behalf and such proxy need not be a Shareholder of the Bank;</p> <p>(IV) the shareholding registration date of Shareholders entitled to attend the Shareholders' meeting;</p> <p>(V) the name and phone number of the contact person of the meeting;</p> <p>(VI) <u>specify the time and procedure for online voting or other means;</u></p> <p>(VII) other requirements stipulated by laws and regulations, regulatory rules and the Articles of Association.</p>

Existing Articles of Association	Amended Articles of Association
<p><del>(VI) if any of the Directors, Supervisors or senior management personnel have material interest in the matters to be discussed, they shall disclose the nature and extent of such interest; and if the effects of the matters to be discussed have a different effect on a Director, Supervisor or senior management member as Shareholders compared to other Shareholders of that same class, they shall explain this difference;</del></p> <p><del>(VII) the full text of any proposed special resolution to be voted on at the meeting;</del></p> <p><del>(VIII) the time and address for serving the power of attorney for the voting proxy for the meeting;</del></p> <p>(IX) the name and phone number of the contact person of the meeting;</p> <p>(X) other requirements stipulated by laws, regulations, regulatory rules and the Articles of Association.</p>	<p>Notices or supplementary notices of Shareholders' meetings shall adequately and completely disclose the specific contents of all proposals. Where the opinions of an independent Director are required on the matters to be discussed, such opinions and reasons thereof shall be disclosed when the notices or supplementary notices of Shareholders' meetings are served.</p> <p>The interval between shareholding registration date and the date of the meeting shall not be more than seven workdays. The shareholding registration date shall not be changed once confirmed.</p>

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**APPENDIX I      PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

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<b>Existing Articles of Association</b>	<b>Amended Articles of Association</b>
<p>Notices or supplementary notices of Shareholders' <del>general</del> meetings shall adequately and completely disclose the specific contents of all proposals. Where the opinions of an independent Director are required on the matters to be discussed, such opinions and reasons thereof shall be disclosed when the notices or supplementary notices of Shareholders' <del>general</del> meetings are served.</p> <p>The interval between shareholding registration date and the date of the meeting shall not be more than seven workdays. The shareholding registration date shall not be changed once confirmed.</p>	

Existing Articles of Association	Amended Articles of Association
<p><del>Article 93 Unless otherwise stipulated by laws, regulations, regulatory rules and the Articles of Association, the notice of a Shareholders' general meeting shall be delivered by hand or prepaid mail to the Shareholders (regardless of whether they have voting rights at the Shareholders' general meeting). The address of the recipients shall be the address registered in the shareholder register. For holders of Domestic Shares, the notice of a Shareholders' general meeting may be in the form of an announcement.</del></p> <p><del>The announcement referred to in the preceding paragraph shall be published in one or more newspapers specified by the securities regulatory authorities of the State Council in accordance with Article 90 of the Articles of Association concerning notices of Shareholders' general meetings, and all holders of Domestic Shares shall be deemed as having been notified of the forthcoming Shareholders' general meeting once the announcement is published.</del></p> <p>For holders of H Shares, subject to the compliance with laws, administrative regulations, departmental rules, normative documents, the listing rules of the stock exchange where shares of the Bank are listed and the requirements of the relevant regulatory authorities, the Bank may choose to notify such Shareholders of a Shareholders' <b>general</b> meeting by publishing the notice on the websites of the Bank and the Hong Kong Stock Exchange instead of delivering the notice by hand or prepaid mail.</p>	<p><b>Article 73 <u>Any notice of Shareholders' meetings of the Bank shall be sent by announcement.</u></b> For holders of H Shares, subject to the compliance with laws, administrative regulations, departmental rules, normative documents, the listing rules of the stock exchange where shares of the Bank are listed and the requirements of the relevant regulatory authorities, the Bank may choose to notify such Shareholders of a Shareholders' meeting by publishing the notice on the websites of the Bank and the Hong Kong Stock Exchange instead of delivering the notice by hand or prepaid mail.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 94</b> If the election of Directors <del>or Supervisors</del> is proposed to be discussed at a Shareholders' <del>general</del> meeting, the notice of such meeting shall adequately disclose the detailed information of the Director <del>or Supervisor</del> candidates, which information shall at least include:</p> <p>.....</p> <p>(V) information of the Directors <del>or Supervisors</del> appointed or re-designated that shall be disclosed according to the provisions of the Hong Kong Listing Rules.</p> <p>Unless a Director <del>or Supervisor</del> is elected via the accumulative voting system, each candidate for Director <del>or Supervisor</del> shall be proposed via a single proposal.</p>	<p><b>Article 74</b> If the election of Directors is proposed to be discussed at a Shareholders' meeting, the notice of such meeting shall adequately disclose the detailed information of the Director candidates, which information shall at least include:</p> <p>.....</p> <p>(V) information of the Directors appointed or re-designated that shall be disclosed according to the provisions of the Hong Kong Listing Rules.</p> <p>Unless a Director is elected via the accumulative voting system, each candidate for Director shall be proposed via a single proposal.</p>
<p><b>Article 95</b> After the notice of Shareholders' <del>general</del> meeting is issued, the same meeting shall not be postponed or cancelled and the proposals set out in the notice shall not be cancelled without proper reasons. In case of any postponement or cancellation of the meeting, the convener shall issue a written notice and give the reasons therefor at least two work days prior to the date on which the meeting is originally scheduled.</p>	<p><b>Article 75</b> After the notice of Shareholders' meeting is issued, the same meeting shall not be postponed or cancelled and the proposals set out in the notice shall not be cancelled without proper reasons. In case of any postponement or cancellation of the meeting, the convener shall issue a written notice and give the reasons therefor at least two work days prior to the date on which the meeting is originally scheduled.</p>

Existing Articles of Association	Amended Articles of Association
Section 5 Holding of Shareholders' <del>General</del> Meetings	Section 5 Holding of Shareholders' Meetings
<p><b>Article 96</b> The Board of Directors of the Bank and other conveners shall take necessary measures to ensure the proper order of the Shareholders' <del>general</del> meeting. The Board and other conveners shall take measures to stop any act disturbing the Shareholders' <del>general</del> meeting, seeking trouble or infringing upon the legitimate rights and interests of Shareholders, and shall responsively report such act to relevant authorities for investigation and treatment.</p>	<p><b>Article 76</b> The Board of Directors of the Bank and other conveners shall take necessary measures to ensure the proper order of the Shareholders' meeting. The Board and other conveners shall take measures to stop any act disturbing the Shareholders' meeting, seeking trouble or infringing upon the legitimate rights and interests of Shareholders, and shall responsively report such act to relevant authorities for investigation and treatment.</p>
<p><b>Article 97</b> All the Shareholders in the shareholder register on the shareholding registration date or proxies thereof shall be entitled to attend the Shareholders' <del>general</del> meetings, and exercise voting rights pursuant to relevant laws, regulations and the Articles of Association.</p>	<p><b>Article 77</b> All the Shareholders in the shareholder register on the shareholding registration date or proxies thereof shall be entitled to attend the Shareholders' meetings, and exercise voting rights pursuant to relevant laws, regulations and the Articles of Association.</p>

Existing Articles of Association	Amended Articles of Association
<p><del>Article 98—Any Shareholder entitled to attend and having voting rights at a Shareholders’ general meeting may attend the meeting in person or appoint one or more persons (these persons need not be Shareholders) as proxies to attend and vote on their behalf. A proxy may exercise the following rights according to the authorization of the Shareholders:</del></p> <p><del>(I) the right of speech of the Shareholder at the Shareholders’ general meeting;</del></p> <p><del>(II) the right to demand or join other Shareholders in demanding a poll;</del></p> <p><del>(III) the right to vote by hand or on a poll, but when more than one proxy has been appointed, the proxies only have the right to vote on a poll.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><b>Article 100</b> The power of attorney issued by a Shareholder to appoint a proxy to attend a Shareholders' <del>general</del> meeting shall be in written form and specify:</p> <p>(I) the names of the authorized proxies <del>and number of shares they represent;</del></p> <p>(II) <del>whether they have the right to vote;</del></p> <p>(III) directive to vote for or against or abstain from voting <del>on each</del> and every issue considered in the agenda of the Shareholders' <del>general</del> meeting;</p> <p>(IV) the date of issue and validity period of the power of attorney;</p> <p>Where the signature of a proxy (Shareholder) is required, if the proxy is a corporate Shareholder, the legal representative of the proxy shall affix his/her signature and the company seal.</p> <p><del>Any format of the power of attorney issued to a Shareholder by the Board of the Bank for appointing a proxy shall provide the Shareholder with the flexibility to instruct the proxy to vote for or against, and give directives on each of the resolutions to be decided at the meeting.</del></p> <p><del>Such a power of attorney shall specify that in default of directives from the Shareholder, the proxy may vote as he/she thinks fit.</del></p>	<p><b>Article 79</b> The power of attorney issued by a Shareholder to appoint a proxy to attend a Shareholders' meeting shall be in written form and specify:</p> <p>(I) <u>name of the principal and class and quantity of shares held thereby in the Bank;</u></p> <p>(II) the names of the authorized proxies;</p> <p>(III) <u>specific instructions of the Shareholder, including</u> directive to vote for or against or abstain from voting and every issue considered in the agenda of the Shareholders' meeting;</p> <p>(IV) the date of issue and validity period of the power of attorney;</p> <p>Where the signature of a proxy (Shareholder) is required, if the proxy is a corporate Shareholder, the legal representative of the proxy shall affix his/her signature and the company seal.</p>



Existing Articles of Association	Amended Articles of Association
<p>If the Shareholder is a Recognized Clearing House (or agent thereof), the said Shareholder may authorize one or more person(s) as it thinks fit to act on its behalf at any Shareholders' <del>general meeting or class meeting</del>; however, where more than one person are thus authorized, the power of attorney shall specify the numbers and classes of shares involved by the said persons thus authorized, and shall be signed by the persons authorized by the Recognized Clearing House. The person thus authorized may represent the Recognized Clearing House (or agent thereof) in exercising its rights at any meeting (without being required to present share certificate, certified power of attorney and/or further evidence of due authorization) as if that person is an individual Shareholder of the Bank.</p>	<p>If the Shareholder is a Recognized Clearing House (or agent thereof), the said Shareholder may authorize one or more person(s) as it thinks fit to act on its behalf at any Shareholders' meeting; however, where more than one person are thus authorized, the power of attorney shall specify the numbers and classes of shares involved by the said persons thus authorized, and shall be signed by the persons authorized by the Recognized Clearing House. The person thus authorized may represent the Recognized Clearing House (or agent thereof) in exercising its rights at any meeting (without being required to present share certificate, certified power of attorney and/or further evidence of due authorization) as if that person is an individual Shareholder of the Bank.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 101</b> The power of <del>attorney for voting</del> shall be deposited at the domicile of the Bank or such other place as specified in the notice of meeting at least 24 hours prior to the meeting at which the proxy is authorized to vote or 24 hours before the scheduled voting time. Where such a power of attorney is signed by a person authorized by the principal, the power of attorney authorizing signature or other authorization documents shall be notarized. The notarized power of attorney or other authorization documents shall, together with the power of attorney for <del>voting</del>, be deposited at the domicile of the Bank or such other place as specified in the notice of meeting.</p> <p><del>Where the principal is a corporate Shareholder, its legal representative or a person authorized by the Board or other decision-making body shall attend the Shareholders' general meeting of the Bank on its behalf.</del></p>	<p><b>Article 80</b> The power of <u>attorney for voting by proxy</u> shall be deposited at the domicile of the Bank or such other place as specified in the notice of meeting at least 24 hours prior to the meeting at which the proxy is authorized to vote or 24 hours before the scheduled voting time. Where such a power of <u>attorney for voting by proxy</u> is signed by a person authorized by the principal, the power of attorney authorizing signature or other authorization documents shall be notarized. The notarized power of attorney or other authorization documents shall, together with the power of attorney for <u>voting</u>, be deposited at the domicile of the Bank or such other place as specified in the notice of meeting.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 102</b> Where the principal has deceased, incapacitated to act, withdrawn the appointment or authorization to sign the power of attorney, or where the relevant shares have been transferred prior to the voting at the Shareholders' <del>general</del> meeting, a vote given by the proxy in accordance with the power of attorney shall remain valid provided that no written notice of such event has been received by the Bank prior to the commencement of the relevant meeting.</p>	<p><b>Article 81</b> Where the principal has deceased, incapacitated to act, withdrawn the appointment or authorization to sign the power of attorney, or where the relevant shares have been transferred prior to the voting at the Shareholders' meeting, a vote given by the proxy in accordance with the power of attorney shall remain valid provided that no written notice of such event has been received by the Bank prior to the commencement of the relevant meeting.</p>
<p><b>Article 103</b> The Bank shall be responsible for preparing an attendance register.</p> <p>The attendance register shall state the names (or corporate names), identity card numbers <del>and addresses</del> of the attendees, the number of voting shares held or represented by them, names (or corporate names) of the principals and so on.</p>	<p><b>Article 82</b> The Bank shall be responsible for preparing an attendance register.</p> <p>The attendance register shall state the names (or corporate names), identity card numbers of the attendees, the number of voting shares held or represented by them, names (or corporate names) of the principals and so on.</p>

Existing Articles of Association	Amended Articles of Association
<p><del>Article 105 When the Shareholders' general meeting is being convened, all the Directors, Supervisors and secretary of the Board of the Bank shall attend the meeting, and the President and other senior management personnel shall be present at the meeting without voting rights.</del></p> <p>A Shareholders' <del>general</del> meeting convened by the Board of Directors shall be <del>chaired and</del> presided over by the chairman of the Board of Directors. In the event that the chairman is incapable of performing or is not performing his/her duties, the vice chairman (the vice chairman jointly elected by a majority of the Directors if there are two or more vice chairmen) shall <del>chair and</del> preside over the meeting. In the event that the vice chairman is incapable of performing or is not performing his/her duties, a Director jointly nominated by a majority of the Directors shall <del>chair and</del> preside over the meeting. <del>If no chairman of the meeting is appointed, the attending Shareholders may elect a person to chair the meeting.</del></p>	<p><u>Article 84 Where the Shareholders' meeting requires the Directors and senior management personnel to be present at the meeting, Directors and senior management personnel shall be present and accept inquiries from Shareholders.</u></p> <p>A Shareholders' meeting convened by the Board of Directors shall be presided over by the chairman of the Board of Directors. In the event that the chairman is incapable of performing or is not performing his/her duties, the vice chairman (the vice chairman jointly elected by a majority of the Directors if there are two or more vice chairmen) shall preside over the meeting. In the event that the vice chairman is incapable of performing or is not performing his/her duties, a Director jointly nominated by a majority of the Directors shall preside over the meeting.</p> <p>A Shareholders' meeting convened by <u>the Audit Committee of the Board</u> on its own initiative shall be <u>convened</u> and presided over by <u>the Chairperson of the Audit Committee of the Board</u>. If <u>the Chairperson of the Audit Committee of the Board</u> is incapable of performing or is not performing his/ her duties, a <u>member of the Audit Committee of the Board</u> jointly recommended by a majority of <u>members of the Audit Committee of the Board</u> shall preside over the meeting.</p> <p><u>A Shareholders' meeting convened by the Shareholders on their own initiative shall be presided over by the convener or a representative elected by the convener.</u></p>

Existing Articles of Association	Amended Articles of Association
<p>A Shareholders' <del>general</del> meeting convened by <del>the Board of Supervisors</del> on its own initiative shall be <del>chaired</del> and presided over by <del>the chairman of the Board of Supervisors</del>. If <del>the chairman of the Board of Supervisors</del> is incapable of performing or is not performing his/ her duties, a <b>Supervisor</b> jointly recommended by a majority of <del>the Supervisors</del> shall <del>chair and</del> preside over the meeting.</p> <p><del>A Shareholders' general meeting convened by the Shareholders on their own initiative shall be chaired and presided over by a representative elected by the convener.</del></p> <p>When a Shareholders' <del>general</del> meeting is held and the presider of the meeting violates relevant rules of procedure which makes it difficult for the Shareholders' <del>general</del> meeting to continue, the Shareholders in the Shareholders' <del>general</del> meeting may elect one person to act as the presider of the meeting to continue the meeting so long as the proposed chairman has the consent of more than half of the Shareholders with voting rights who are present at the meeting.</p>	<p>When a Shareholders' meeting is held and the presider of the meeting violates relevant rules of procedure which makes it difficult for the Shareholders' meeting to continue, the Shareholders in the Shareholders' meeting may elect one person to act as the presider of the meeting to continue the meeting so long as the proposed chairman has the consent of more than half of the Shareholders with voting rights who are present at the meeting.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 106</b> The Bank shall formulate the Rules of Procedure for Shareholders' <del>General</del> Meetings defining in details the convening and voting procedure of Shareholders' <del>general</del> meetings, covering notification, registration, consideration of proposal, voting, counting of ballots, announcement of voting result, formation of resolution, meeting minutes and signing thereof and announcement, and the principle of authorization by the Shareholders' <del>general</del> meetings to the Board. The authorization principle shall be clear and specific in terms of contents. The Rules of Procedure for Shareholders' <del>General</del> Meetings shall be appendix to the Articles of Association and shall be formulated by the Board and approved at the Shareholders' <del>general</del> meeting.</p>	<p><b>Article 85</b> The Bank shall formulate the Rules of Procedure for Shareholders' Meetings defining in details the convening, <u>holding</u> and voting procedure of Shareholders' meetings, covering notification, registration, consideration of proposal, voting, counting of ballots, announcement of voting result, formation of resolution, meeting minutes and signing thereof and announcement, and the principle of authorization by the Shareholders' meetings to the Board. The authorization principle shall be clear and specific in terms of contents. The Rules of Procedure for Shareholders' Meetings shall be appendix to the Articles of Association and shall be formulated by the Board and approved at the Shareholders' meeting.</p>
<p><b>Article 107</b> At an annual general meeting, the Board <del>and the Board of Supervisors</del> shall report to the Shareholders' <del>general</del> meeting about their work in the past year, and every independent Director shall also make his/her work report.</p>	<p><b>Article 86</b> At an annual Shareholders' meeting, the Board shall report to the Shareholders' meeting about their work in the past year, and every independent Director shall also make his/her work report.</p>
<p><b>Article 108</b> Unless the trade secrets of the Bank are involved and cannot be disclosed at the Shareholders' <del>general</del> meeting, the Directors, <del>Supervisors</del> and senior management personnel shall make explanations in relation to the inquiries and suggestions made by Shareholders at Shareholders' <del>general</del> meetings.</p>	<p><b>Article 87</b> Unless the trade secrets of the Bank are involved and cannot be disclosed at the Shareholders' meeting, the Directors and senior management personnel shall make explanations in relation to the inquiries and suggestions made by Shareholders at Shareholders' meetings.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 110</b> The Shareholders' <del>general</del> meetings shall have meeting minutes, which shall be in the charge of the secretary of the Board. The meeting minutes shall specify:</p> <p>(I) the time, venue and agenda of the meeting, and the name of the convener;</p> <p>(II) the names of the presider of the meeting, and the Directors, <del>Supervisors</del>, President and other senior management personnel <del>attending, or</del> present without voting rights, at the meeting;</p> <p>.....</p>	<p><b>Article 89</b> The Shareholders' meetings shall have meeting minutes, which shall be in the charge of the secretary of the Board. The meeting minutes shall specify:</p> <p>(I) the time, venue and agenda of the meeting, and the name of the convener;</p> <p>(II) the names of the presider of the meeting, and the Directors, President and other senior management personnel present without voting rights, at the meeting;</p> <p>.....</p>
<p><b>Article 111</b> The convener shall ensure the meeting minutes are true, accurate and complete. The attending Directors <del>and Supervisors</del>, secretary of the Board, the convener or representative thereof and the presider of the meeting shall sign the meeting minutes. The meeting minutes, the signature list of Shareholders attending the meeting and the power of attorney for attendance by proxy, the valid information relating to the voting by other means shall be kept permanently as the Bank's files by the secretary of the Board.</p> <p>The Board shall file the minutes and resolutions of Shareholders' <del>general</del> meetings and other documents with the China Banking Regulatory Authority.</p>	<p><b>Article 90</b> The convener shall ensure the meeting minutes are true, accurate and complete. The attending <del>or</del> <u>presenting</u> Directors, secretary of the Board, the convener or representative thereof and the presider of the meeting shall sign the meeting minutes. The meeting minutes, the signature list of Shareholders attending the meeting and the power of attorney for attendance by proxy, the valid information relating to the voting by other means shall be kept permanently as the Bank's files by the secretary of the Board.</p> <p>The Board shall file the minutes and resolutions of Shareholders' meetings and other documents with the China Banking Regulatory Authority.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 112</b> The convener shall ensure that a Shareholders' <del>general</del> meeting is held continuously until final resolutions are arrived at. If the Shareholders' <del>general</del> meeting is suspended or fails to reach any resolution due to force majeure or for other special reasons, the convener shall take necessary measures to resume the Shareholders' <del>general</del> meeting as soon as possible or directly terminate the Shareholders' <del>general</del> meeting and make a responsive announcement in accordance with laws, regulations and rules governing securities of the place where shares of the Bank are listed. Meanwhile, the convener shall report to <del>the China Banking Regulatory Authority at the location of the Bank.</del></p>	<p><b>Article 91</b> The convener shall ensure that a Shareholders' meeting is held continuously until final resolutions are arrived at. If the Shareholders' meeting is suspended or fails to reach any resolution due to force majeure or for other special reasons, the convener shall take necessary measures to resume the Shareholders' meeting as soon as possible or directly terminate the Shareholders' meeting and make a responsive announcement in accordance with laws, regulations and rules governing securities of the place where shares of the Bank are listed. Meanwhile, the convener shall report to <u>regulatory authorities</u>.</p>
Section 6 Voting and Resolutions of Shareholders' <del>General</del> Meetings	Section 6 Voting and Resolutions of Shareholders' Meetings
<p><b>Article 113</b> The resolutions of a Shareholders' <del>general</del> meeting shall either be classified as ordinary resolutions or special resolutions.</p> <p>Ordinary resolutions shall be approved by a majority of voting rights held by the Shareholders (including their proxies) attending the meeting.</p> <p>Special resolutions shall be approved by above two-thirds of voting rights held by the Shareholders (including their proxies) attending the meeting.</p>	<p><b>Article 92</b> The resolutions of a Shareholders' meeting shall either be classified as ordinary resolutions or special resolutions.</p> <p>Ordinary resolutions shall be approved by a majority of voting rights held by the Shareholders (including their proxies) attending the meeting.</p> <p>Special resolutions shall be approved by above two-thirds of voting rights held by the Shareholders (including their proxies) attending the meeting.</p>



Existing Articles of Association	Amended Articles of Association
<p><b>Article 114</b> The following matters shall be approved by an ordinary resolution at a Shareholders' <del>general</del> meeting:</p> <p>(I) work reports of the Board of Directors <del>and the Board of Supervisors</del>;</p> <p>(II) profit distribution plans and loss recovery plans proposed by the Board of Directors;</p> <p>(III) appointment, dismissal, remuneration and payment method of the members of the Board of Directors <del>and members of the Board of Supervisors</del>;</p> <p>(IV) <del>the annual budget reports and final account reports, the balance sheet, statements of profits and other financial statements of the Bank</del>;</p> <p><del>(V)</del> the annual reports of the Bank;</p> <p><del>(VI)</del> matters other than those required by the laws, <del>administrative</del> regulations or the Articles of Association to be approved by a special resolution.</p>	<p><b>Article 93</b> The following matters shall be approved by an ordinary resolution at a Shareholders' meeting:</p> <p>(I) work reports of the Board of Directors;</p> <p>(II) profit distribution plans and loss recovery plans proposed by the Board of Directors;</p> <p>(III) appointment, dismissal, remuneration and payment method of the members of the Board of Directors;</p> <p>(IV) the annual reports of the Bank;</p> <p>(V) matters other than those required by the laws and regulations, <u>regulatory rules</u> or the Articles of Association to be approved by a special resolution.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 115</b> The following matters shall be approved by a special resolution at a Shareholders' <del>general</del> meeting:</p> <p>(I) an increase or reduction in the registered capital <del>and the issuance of any class of shares, warrants and other similar securities</del> of the Bank;</p> <p>(II) the issuance of bonds or listing of the Bank;</p> <p>(III) the division, merger, dissolution and liquidation, or change of the form of organization of the Bank;</p> <p>(IV) amendments to the Articles of Association;</p> <p>(V) the purchases or sales of major assets or guarantees in a year with the transaction amount exceeding 30% of the Bank's latest audited total assets;</p> <p>(VI) equity incentive plans;</p> <p>(VII) <del>repurchase of the Bank's shares;</del></p> <p><del>(VIII)</del> dismissal of independent Directors;</p> <p><del>(IX)</del> other matters that are specified by laws, <del>administrative</del> regulations or the Articles of Association to be adopted by a special resolution and that, resolved by the Shareholders' <del>general</del> meeting by an ordinary resolution, may have a material effect on the Bank and should therefore be adopted by a special resolution.</p>	<p><b>Article 94</b> The following matters shall be approved by a special resolution at a Shareholders' meeting:</p> <p>(I) an increase or reduction in the registered capital of the Bank;</p> <p>(II) the issuance of bonds or listing of the Bank;</p> <p>(III) the division, <u>spin-off</u>, merger, dissolution and liquidation, or change of the form of organization of the Bank;</p> <p>(IV) amendments to the Articles of Association;</p> <p>(V) the purchases or sales of major assets or guarantees in a year with the transaction amount exceeding 30% of the Bank's latest audited total assets;</p> <p>(VI) equity incentive plans;</p> <p>(VII) dismissal of independent Directors;</p> <p><u>(VIII)</u> other matters that are specified by laws and regulations, <u>regulatory rules</u> or the Articles of Association to be adopted by a special resolution and that, resolved by the Shareholders' meeting by an ordinary resolution, may have a material effect on the Bank and should therefore be adopted by a special resolution.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 116</b> A Shareholder (including his/her proxy) shall exercise his/her voting rights based on the number of shares with voting rights he/she represents. Each share shall have one vote.</p> <p>Shares held by the Bank have no voting rights and shall be excluded from the total number of voting shares represented by the Shareholders attending the Shareholders' <del>general</del> meeting. Pursuant to the laws, administrative regulations, rules governing securities of the place where shares of the Bank are listed, Hong Kong Listing Rules and the Articles of Association, if any Shareholder must abstain from voting on any resolution or is restricted to declaring only affirmative vote or only dissenting vote on any resolution, then any vote declared by the said Shareholder or proxy thereof against the aforesaid provision or restriction shall not be counted in the voting result.</p> <p>The Board, independent Directors and qualified Shareholders may openly collect voting rights from Shareholders. They shall adequately disclose specific information including voting intents to the persons whose voting rights are collected when collecting voting rights from Shareholders. It is prohibited to collect voting rights from Shareholders with compensation or compensation in disguised form. <del>The Company</del> shall not set minimum shareholding percentage limit for collection of voting rights.</p>	<p><b>Article 95</b> A Shareholder (including his/her proxy) shall exercise his/her voting rights based on the number of shares with voting rights he/she represents. Each share shall have one vote.</p> <p>Shares held by the Bank have no voting rights and shall be excluded from the total number of voting shares represented by the Shareholders attending the Shareholders' meeting. Pursuant to the laws, administrative regulations, rules governing securities of the place where shares of the Bank are listed, Hong Kong Listing Rules and the Articles of Association, if any Shareholder must abstain from voting on any resolution or is restricted to declaring only affirmative vote or only dissenting vote on any resolution, then any vote declared by the said Shareholder or proxy thereof against the aforesaid provision or restriction shall not be counted in the voting result.</p> <p>The Board, independent Directors and qualified Shareholders may openly collect voting rights from Shareholders. They shall adequately disclose specific information including voting intents to the persons whose voting rights are collected when collecting voting rights from Shareholders. It is prohibited to collect voting rights from Shareholders with compensation or compensation in disguised form. <u>The Bank</u> shall not set minimum shareholding percentage limit for collection of voting rights.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 117</b> When a related party transaction is considered at a Shareholders' <del>general</del> meeting, the related Shareholders shall not vote, and the voting shares represented by them shall not be counted in the total number of valid votes; the information relating to voting by non-related Shareholders shall be adequately disclosed for any resolution made at the Shareholders' <del>general</del> meeting.</p> <p>Related Shareholders may choose proactive avoidance or be subject to any request for avoidance made by any other Shareholder or Shareholder representative attending the Shareholders' <del>general</del> meeting.</p>	<p><b>Article 96</b> When a related party transaction is considered at a Shareholders' meeting, the related Shareholders shall not vote, and the voting shares represented by them shall not be counted in the total number of valid votes; the information relating to voting by non-related Shareholders shall be adequately disclosed for any resolution made at the Shareholders' meeting.</p> <p>Related Shareholders may choose proactive avoidance or be subject to any request for avoidance made by any other Shareholder or Shareholder representative attending the Shareholders' meeting.</p>
<p><b>Article 118</b> The announcement of resolutions of a Shareholders' <del>general</del> meeting shall include:</p> <p>(I) the time, venue, form, the convener and the presider of the meeting and explanations about compliance with relevant laws, administrative regulations, departmental rules, other normative documents and the Articles of Association <del>of the Bank</del>;</p> <p>.....</p> <p>(IV) conclusive opinions of the legal opinions. The full text of the legal opinions shall be disclosed if the proposal is vetoed at the Shareholders' <del>general</del> meeting.</p>	<p><b>Article 97</b> The announcement of resolutions of a Shareholders' meeting shall include:</p> <p>(I) the time, venue, form, the convener and the presider of the meeting and explanations about compliance with relevant laws, administrative regulations, departmental rules, other normative documents and the Articles of Association;</p> <p>.....</p> <p>(IV) conclusive opinions of the legal opinions. The full text of the legal opinions shall be disclosed if the proposal is vetoed at the Shareholders' meeting.</p> <p><u>Where a proposal has not been passed or the resolutions of the preceding Shareholders' meeting have been changed at the current Shareholders' meeting, special mention shall be made in the announcement of the resolutions of the Shareholders' meeting.</u></p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 119</b> List of Director <del>or Supervisor</del> candidates shall be submitted by way of proposal to the Shareholders' <del>general</del> meetings for voting. Resolutions in respect of the election of Directors <del>or Supervisors</del> may be passed by way of accumulative voting pursuant to the Articles of Association or resolution of the Shareholders' <del>general</del> meeting.</p> <p>The accumulative voting system referred to in the preceding paragraph means that, in the election of Directors <del>or Supervisors</del> at the Shareholders' <del>general</del> meeting, each share shall be entitled to the number of votes equivalent to the number of Directors <del>or Supervisors</del> to be elected at the Shareholders' <del>general</del> meeting, and Shareholders may consolidate their votes for one or more Directors <del>or Supervisors</del>, i.e. the number of votes each Shareholder is entitled to shall be equal to the number of shares held by the Shareholder multiplied by the number of Directors to be elected, and Shareholders may cast all their votes either collectively in favour of one Director <del>or Supervisor</del> candidate or separately in favour of a number of Director <del>or Supervisor</del> candidates. As such, those who have got more votes shall be elected at the Shareholders' <del>general</del> meeting.</p> <p>The Board shall provide Shareholders with bibliographical details and basic information about the Director <del>or Supervisor</del> candidates.</p>	<p><b>Article 98</b> List of Director candidates shall be submitted by way of proposal to the Shareholders' meetings for voting. Resolutions in respect of the election of Directors may be passed by way of accumulative voting pursuant to the Articles of Association or resolution of the Shareholders' meeting.</p> <p>The accumulative voting system referred to in the preceding paragraph means that, in the election of Directors at the Shareholders' meeting, each share shall be entitled to the number of votes equivalent to the number of Directors to be elected at the Shareholders' meeting, and Shareholders may consolidate their votes for one or more Directors, i.e. the number of votes each Shareholder is entitled to shall be equal to the number of shares held by the Shareholder multiplied by the number of Directors to be elected, and Shareholders may cast all their votes either collectively in favour of one Director candidate or separately in favour of a number of Director candidates. As such, those who have got more votes shall be elected at the Shareholders' meeting.</p> <p>The Board shall provide Shareholders with bibliographical details and basic information about the Director candidates.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 120</b> The method and procedure for nominating of candidates for Directors <del>and Supervisors</del> required to be elected and replaced at the Shareholders' <del>general</del> meeting of the Bank are:</p> <p>(I) The Nomination and Remuneration Committee of the Board and the Shareholders severally or jointly holding more than 3% of the Bank's total shares with voting rights may propose candidates for non-independent Directors according to the number of non-independent Directors to be elected to the extent of the number specified by the Articles of Association; the nomination methods of independent Director candidates are set forth in Article 172 of the Articles of Association. The number of nominees shall comply with the Articles of Association.</p> <p><del>The Board of Supervisors and the Shareholders severally or jointly holding more than 3% of the Bank's total shares with voting rights may propose candidates for Shareholder Supervisors according to the number of Supervisors to be elected to the extent of the number specified by the Articles of Association; the nomination methods of external Supervisors candidates are set forth in Article 253 of the Articles of Association. The number of nominees shall comply with the Articles of Association.</del></p>	<p><b>Article 99</b> The method and procedure for nominating of candidates for Directors required to be elected and replaced at the Shareholders' meeting of the Bank are:</p> <p>(I) The Nomination and Remuneration Committee of the Board and the Shareholders severally or jointly holding more than 3% of the Bank's total shares with voting rights may propose candidates for non-independent Directors according to the number of non-independent Directors to be elected to the extent of the number specified by the Articles of Association; the nomination methods of independent Director candidates are set forth in Article 140 of the Articles of Association. The number of nominees shall comply with the Articles of Association.</p> <p>The number of candidates for Directors nominated by a Shareholder and his/her related party shall not exceed one-third of the number of members of the Board, except as otherwise prescribed by the State.</p>

Existing Articles of Association	Amended Articles of Association
<p><del>A Shareholder and his/her related party shall not nominate candidates for Directors and Supervisors to the Shareholders' general meeting at the same time; where a candidate for Director (Supervisor) nominated by a Shareholder and his/her related party has been approved to sit on the Board or the Board of Supervisors, the Shareholder shall not nominate any other candidate for Director (Supervisor) until the term of office of the Director (Supervisor) expires; and, generally,</del> the number of candidates for Directors nominated by a Shareholder and his/her related party shall not exceed one-third of the number of members of the Board, except as otherwise prescribed by the State.</p> <p>(II) The Nomination and Remuneration Committee of the Board <del>and the Nomination Committee of the Board of Supervisors</del> shall make preliminary examination on the qualifications and conditions of the Director <del>or Supervisor</del> candidates, and submit the qualified candidates to Board <del>or the Board of Supervisors</del> for consideration. Upon approval by the Board <del>or the Board of Supervisors</del>, the list of Director <del>or Supervisor</del> candidates shall be submitted as a written proposal to the Shareholders' <del>general</del> meeting. The Board <del>and the Board of Supervisors</del> shall disclose to the Shareholders such information about the Director <del>or Supervisory</del> candidates as sufficient for the Shareholders in voting for the candidates.</p>	<p>(II) The Nomination and Remuneration Committee of the Board shall make preliminary examination on the qualifications and conditions of the Director candidates, and submit the qualified candidates to Board for consideration. Upon approval by the Board, the list of Director candidates shall be submitted as a written proposal to the Shareholders' meeting. The Board shall disclose to the Shareholders such information about the Director candidates as sufficient for the Shareholders in voting for the candidates.</p> <p>(III) The Director candidates shall prior to the Shareholders' meeting provide written undertakings that they accept the nominations, that the information announced about them is true and adequate, and that they will diligently fulfill the duties as Director if elected.</p> <p>(IV) In the event of a temporary vacancy of Directors, the Nomination and Remuneration Committee of the Board or Shareholders qualified for nomination shall nominate the candidates and propose them to the Board – for consideration, and to the Shareholders' meeting for election or replacement.</p> <p>(V) Under the accumulative voting system, independent Directors and other Board members shall be elected separately.</p>

Existing Articles of Association	Amended Articles of Association
<p>(III) The Director <del>or Supervisor</del> candidates shall prior to the Shareholders' <del>general</del> meeting provide written undertakings that they accept the nominations, that the information announced about them is true and adequate, and that they will diligently fulfill the duties as Director <del>or Supervisor</del> if elected.</p> <p>(IV) In the event of a temporary vacancy of Directors <del>or Supervisors</del>, the Nomination and Remuneration Committee of the Board, <del>the Board of Supervisors</del> or Shareholders qualified for nomination shall nominate the candidates and propose them to the Board <del>or the Board of Supervisors</del> – for consideration, and to the Shareholders' <del>general</del> meeting for election or replacement.</p> <p>(V) Under the accumulative voting system, independent Directors and other Board members shall be elected separately.</p> <p>(VI) Save under the accumulative voting system, the Shareholders' <del>general</del> meeting shall vote on the Director <del>and Supervisor</del> candidates separately.</p> <p>If the shares with voting rights held by controlling Shareholders exceed 30% of the Bank's total shares, the Shareholders' <del>general</del> meeting shall apply the accumulative voting system in the election of Directors <del>and Supervisors</del> according to Article 119 of the Articles of Association.</p>	<p>(VI) Save under the accumulative voting system, the Shareholders' meeting shall vote on the Director candidates separately.</p> <p>If the shares with voting rights held by controlling Shareholders exceed 30% of the Bank's total shares, the Shareholders' meeting shall apply the accumulative voting system in the election of Directors according to Article 98 of the Articles of Association.</p>



Existing Articles of Association	Amended Articles of Association
<p><b>Article 121</b> Save under the accumulative voting system, the Shareholders' <del>general</del> meeting shall resolve on all the proposals separately; in the event of several proposals for the same issue, such proposals shall be voted on and resolved in the order of time at which they are submitted. Unless the Shareholders' <del>general</del> meeting is suspended or no resolution can be made for special reasons such as force majeure, voting of such proposals shall neither be shelved nor refused at the Shareholders' <del>general</del> meeting.</p>	<p><b>Article 100</b> Save under the accumulative voting system, the Shareholders' meeting shall resolve on all the proposals separately; in the event of several proposals for the same issue, such proposals shall be voted on and resolved in the order of time at which they are submitted. Unless the Shareholders' meeting is suspended or no resolution can be made for special reasons such as force majeure, voting of such proposals shall neither be shelved nor refused at the Shareholders' meeting.</p>
<p><b>Article 122</b> No amendment shall be made to a proposal when it is considered at a Shareholders' <del>general</del> meeting; otherwise, the relevant amendment shall be deemed as a new proposal and shall not be voted on at the relevant Shareholders' <del>general</del> meeting.</p>	<p><b>Article 101</b> No amendment shall be made to a proposal when it is considered at a Shareholders' meeting; otherwise, the relevant amendment shall be deemed as a new proposal and shall not be voted on at the relevant Shareholders' meeting.</p>
<p><b>Article 124</b> Any vote of Shareholders at a Shareholders' <del>general</del> meeting must be taken by registered poll except where the presider of the meeting, based on the principle of honesty, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.</p>	<p><b>Article 103</b> Any vote of Shareholders at a Shareholders' meeting must be taken by registered poll except where the presider of the meeting, based on the principle of honesty, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 127</b> Before proposals are voted on at the Shareholders’ <del>general</del> meeting, two Shareholder representatives shall be appointed to count, and monitor counting of, the votes. Where any Shareholder has interests in any matter considered, the said Shareholder or proxy thereof shall not participate in counting and monitoring of votes.</p> <p>When proposals are voted on at the Shareholders’ <del>general</del> meeting, the lawyer, Shareholder representative, <del>Supervisor representative</del> and the Bank’s accounting firm appointed according to the Listing Rules, share registrar, or external accountant qualified as auditor shall be jointly responsible for the counting and monitoring of the votes as the scrutineer, and shall announce the voting results on the spot, which voting results shall be recorded in the meeting minutes.</p>	<p><b>Article 106</b> Before proposals are voted on at the Shareholders’ meeting, two Shareholder representatives shall be appointed to count, and monitor counting of, the votes. Where any Shareholder has interests in any matter considered, the said Shareholder or proxy thereof shall not participate in counting and monitoring of votes.</p> <p>When proposals are voted on at the Shareholders’ meeting, the lawyer, Shareholder representative and the Bank’s accounting firm appointed according to the Listing Rules, share registrar, or external accountant qualified as auditor shall be jointly responsible for the counting and monitoring of the votes as the scrutineer, and shall announce the voting results on the spot, which voting results shall be recorded in the meeting minutes.</p>
<p><b>Article 128</b> The presider of the meeting shall announce the voting information and result on each proposal and, according to the voting result, on whether such proposal is passed. <del>His/her decision, which shall be final and conclusive, shall be announced at the meeting and recorded in the meeting minutes.</del></p>	<p><b>Article 107</b> <u>A Shareholders’ meeting shall not conclude earlier at the venue than over the network or otherwise,</u> the presider of the meeting shall announce the voting information and result on each proposal and, according to the voting result, on whether such proposal is passed.</p> <p><u>Before the voting result is announced, the relevant parties including the company, counting officer, scrutineer, Shareholders and network service provider involved at the venue of the Shareholders’ meeting, over the network or otherwise shall have the confidentiality obligation.</u></p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 129</b> A Shareholder attending a Shareholders’ <del>general</del> meeting shall express one of the following opinions on any proposal to be voted on: pro, con or abstention.</p> <p>Blank, wrong, illegible or uncast votes shall be deemed as the voters’ waiver of their voting rights, and the voting results representing the shares held by such voters shall be counted as “abstentions”.</p>	<p><b>Article 108</b> A Shareholder attending a Shareholders’ meeting shall express one of the following opinions on any proposal to be voted on: pro, con or abstention.</p> <p>Blank, wrong, illegible or uncast votes shall be deemed as the voters’ waiver of their voting rights, and the voting results representing the shares held by such voters shall be counted as “abstentions”.</p>
<p><b>Article 130</b> If the presider of the meeting has any doubt as to the result of a resolution which has been put to vote on at the Shareholders’ general meeting, he/she may organize the counting of the votes. If the presider of the meeting has not counted the votes, any Shareholder who is present in person or by proxy and who objects to the result announced by the presider of the meeting may, immediately after the announcement of the voting result, demand that the votes be counted, and the presider of the meeting shall organize the counting of the votes immediately.</p> <p>If votes are counted at a Shareholders’ <del>general</del> meeting, the counting result shall be recorded in the meeting minutes. <del>The meeting minutes shall be kept in the domicile of the Bank together with the signature list of Shareholders attending the meeting and the power of attorney for attendance by proxy.</del></p>	<p><b>Article 109</b> If the presider of the meeting has any doubt as to the result of a resolution which has been put to vote on at the Shareholders’ general meeting, he/she may organize the counting of the votes. If the presider of the meeting has not counted the votes, any Shareholder who is present in person or by proxy and who objects to the result announced by the presider of the meeting may, immediately after the announcement of the voting result, demand that the votes be counted, and the presider of the meeting shall organize the counting of the votes immediately.</p> <p>If votes are counted at a Shareholders’ meeting, the counting result shall be recorded in the meeting minutes.</p> <p><u>Resolutions for the Shareholders’ meeting shall be announced in due time. The announcement shall specify the number of attending Shareholders and their proxies, the total number of voting Shares held by them and the proportion of these Shares to the total number of the voting Shares of the Bank, the voting method, the voting result of each resolution and the details of each of the resolutions passed.</u></p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 131</b> Where proposals regarding election of Directors <del>or Supervisors</del> were passed at the Shareholders' <del>general</del> meeting, the time the new Directors <del>or Supervisors</del> take office shall be the time when the proposals of relevant elections were passed at the Shareholders' <del>general</del> meeting, until the expiry of the term of the current Board. If their qualifications are subject to the approval from the China Banking Regulatory Authority according to related laws, regulations or rules, the time new Directors <del>or Supervisors</del> take office shall be the time when the China Banking Regulatory Authority approved.</p>	<p><b>Article 110</b> Where proposals regarding election of Directors were passed at the Shareholders' meeting, the time the new Directors take office shall be the time when the proposals of relevant elections were passed at the Shareholders' meeting, until the expiry of the term of the current Board. If their qualifications are subject to the approval from the China Banking Regulatory Authority according to related laws, regulations or rules, the time new Directors take office shall be the time when the China Banking Regulatory Authority approved.</p>
<p><b>Article 132</b> Where proposals regarding cash dividend, stock distribution or conversion of the capital reserve into share capital were passed at the Shareholders' <del>general</del> meeting, the Bank shall implement the specific plan within two months after conclusion of the Shareholders' <del>general</del> meeting.</p>	<p><b>Article 111</b> Where proposals regarding cash dividend, stock distribution or conversion of the capital reserve into share capital were passed at the Shareholders' meeting, the Bank shall implement the specific plan within two months after conclusion of the Shareholders' meeting.</p>

# APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Existing Articles of Association	Amended Articles of Association
<b>Chapter 7 Special Procedures for Voting by Class Shareholders</b>	<b>Delete the whole chapter (Articles 133 to 140)</b>
<b>Chapter 8 Board of Directors</b>	<b>Chapter <u>7</u> Board of Directors</b>
<b>Section 1 Directors</b>	<b>Section 1 Directors</b>
<p><b>Article 142</b> Directors shall be elected or removed from office by Shareholders at a Shareholders' <del>general</del> meeting, and shall serve a term of office of three years.</p> <p>A Director may serve consecutive terms if re-elected.</p> <p><del>A written notice of the intention to nominate a candidate for Director and a notice in writing by that candidate indicating his/her acceptance of such nomination shall be given to the Bank seven days before the date of the Shareholders' general meeting.</del></p> <p>The President or other senior management personnel may serve concurrently as Director. The number of Directors served by senior management personnel in the Board shall be not less than one-fourth but not more than one-third of the total members of the Board; meanwhile, the total number of Directors serving concurrently as the President or other senior management personnel and Directors served by employee representatives shall not be more than half of the total members of the Board of the Bank.</p> <p>Members of the Board <del>may</del> comprise the Bank's employee representatives. The Bank's employee representatives in the Board shall be elected and dismissed democratically at the employee representatives' meeting, employees' meeting or in other forms.</p>	<p><b>Article 112</b> Directors shall be elected or removed from office by Shareholders at a Shareholders' meeting, <u>and may be removed from his/her office by the Shareholders' meeting prior to the expiry of his/her term of office</u>, and shall serve a term of office of three years.</p> <p>A Director may serve consecutive terms if re-elected.</p> <p>The President or other senior management personnel may serve concurrently as Director. The number of Directors served by senior management personnel in the Board shall be not less than one-fourth but not more than one-third of the total members of the Board; meanwhile, the total number of Directors serving concurrently as the President or other senior management personnel and Directors served by employee representatives shall not be more than half of the total members of the Board of the Bank.</p> <p>Members of the Board <u>shall</u> comprise the Bank's employee representatives. The Bank's employee representatives in the Board shall be elected and dismissed democratically at the employee representatives' meeting, employees' meeting or in other forms.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 143</b> If any Director fails to attend Board meetings in person or by proxy for two consecutive times, the said Director shall be deemed incapable of performing his/her duties, and the Board shall suggest that the Shareholders' <del>general</del> meeting dismiss the said Director.</p>	<p><b>Article 113</b> If any Director fails to attend Board meetings in person or by proxy for two consecutive times, the said Director shall be deemed incapable of performing his/her duties, and the Board shall suggest that the Shareholders' meeting dismiss the said Director.</p>
<p><b>Article 144</b> A Director may resign prior to the expiry of his/her term of office, and shall submit a written resignation to the Board.</p> <p>A Director shall continue to perform his/her duties as a Director in accordance with the laws, administrative regulations, departmental rules and the Articles of Association until a duly re-elected Director takes office, if the resignation of Directors within their terms of office results in the number of members of the Board being less than the quorum stipulated in the Company Law or two-thirds of the number stipulated in the Articles of Association.</p> <p>Save as provided in the preceding paragraph and the provisions for resignation of independent Directors in Article 184 of the Articles of Association, the Director's resignation shall be effective when his/her resignation is served to the Board.</p>	<p><b>Article 114</b> A Director may resign prior to the expiry of his/her term of office, and shall submit a written resignation to the Board.</p> <p>A Director shall continue to perform his/her duties as a Director in accordance with the laws, administrative regulations, departmental rules and the Articles of Association until a duly re-elected Director takes office, if the resignation of Directors within their terms of office results in the number of members of the Board being less than the quorum stipulated in the Company Law or two-thirds of the number stipulated in the Articles of Association.</p> <p>Save as provided in the preceding paragraph and the provisions for resignation of independent Directors in Article 184 of the Articles of Association, the Director's resignation shall be effective when his/her resignation is served to the Board.</p>

Existing Articles of Association	Amended Articles of Association
<p>Upon the expiry of a Director's term of office, or the number of Directors being less than the quorum stipulated in the Company Law or two-thirds of the number stipulated in the Articles of Association, the Bank should initiate the procedure of electing a new Director and hold Shareholders' <b>general</b> meeting to proceed.</p> <p><del>A Shareholders' general meeting may dismiss a non-independent Director within his/ her term of office by an ordinary resolution provided that the relevant laws, regulations and regulatory rules are observed (however, the claim for compensation under any contract shall not be affected). The dismissal of an independent Director must be approved by two-thirds of votes of the Shareholders presenting at the meeting.</del></p> <p>If a Director is dismissed by Shareholders' <b>general</b> meeting, has deceased, resigned for losing independence or otherwise failed to perform his/her duty, resulting in the number of Directors being less than the quorum stipulated in the Company Law or the quorum necessary for voting of the Board, the power of Board should be delegated to the Shareholders' <b>general</b> meeting until the number of the Directors meets the requirements.</p>	<p>Upon the expiry of a Director's term of office, or the number of Directors being less than the quorum stipulated in the Company Law or two-thirds of the number stipulated in the Articles of Association, the Bank should initiate the procedure of electing a new Director and hold Shareholders' meeting to proceed.</p> <p><u>The Shareholders' meeting may resolve to remove a Director, with the removal taking effect on the date the resolution is made. If the Director is removed before the expiration of the term of office without proper cause reason, the Director may request the Bank for compensation.</u></p> <p>If a Director is dismissed by Shareholders' meeting, has deceased, resigned for losing independence or otherwise failed to perform his/her duty, resulting in the number of Directors being less than the quorum stipulated in the Company Law or the quorum necessary for voting of the Board, the power of Board should be delegated to the Shareholders' meeting until the number of the Directors meets the requirements.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 147</b> If any Director violates the laws, administrative regulations, departmental rules or the Articles of Association in fulfilling his/her duties, thereby incurring any loss of the Bank, the said Director shall be liable for compensation.</p>	<p><b>Article 117</b> <u>The Bank shall be liable for any damage caused to others by its directors in the course of performing duties for the Bank, and the directors shall be personally liable for any damage caused by their willful actions or gross negligence.</u></p> <p>If any Director violates the laws, administrative regulations, departmental rules or the Articles of Association in fulfilling his/her duties, thereby incurring any loss of the Bank, the said Director shall be liable for compensation.</p>
Section 2 Board of Directors	Section 2 Board of Directors
<p><b>Article 148</b> The Bank shall have a Board of Directors which is accountable to the Shareholders' <del>general</del> meeting.</p>	<p><b>Article 118</b> The Bank shall have a Board of Directors which is accountable to the Shareholders' meeting.</p>



Existing Articles of Association	Amended Articles of Association
<p><b>Article 150</b> The Board of Directors shall exercise the following functions and powers:</p> <p>(I) to convene Shareholders' <del>general</del> meetings and report its performance at the Shareholders' <del>general</del> meetings;</p> <p>(II) to implement resolutions of Shareholders' <del>general</del> meetings;</p> <p>.....</p> <p>(XIV) to formulate proposals for any amendment to the Articles of Association; to formulate the rules of procedures for the Shareholders' <del>general</del> meeting and the Board of Directors, and to consider and approve the working rules for the special committees under the Board of Directors;</p> <p>(XV) to take responsibility for the Bank's information disclosure, to formulate the Bank's information disclosure system and to manage the Bank's information disclosure; and to take the ultimate responsibility for ensuring the authenticity, accuracy, integrity and timeliness of the accounting and financial reports;</p> <p>(XVI) to make proposal at the Shareholders' <del>general</del> meeting for engagement, dismissal or non-renewal of an accounting firm providing regular legal audit services of financial reports for the Bank;</p>	<p><b>Article 120</b> The Board of Directors shall exercise the following functions and powers:</p> <p>(I) to convene Shareholders' meetings and report its performance at the Shareholders' meetings;</p> <p>(II) to implement resolutions of Shareholders' meetings;</p> <p>.....</p> <p>(XIV) to formulate proposals for any amendment to the Articles of Association; to formulate the rules of procedures for the Shareholders' meeting and the Board of Directors, and to consider and approve the working rules for the special committees under the Board of Directors;</p> <p>(XV) to take responsibility for the Bank's information disclosure, to formulate the Bank's information disclosure system and to manage the Bank's information disclosure; and to take the ultimate responsibility for ensuring the authenticity, accuracy, integrity and timeliness of the accounting and financial reports;</p> <p>(XVI) to make proposal at the Shareholders' meeting for engagement, dismissal or non-renewal of an accounting firm providing regular legal audit services of financial reports for the Bank;</p>

Existing Articles of Association	Amended Articles of Association
(XVII) to listen to the work report of the President of the Bank and inspect his/her work;	(XVII) to listen to the work report of the President of the Bank and inspect his/her work;
(XVIII) to review any significant capital expenditures, contracts and commitments that exceed the spending limits set by the Board for senior management;	(XVIII) to review any significant capital expenditures, contracts and commitments that exceed the spending limits set by the Board for senior management;
(XIX) to formulate a plan for the sale or transfer of all or most of the business or assets of the Bank;	(XIX) to formulate a plan for the sale or transfer of all or most of the business or assets of the Bank;
(XX) to formulate a development strategy and supervise its implementation, <del>and to approve green credit strategies;</del>	(XX) to formulate a development strategy and supervise its implementation;
(XXI) to determine the environmental, social and governance (ESG) strategic plans, annual goals, major policies and basic systems of the Bank, to assume the ultimate responsibility for ESG management, and to supervise and evaluate the implementation of the Bank's ESG strategy;	(XXI) to determine the environmental, social and governance (ESG) strategic plans, annual goals, major policies and basic systems of the Bank, to assume the ultimate responsibility for ESG management, and to supervise and evaluate the implementation of the Bank's ESG strategy;

Existing Articles of Association	Amended Articles of Association
(XXII) to protect the legal rights of financial consumers and other stakeholders, and to formulate strategies, policies and objectives for the protection of consumer's rights and interests, to urge the senior management of the whole Bank to effectively carry out and implement relevant work, to regularly listen to the senior management's special report on this work, and to supervise and evaluate the comprehensiveness, promptness and effectiveness of the Bank's consumer rights protection work and the performance of the senior management in this respect, with the relevant work as the important content of information disclosure;	(XXII) to protect the legal rights of financial consumers and other stakeholders, and to formulate strategies, policies and objectives for the protection of consumer's rights and interests, to urge the senior management of the whole Bank to effectively carry out and implement relevant work, to regularly listen to the senior management's special report on this work, and to supervise and evaluate the comprehensiveness, promptness and effectiveness of the Bank's consumer rights protection work and the performance of the senior management in this respect, with the relevant work as the important content of information disclosure;
(XXIII) to formulate the policies for tolerance of risks, risk management and internal control, and to take the ultimate responsibility to manage overall risks;	(XXIII) to formulate the policies for tolerance of risks, risk management and internal control, and to take the ultimate responsibility to manage overall risks;
(XXIV) to establish a communication mechanism with the Shareholders' <del>general</del> meeting, the CPC Committee <del>and the Board of Supervisors</del> on major issues to provide truthful information and reports;	(XXIV) to establish a communication mechanism with the Shareholders' meeting, the CPC Committee on major issues to provide truthful information and reports;
(XXV) to regularly evaluate and improve the Bank's corporate governance to ensure that the corporate governance mechanism provides appropriate protection and equal rights for all Shareholders of the Bank;	(XXV) to regularly evaluate and improve the Bank's corporate governance to ensure that the corporate governance mechanism provides appropriate protection and equal rights for all Shareholders of the Bank;

Existing Articles of Association	Amended Articles of Association
<p>(XXVI) to take the responsibility for managing Shareholders' affairs, and to establish the mechanism of identifying, inspecting and managing interest conflicts between Shareholders, especially substantial Shareholders and the Bank;</p> <p>(XXVII) to exercise the power to manage remuneration of the staff;</p> <p>(XXVIII) to exercise any other functions and powers prescribed by the laws, administrative regulations, rules or the Articles of Association and authorized by the Shareholders' <b>general</b> meetings.</p>	<p>(XXVI) to take the responsibility for managing Shareholders' affairs, and to establish the mechanism of identifying, inspecting and managing interest conflicts between Shareholders, especially substantial Shareholders and the Bank;</p> <p>(XXVII) to exercise the power to manage remuneration of the staff;</p> <p>(XXVIII) to exercise any other functions and powers prescribed by the laws, administrative regulations, rules or the Articles of Association and authorized by the Shareholders' meetings.</p>
<p><b>Article 151</b> The Board of the Bank shall make explanations to the Shareholders' <b>general</b> meeting in relation to the qualified audit opinions produced by certified public accountants on the financial reports of the Bank.</p>	<p><b>Article 121</b> The Board of the Bank shall make explanations to the Shareholders' meeting in relation to the qualified audit opinions produced by certified public accountants on the financial reports of the Bank.</p>
<p><b>Article 152</b> The Board shall formulate the Rules of Procedure for Board Meetings to ensure the Board's implementation of resolutions of the Shareholders' <b>general</b> meeting, enhance the work efficiency, and ensure scientific decision making of the Board.</p>	<p><b>Article 122</b> The Board shall formulate the Rules of Procedure for Board Meetings to ensure the Board's implementation of resolutions of the Shareholders' meeting, enhance the work efficiency, and ensure scientific decision making of the Board.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 153</b> The Board shall determine the authority for purchase and disposal of fixed assets and intangible assets, external investment, acquisition and sale of assets, asset disposal and write-off, pledge of assets, entrusted wealth management and related party transactions, establish stringent examination and decision making procedures, organize relevant specialists or professional personnel to review material investment projects, and report such investment projects and matters required to be reported to the Shareholders' <del>general</del> meeting according to the Articles of Association to the Shareholders' <del>general</del> meeting for approval.</p> <p>The Bank's external investments are equity investments made by the Bank in other financial institutions; the Bank's acquisition and sale of assets refers to the Bank's acquisition and sale of equity assets; the Bank's pledge of assets refers to the Bank's external pledge of its fixed assets; and the Bank's entrusted wealth management refers to the Bank's entrusting other institutions to manage its own assets.</p> <p>The purchase and disposal of fixed assets and intangible assets, external investment, acquisition and sale of assets, pledge of assets and entrusted wealth management involved in the daily operating activities shall be executed by the President based on the items and quotas in the annual budget approved. Unbudgeted items and budgeted but unspecified items shall be executed according to the following authorization:</p>	<p><b>Article 123</b> The Board shall determine the authority for purchase and disposal of fixed assets and intangible assets, external investment, acquisition and sale of assets, asset disposal and write-off, pledge of assets, entrusted wealth management and related party transactions, establish stringent examination and decision making procedures, organize relevant specialists or professional personnel to review material investment projects, and report such investment projects and matters required to be reported to the Shareholders' meeting according to the Articles of Association to the Shareholders' meeting for approval.</p> <p>The Bank's external investments are equity investments made by the Bank in other financial institutions; the Bank's acquisition and sale of assets refers to the Bank's acquisition and sale of equity assets; the Bank's pledge of assets refers to the Bank's external pledge of its fixed assets; and the Bank's entrusted wealth management refers to the Bank's entrusting other institutions to manage its own assets.</p> <p>The purchase and disposal of fixed assets and intangible assets, external investment, acquisition and sale of assets, pledge of assets and entrusted wealth management involved in the daily operating activities shall be executed by the President based on the items and quotas in the annual budget approved. Unbudgeted items and budgeted but unspecified items shall be executed according to the following authorization:</p>

Existing Articles of Association	Amended Articles of Association
<p>As for the Bank's purchase and disposal of fixed assets and intangible assets, pledge of assets and entrusted wealth management, items not exceeding RMB50 million (inclusive) shall be approved by the President; items exceeding RMB50 million but not more than 30% (inclusive) of the latest audited net assets shall be approved by the Board; and items exceeding 30% (not inclusive) of the latest audited net assets of the Bank shall be approved by the Shareholders' <del>general</del> meeting.</p> <p>Regarding the Bank's external investment and acquisition and sale of assets, items not exceeding RMB10 million (inclusive) shall be approved by the President; items exceeding RMB10 million but not more than 30% (inclusive) of the latest audited net assets shall be approved by the Board; and items exceeding 30% (not inclusive) of the latest audited net assets of the Bank shall be approved by the Shareholders' <del>general</del> meeting.</p> <p>For the Company's 12-month consecutive purchase, sale or replacement of the same or related fixed assets in batches, the related amount shall be calculated cumulatively.</p>	<p>As for the Bank's purchase and disposal of fixed assets and intangible assets, pledge of assets and entrusted wealth management, items not exceeding RMB50 million (inclusive) shall be approved by the President; items exceeding RMB50 million but not more than 30% (inclusive) of the latest audited net assets shall be approved by the Board; and items exceeding 30% (not inclusive) of the latest audited net assets of the Bank shall be approved by the Shareholders' meeting.</p> <p>Regarding the Bank's external investment and acquisition and sale of assets, items not exceeding RMB10 million (inclusive) shall be approved by the President; items exceeding RMB10 million but not more than 30% (inclusive) of the latest audited net assets shall be approved by the Board; and items exceeding 30% (not inclusive) of the latest audited net assets of the Bank shall be approved by the Shareholders' meeting.</p> <p>For the Company's 12-month consecutive purchase, sale or replacement of the same or related fixed assets in batches, the related amount shall be calculated cumulatively.</p>

Existing Articles of Association	Amended Articles of Association
<p><del>Article 154 For the disposal of any fixed assets by the Board, if the aggregate of the expected value of the fixed assets proposed to be disposed of and the value of the fixed assets which had been disposed of within four months immediately preceding such proposal for disposal exceeds 33% of the fixed assets value shown in the latest balance sheet reviewed at a Shareholders' general meeting, the Board shall not dispose of or approve the disposal of such fixed assets without the prior approval of the Shareholders' general meeting.</del></p> <p><del>The disposal of fixed assets referred to in this article includes the transfer of interests of certain assets, but excludes the provision of fixed assets as pledges to any guarantees.</del></p> <p><del>Any breach of the first paragraph of this article shall not affect the validity of any transaction entered into by the Bank in disposing of fixed assets.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><b>Article 155</b> Board meetings include periodic meetings and extraordinary meetings.</p> <p>Periodic meetings of the Board shall be held at least four times every year, and shall be convened by the chairman of the Board. A written notice of the meeting shall be made to all the Directors <del>and Supervisors</del> 14 days before the date of the meeting, and the agenda and relevant meeting documents shall be delivered to all Directors three days before the meeting is held.</p> <p><del>The Board shall notify the Supervisors to attend the Board meeting.</del></p> <p>The decisions, resolutions and meeting minutes of the Board shall be reported to the China Banking Regulatory Authority for the record within 10 days after the conclusion of the meeting.</p>	<p><b>Article 124</b> Board meetings include periodic meetings and extraordinary meetings.</p> <p>Periodic meetings of the Board shall be held at least four times every year, and shall be convened by the chairman of the Board. A written notice of the meeting shall be made to all the Directors 14 days before the date of the meeting, and the agenda and relevant meeting documents shall be delivered to all Directors three days before the meeting is held.</p> <p>The decisions, resolutions and meeting minutes of the Board shall be reported to the China Banking Regulatory Authority for the record within 10 days after the conclusion of the meeting.</p>



Existing Articles of Association	Amended Articles of Association
<p><b>Article 156</b> The chairman of the Board shall convene and preside over an extraordinary Board meeting within 10 days in any of the following circumstances when it is:</p> <p>(I) proposed by Shareholders representing more than one-tenth of the voting rights;</p> <p>(II) <b>jointly</b> proposed by more than one-third of the Directors;</p> <p>(III) proposed by <del>the Board of Supervisors</del>;</p> <p>(IV) considered necessary by the chairman of the Board;</p> <p>(V) proposed by more than two of the independent Directors;</p> <p>(VI) proposed by the President;</p> <p>(VII) required by the regulatory authority.</p>	<p><b>Article 125</b> The chairman of the Board shall convene and preside over an extraordinary Board meeting within 10 days <u>upon receipt of the proposal</u> in any of the following circumstances when it is:</p> <p>(I) proposed by Shareholders representing more than one-tenth of the voting rights;</p> <p>(II) proposed by more than one-third of the Directors;</p> <p>(III) proposed by <u>Audit Committee of the Board</u>;</p> <p>(IV) considered necessary by the chairman of the Board;</p> <p>(V) proposed by more than two of the independent Directors;</p> <p>(VI) proposed by the President;</p> <p>(VII) required by the regulatory authority.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 157</b> The Board shall serve the notices of Board meetings and extraordinary Board meetings by: announcement, mail (including email), fax and/or personal delivery;</p> <p>The notice of extraordinary Board meetings shall be served to all Directors <del>and Supervisors</del> within five workdays before the date of convening the meeting.</p> <p>Where an extraordinary Board meeting needs to be convened in emergency, the notice of the meeting may be sent by telephone or by other verbal means at any time, but the convener shall make explanations at the meeting.</p> <p>Before serving the notice of a periodic Board meeting, the Office of the Board shall adequately consult with the Directors, and shall formulate a preliminary proposal for the meeting and then submit the same to the chairman of the Board for consideration. Before formulating a proposal, the chairman of the Board shall, where necessary, seek opinions of the President and other senior management personnel.</p> <p>The contents of the proposal shall be within the functions and powers of the Board specified in the Articles of Association, and the proposal-related documents shall be submitted together with the proposal.</p> <p>The Office of the Board shall submit to the chairman of the Board the aforesaid written proposal and related documents upon receipt of the same. Where the chairman of the Board deems the proposal not well-defined or specific or the related documents inadequate, the chairman of the Board may require the proposer to amend or supplement the proposal.</p>	<p><b>Article 126</b> The Board shall serve the notices of Board meetings and extraordinary Board meetings by: announcement, mail (including email), fax and/or personal delivery;</p> <p>The notice of extraordinary Board meetings shall be served to all Directors within five workdays before the date of convening the meeting.</p> <p>Where an extraordinary Board meeting needs to be convened in emergency, the notice of the meeting may be sent by telephone or by other verbal means at any time, but the convener shall make explanations at the meeting.</p> <p>Before serving the notice of a periodic Board meeting, the Office of the Board shall adequately consult with the Directors, and shall formulate a preliminary proposal for the meeting and then submit the same to the chairman of the Board for consideration. Before formulating a proposal, the chairman of the Board shall, where necessary, seek opinions of the President and other senior management personnel.</p> <p>The contents of the proposal shall be within the functions and powers of the Board specified in the Articles of Association, and the proposal-related documents shall be submitted together with the proposal.</p> <p>The Office of the Board shall submit to the chairman of the Board the aforesaid written proposal and related documents upon receipt of the same. Where the chairman of the Board deems the proposal not well-defined or specific or the related documents inadequate, the chairman of the Board may require the proposer to amend or supplement the proposal.</p>

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APPENDIX I      PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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Existing Articles of Association	Amended Articles of Association
<p><b>Article 158</b> The notice of Board meeting shall specify:</p> <p>(I) date and venue of the meeting;</p> <p>(II) <del>form</del> of the meeting;</p> <p>(III) reasons for holding the meeting and topics for discussion;</p> <p><del>(IV) the convener and the presider of the meeting, proposer of and written proposal for the extraordinary meeting;</del></p> <p><del>(V) requirements for the Directors to attend the meeting in person or by proxy;</del></p> <p><del>(VI) associate(s) and means of contact;</del></p> <p><del>(VII)</del> date on which the notice is sent.</p>	<p><b>Article 127</b> The notice of Board meeting shall specify:</p> <p>(I) date and venue of the meeting;</p> <p>(II) <u>duration</u> of the meeting;</p> <p>(III) reasons for holding the meeting and topics for discussion;</p> <p>(IV) date on which the notice is sent.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 159</b> Board meetings shall be held only if more than half of the Directors are present. Save as otherwise specified in Article 162 of the Articles of Association, resolutions made by the Board shall be passed by more than half of all Directors.</p> <p>Resolutions of the Board shall be voted on as per “one person, one vote” system.</p> <p>Directors shall attend Board meetings in person. If any Director cannot attend the meeting for any reason, he/she may authorize in writing another Director to act on his/her behalf. Where a Director appoints a representative to attend the meeting, he/she shall review the meeting documents in advance, form definite opinions, and appoint another Director in writing to attend the meeting on his/her behalf. The proxy who attends the meeting shall present the power of attorney sealed or signed by the principal which shall specify:</p> <p>(I) <del>the names of the principal and proxy;</del></p> <p>(II) <del>brief opinions of the principal on respective proposals;</del></p> <p>(III) <del>the principal’s scope of authorization and instructions about voting intent in relation to respective proposals;</del></p> <p>(IV) <del>signature of the principal, date, etc.</del></p> <p>.....</p>	<p><b>Article 128</b> Board meetings shall be held only if more than half of the Directors are present. Save as otherwise specified in Article 131 of the Articles of Association, resolutions made by the Board shall be passed by more than half of all Directors.</p> <p>Resolutions of the Board shall be voted on as per “one person, one vote” system.</p> <p>Directors shall attend Board meetings in person. If any Director cannot attend the meeting for any reason, he/she may authorize in writing another Director to act on his/her behalf. Where a Director appoints a representative to attend the meeting, he/she shall review the meeting documents in advance, form definite opinions, and appoint another Director in writing to attend the meeting on his/her behalf. The proxy who attends the meeting shall present the power of attorney sealed or signed by the principal which shall specify <u>the proxy’s name, matters covered by the proxy, scope of authorization, and validity period.</u></p> <p>.....</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 160</b> Where a Director <del>or any of his/her close associates (as defined in the Hong Kong Listing Rules)</del> has related party relationship with the enterprises involved in a resolution at a Board meeting <del>or has material interests in the contracts, arrangements or any other proposed matters to be resolved</del>, he/she shall not have the right to vote on the resolution, nor shall he/she exercise the voting right on behalf of other Directors <del>or be counted in the quorum present at the meeting, save as otherwise specified by the laws, regulations, normative documents and relevant regulations of the securities regulatory authorities at the place where shares of the Bank are listed (including but not limited to the Articles of Association approved by the Hong Kong Stock Exchange)</del>. Such Board meeting may be convened if more than half of the non-related Directors attend the meeting. If the number of non-related Directors attending the meeting is less than three, the matter shall be submitted to the Shareholders' <del>general</del> meeting for consideration.</p>	<p><b>Article 129</b> Where a Director has related party relationship with the enterprises <del>or individuals</del> involved in a resolution at a Board meeting, <u>the Director shall report to the Board in a timely manner in writing. Directors with related relationships</u> shall not have the right to vote on the resolution, nor shall he/she exercise the voting right on behalf of other Directors. Such Board meeting may be convened if more than half of the non-related Directors attend the meeting, <u>and the resolution of the Board meeting shall be passed by more than half of the non-related Directors present.</u> If the number of non-related Directors attending the meeting is less than three, the matter shall be submitted to the Shareholders' meeting for consideration.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 164</b> Attending Directors shall have the right to have an explanatory note made in the minutes regarding his/her speech at the meeting.</p> <p>Opinions on the Bank's decisions provided by independent Directors shall be recorded in the minutes of Board meetings.</p> <p>Directors shall sign and be responsible for the resolutions passed at Board meetings. If a resolution of the Board violates the applicable laws, administrative regulations or the Articles of Association or resolutions of the Shareholders' <del>general</del> meeting, and as a result of which the Bank sustains losses, Directors adopting the resolution shall be liable to compensate the Bank. However, if it can be proved that a Director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such Director shall be relieved from that liability.</p>	<p><b>Article 133</b> Attending Directors shall have the right to have an explanatory note made in the minutes regarding his/her speech at the meeting.</p> <p>Opinions on the Bank's decisions provided by independent Directors shall be recorded in the minutes of Board meetings.</p> <p>Directors shall sign and be responsible for the resolutions passed at Board meetings. If a resolution of the Board violates the applicable laws, administrative regulations or the Articles of Association or resolutions of the Shareholders' meeting, and as a result of which the Bank sustains losses, Directors adopting the resolution shall be liable to compensate the Bank. However, if it can be proved that a Director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such Director shall be relieved from that liability.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 165</b> The minutes of a Board meeting shall specify:</p> <p>(I) the date; venue <del>and form</del> of the meeting;</p> <p>(II) <del>names of the convener and president;</del></p> <p><del>(III) sending of the notice of the meeting;</del></p> <p><del>(IV)</del> names of the attending Directors and the Directors (proxies) attending the meeting on behalf of others;</p> <p><del>(V)</del> agenda of the meeting;</p> <p><del>(VI)</del> summaries of the speeches of Directors;</p> <p><del>(VII)</del> voting method and result for each resolution (the voting result shall set out the numbers of pros, cons and abstentions).</p>	<p><b>Article 134</b> The minutes of a Board meeting shall specify:</p> <p>(I) the date <u>and</u> venue of the meeting <u>and names of the convener</u>;</p> <p>(II) names of the attending Directors and the Directors (proxies) attending the meeting on behalf of others;</p> <p>(III) agenda of the meeting;</p> <p>(IV) summaries of the speeches of Directors;</p> <p>(V) voting method and result for each resolution (the voting result shall set out the numbers of pros, cons and abstentions).</p>
<p><del><b>Article 166</b>—The Bank shall submit the due diligence report of the Board at least containing the following contents to the China Banking Regulatory Authority within four months after the end of each fiscal year:</del></p> <p><del>(I) the number of Board meetings convened;</del></p> <p><del>(II) evaluation report on the performance of Directors;</del></p> <p><del>(III) meeting documents and resolutions of the Board meetings signed by the Directors.</del></p>	

Existing Articles of Association	Amended Articles of Association
Section 3 Independent Directors	Section 3 Independent Directors
<p><b>Article 167</b> Directors of the Bank include independent Directors. Independent Directors of the Bank are Directors who do not hold any positions in the Bank other than directorship and do not maintain with the Bank and its Shareholders, de facto controllers a connection which may possibly <b>hamper</b> their independent and objective judgments. Independent Directors shall fulfil the obligations of honesty and diligence to the Bank and all the Shareholders thereof.</p> <p>Independent Directors shall, pursuant to the relevant laws, regulations and the Articles of Association, diligently perform their duties and protect the rights and interests of the Bank as a whole, the legal rights and interests of medium and small Shareholders and finance consumers, in particular the rights and interests of depositors and medium and small Shareholders.</p> <p>Independent Directors shall perform their duties independently, without being affected by the Bank's Shareholders, de facto controllers, senior management and other entities or individuals having conflicts of interests with the Bank.</p> <p>Independent Directors are entitled to proper remunerations based on the criteria formulated by the Board and reviewed and passed by the Shareholders' <del>general</del> meeting.</p>	<p><b>Article 135</b> Directors of the Bank include independent Directors. Independent Directors of the Bank are Directors who do not hold any positions in the Bank other than directorship and do not maintain <u><b>direct or indirect interest</b></u> with the Bank and its <u><b>substantial</b></u> Shareholders, de facto controllers <u><b>or</b></u> a connection which may possibly <u><b>affect</b></u> their independent and objective judgments <u><b>in other ways</b></u>. Independent Directors shall fulfil the obligations of honesty and diligence to the Bank and all the Shareholders thereof.</p> <p>Independent Directors shall, pursuant to the relevant laws, regulations and the Articles of Association, diligently perform their duties and protect the rights and interests of the Bank as a whole, the legal rights and interests of medium and small Shareholders and finance consumers, in particular the rights and interests of depositors and medium and small Shareholders.</p> <p>Independent Directors shall perform their duties independently, without being affected by the Bank's Shareholders, de facto controllers, senior management and other entities or individuals having conflicts of interests with the Bank.</p> <p>Independent Directors are entitled to proper remunerations based on the criteria formulated by the Board and reviewed and passed by the Shareholders' meeting.</p>



Existing Articles of Association	Amended Articles of Association
<p><b>Article 169</b> Independent Directors shall have high professional competence and good reputation, and shall meet the following conditions:</p> <p>(I) <del>having a bachelor's degree or above or a related professional title above medium level;</del></p> <p>(II) <del>having more than five years' experience in legal, economic, banking and financial work or other work required for fulfilling duties as independent Director;</del></p> <p>(III) <del>capable of reading, understanding and analyzing the credit statistics and financial statements of commercial banks;</del></p> <p>(IV) <del>familiar with the laws and regulations related to the operation and management of commercial banks;</del></p> <p>(V) <del>other circumstances as stipulated by laws, administrative regulations and departmental rules.</del></p>	<p><b>Article 137</b> Independent Directors shall have high professional competence and good reputation, and shall meet the following conditions:</p> <p>(I) <u>having the qualifications required to serve as a Director of a listed company, as provided for by laws and regulations, regulatory provisions, business rules of the stock exchange where the shares of the Bank are listed and the Articles of Association;</u></p> <p>(II) <u>to meet the independence requirements stipulated in the Articles of Association;</u></p> <p>(III) <u>to have basic knowledge of the operation of a listed company, to be familiar with the relevant laws and regulations, and rules;</u></p> <p>(IV) <u>to have more than five years' work experience, in the fields of laws, accounting or economics, etc. required to perform the duties of an independent Director;</u></p> <p>(V) <u>to possess good personal integrity and have no records of major breach of trust or other negative records;</u></p> <p>(VI) <u>other laws and regulations, regulatory provisions, business rules of the stock exchange where the shares are listed of the Bank and other conditions stipulated in the Articles of Association.</u></p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 170</b> The following persons shall not serve as independent Directors of the Bank:</p> <p>(I) <del>persons serving the Bank or enterprises held or actually controlled by the Bank and their immediate family members and major social connections (immediate family members shall include spouse, parents, children, grandparents and siblings; and major social connections shall include parents-in-law, sons/daughters-in-law, spouses of siblings, siblings of spouse, etc.); or persons serving the Bank or enterprises held or actually controlled by the Bank in the three years before taking up the office and their immediate family members;</del></p> <p>(II) <del>Shareholders or persons and their immediate family members serving the shareholder entities which directly or indirectly hold more than 1% of the Bank's issued shares (immediate family members shall include spouse, parents, children, grandparents and siblings);</del></p> <p>(III) <del>individual Shareholders in the top 10 Shareholders of the Bank and their immediate family members;</del></p> <p>(IV) <del>employees of the enterprises that have failed to repay their borrowings from the Bank upon maturity;</del></p> <p>(V) <del>de facto controllers of the Bank and persons serving its subsidiaries;</del></p>	<p><b>Article 138</b> <u>An independent director shall maintain his/her independence.</u> The following persons shall not serve as independent Directors of the Bank:</p> <p>(I) <u>persons working in the Bank or its subsidiary and their spouses, parents, children and near relatives;</u></p> <p>(II) <u>persons who directly or indirectly hold 1% or above of the issued shares of the Bank or who are natural person shareholders amongst the top ten shareholders of the Bank and their spouses, parents and children;</u></p> <p>(III) <u>persons working in a Shareholders' unit which directly or indirectly holds 5% or above of the issued shares of the Bank or in the unit of the top five Shareholders of the Bank and their spouses, parents and children;</u></p> <p>(IV) <u>persons working in the affiliates of the Bank's controlling Shareholders or de facto controllers and their spouses, parents and children;</u></p> <p>(V) <u>persons having material business dealings with the Bank and its controlling Shareholders, de facto controllers or their respective affiliates, or persons working in entities that have material business dealings with the Company, and their controlling Shareholders or de facto controllers;</u></p>

Existing Articles of Association	Amended Articles of Association
<p>(VI) <del>persons serving institutions which provide financial, legal, consulting and other business connections for or have interest relationship with the Bank and its controlling Shareholders or their respective subsidiaries, including but not limited to all members of the project team of intermediaries, reviewing officers at all levels, persons signing the report, partners and persons-in-charge;</del></p> <p>(VII) <del>persons serving as directors, supervisors or senior management personnel in the entities which have significant business transactions with the Bank and its controlling Shareholders or their respective subsidiaries, or persons serving as directors, supervisors or senior management personnel in the controlling shareholder entities of the entities having such business transactions;</del></p> <p>(VIII) <del>persons falling under items (I) to (VII) within the preceding year;</del></p> <p>(IX) <del>any other persons on whom the Bank can carry out control or exert significant influence by various means;</del></p> <p>(X) <del>other persons who cannot serve as independent Directors under laws, administrative regulations and departmental rules.</del></p> <p><del>No independent Director may be removed without any cause before expiry of his/her term of office.</del></p>	<p>(VI) persons which provide financial, legal, consulting, <u>sponsorship</u> and other <u>services</u> with the Bank and its controlling Shareholders, <u>de facto controllers</u>, or their respective subsidiaries, including but not limited to all members of the project team of intermediaries, reviewing officers at all levels, persons signing the report, partners, <u>Directors</u>, <u>senior management personnel</u> and persons-in-charge;</p> <p>(VII) persons falling under <u>items (I) to (VI) within the latest twelve months;</u></p> <p>(VIII) <u>persons who cannot serve as independent Directors stipulated by laws and regulations, regulatory provisions and the Articles of Association.</u></p> <p><u>Affiliates of the Bank's controlling shareholders and de facto controllers as set out in items (IV) to (VI) of the preceding paragraphs, exclude enterprises that are controlled by the same state-owned asset management entity as the Bank and do not constitute a related party relationship with the Bank under the relevant provisions.</u></p> <p><u>The independent directors shall conduct an annual self-examination of their independence and submit such examination results to the Board. The Board shall evaluate the independence of the existing independent directors annually and issue a special opinion, and disclose the same in the annual report.</u></p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 171</b> Except for the circumstances under Article 170 of the Articles of Association, a person shall not serve as independent Director of the Bank in any of the following circumstances when:</p> <p>.....</p> <p>(IV) he/she serves as an independent director in more than five domestic and overseas companies; He/she serves as an independent director in more than two commercial banks at the same time. He/she serves as an independent director in commercial banks which are related to each other and exists a conflict of interest (except the association caused by the Independent Director's part-time job);</p> <p>(V) other circumstances in which he/she shall not hold the position of independent director stipulated by laws, <del>administrative regulations, departmental rules, normative documents</del> or the Articles of Association.</p>	<p><b>Article 139</b> Except for the circumstances under Article 138 of the Articles of Association, a person shall not serve as independent Director of the Bank in any of the following circumstances when:</p> <p>.....</p> <p>(IV) he/she serves as an independent director in more than five domestic and overseas companies, <u>or he/she serves as an independent director in more than three domestic listed companies, or</u> he/she serves as an independent director in more than two commercial banks at the same time. He/she serves as an independent director in commercial banks which are related to each other and exists a conflict of interest (except the association caused by the Independent Director's part-time job);</p> <p>(V) other circumstances in which he/she shall not hold the position of independent director stipulated by laws <u>and</u> regulations, <u>regulatory provisions</u> or the Articles of Association.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 172</b> The Nomination and Remuneration Committee of the Board, or Shareholders severally or jointly holding more than 1% of the total voting shares of the Bank, <del>and the Board of Supervisors</del> can nominate candidates for independent Directors to the Board. Any Shareholder who has nominated a candidate for Director shall not nominate a candidate for independent Director. The qualifications of such candidate for Director shall be verified by the Nomination and Remuneration Committee of the Board and elected at a Shareholders' <del>general</del> meeting.</p> <p>The qualifications of independent Directors shall be reported to and examined by the China Banking Regulatory Authority.</p>	<p><b>Article 140</b> The Nomination and Remuneration Committee of the Board, or Shareholders severally or jointly holding more than 1% of the total voting shares of the Bank can nominate candidates for independent Directors to the Board. Any Shareholder who has nominated a candidate for Director shall not nominate a candidate for independent Director. The qualifications of such candidate for Director shall be verified by the Nomination and Remuneration Committee of the Board and elected at a Shareholders' meeting.</p> <p>The qualifications of independent Directors shall be reported to and examined by the China Banking Regulatory Authority.</p>
<p><b>Article 174</b> A Shareholder can only nominate a candidate for independent Director <del>or external Supervisor and shall not nominate such candidates at the same time.</del></p>	<p><b>Article 142</b> A Shareholder can only nominate a candidate for independent Director.</p>
<p><b>Article 178</b> Evaluation report of independent Directors considered at the Shareholders' <del>general</del> meeting shall at least include the number of Board meetings attended by the independent Directors, primary information of each attendance at the Board meetings, objections raised by independent Directors, handling of the Board and other contents.</p>	<p><b>Article 146</b> Evaluation report of independent Directors considered at the Shareholders' meeting shall at least include the number of Board meetings attended by the independent Directors, primary information of each attendance at the Board meetings, objections raised by independent Directors, handling of the Board and other contents.</p>

Existing Articles of Association	Amended Articles of Association
<p><del>Article 179 The Board of Supervisors shall propose at a Shareholders' general meeting to dismiss an independent Director in any of the following circumstances:</del></p> <p><del>(I) the independent Director who does not resign from the position when he/she is no longer qualified to be an independent Director due to a change in his/her position;</del></p> <p><del>(II) the independent Director fails to attend the Board meetings for three consecutive times or attend less than two-thirds of the Board meetings in person in a year;</del></p> <p><del>(III) the independent Director works in the Bank for less than 15 workdays in a year;</del></p> <p><del>(IV) other circumstances provided by laws where an independent Director is no longer suitable for serving as independent Director.</del></p>	<p><u>Article 147 If the independent Director fails to attend the Board Meetings for two consecutive times in person or delegate another independent Director to attend on his/her behalf; or fails to attend the Board Meetings for three consecutive times in person, the Board should propose convening a Shareholders' meeting within thirty days from the date of occurrence to remove such independent Director from office.</u></p>

Existing Articles of Association	Amended Articles of Association
<p><del>Article 180—The proposal for dismissal of an independent Director made by the Board of Supervisors shall be passed by the votes of more than two-thirds of all Supervisors before submission to the Shareholders’ general meeting for consideration. The independent Director may brief the Board of Supervisors on relevant information before the Board of Supervisors puts forward the proposal for dismissal, and may make relevant statements and explanations.</del></p> <p><del>Where the Board of Supervisors proposes to remove an independent Director at the Shareholders’ general meeting, it shall report to the China Banking Regulatory Authority and issue a written notice to the said independent Director one month before the date of the Shareholders’ general meeting. The said independent Director has the right to make an oral or written statement before voting and to submit such statement to the China Banking Regulatory Authority five days before the date of the Shareholders’ general meeting. The Shareholders’ general meeting shall deliberate on the statement of the said independent Director according to laws before proceeding to a vote.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><b>Article 181</b> An independent Director of the Bank is entitled to the following special powers:</p> <p>(I) <del>to approve of material related party transactions and submit them to the Board for consideration; an independent Director may engage an intermediary to produce an independent financial advisor's report to serve as a basis for his/her judgment;</del></p> <p>(II) <del>to propose to the Board for appointment or dismissal of accounting firm;</del></p> <p><del>(III)</del> to request the Board to convene an extraordinary <del>general</del> meeting;</p> <p>(IV) to propose to convene a Board meeting;</p> <p>(V) <del>to independently appoint external audit and consulting institutions;</del></p> <p>(VI) to openly collect <del>voting</del> rights from Shareholders <del>before a Shareholders' general meeting is convened.</del></p> <p>An independent Director shall seek the consent of <del>more than half of</del> all the independent Directors before exercising the above powers. <del>Where the aforementioned proposals fail to be accepted or the said powers cannot be exercised normally, the Bank shall disclose the relevant details.</del></p>	<p><b>Article 148</b> An independent Director of the Bank is entitled to the following special powers:</p> <p>(I) <u>to independently engage an intermediary to audit, consult or review specific matters of the Bank;</u></p> <p>(II) to request the Board to convene an extraordinary general meeting;</p> <p>(III) to propose to convene a Board meeting;</p> <p>(IV) <u>to express independent opinions on matters that may jeopardize the rights and interests of the Bank or minority Shareholders;</u></p> <p>(V) to openly collect <u>Shareholders'</u> rights from Shareholders <u>in accordance with the law.</u></p> <p>An independent Director shall seek the consent of <u>the majority of</u> all the independent Directors before exercising the above powers <u>under items (I) to (III).</u></p>



Existing Articles of Association	Amended Articles of Association
<p><b>Article 182</b> An independent Director shall, in addition to fulfilling the aforesaid duties, provide the Board or Shareholders' <del>general</del> meeting with independent opinions on the following matters:</p> <p>.....</p> <p>(VII) significant related party transactions</p> <p>(VIII) other matters that may have a significant impact on the legitimate rights and interests of the Bank, medium and small shareholders and the financial consumers, matters which the independent Directors deem likely to damage the legitimate rights and interests of depositors, medium and small Shareholders and other stakeholders;</p> <p>(IX) other matters specified in the laws and regulations, regulatory requirement or the Articles of Association <del>of the Bank</del>.</p>	<p><b>Article 149</b> An independent Director shall, in addition to fulfilling the aforesaid duties, provide the Board or Shareholders' meeting with independent opinions on the following matters:</p> <p>.....</p> <p>(VII) significant related party transactions;</p> <p>(VIII) other matters that may have a significant impact on the legitimate rights and interests of the Bank, medium and small shareholders and the financial consumers, matters which the independent Directors deem likely to damage the legitimate rights and interests of depositors, medium and small Shareholders and other stakeholders;</p> <p>(IX) other matters specified in the laws and regulations, regulatory requirement or the Articles of Association.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 183</b> To ensure that independent Directors can exercise their powers effectively, the Bank shall provide them with necessary conditions:</p> <p>(I) <del>The Bank shall ensure that the independent Directors have the same right to know as other Directors; in respect of any issue to be decided by the Board, the Bank shall inform the independent Directors in advance before the mandatory deadline and provide adequate material; where any independent Director deems the material provided as inadequate, he/she may require supplementation. where two or more independent Directors are of the opinion that the material provided is insufficient or is of unclear argument, they may jointly make a written proposal to the Board to postpone the convening of the Board meeting or postpone consideration on relevant issue, and the Board shall adopt such a proposal; the Bank and the independent Directors shall keep the material provided by the Bank for at least 5 years;</del></p> <p>(II) <del>The Bank shall provide the work conditions necessary for the independent Directors to fulfill their duties; the secretary of the Board shall actively provide assistance to independent Directors in fulfilling their duties; for example, briefing them on the situation and providing relevant material;</del></p>	<p><b>Article 150</b> To ensure that independent Directors can exercise their powers effectively, the Bank shall provide them with necessary <u>working</u> conditions <u>and personnel support, and designate the Office of the Board, the secretary of the Board and other special departments and personnel to assist the independent Directors to fulfill their duties.</u></p>

Existing Articles of Association	Amended Articles of Association
<p><del>(III) When the independent Directors are exercising their powers, relevant persons of the Bank shall actively cooperate and shall not refuse, hinder or conceal or interfere their independent exercise of powers;</del></p> <p><del>(IV) The expenses incurred from engaging intermediaries or required for exercise of powers by independent Directors shall be borne by the Bank;</del></p> <p><del>(V) The Bank shall provide appropriate allowances to independent Directors. The standard of allowances shall be formulated by the Board, considered and approved by the Shareholders' general meeting and disclosed in the annual reports of the Company. Other than that, independent Directors shall not obtain any other additional interests which are not disclosed from the Bank and its substantial Shareholders or other interested institutions and persons;</del></p> <p><del>(VI) The Bank can establish necessary liability insurance systems for independent Directors to reduce the possible risks arising from the normal duty performance of independent Directors.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><b>Article 184</b> An independent Director may resign before his/her term of office expires.</p> <p>In resigning his/her duties, an independent Director shall tender a resignation to the Board in writing and specify any matter which is related to his/her resignation or which he/she considers necessary to bring to the attention of the Shareholders and creditors.</p> <p>If any independent Director resigns so that <del>the number of independent Directors in the Board falls short of the quorum as specified in applicable laws, regulations or rules, resignation of the said independent Director shall not take effect until such vacancy is filled by a new independent Director. The independent Director shall continue to perform his duties, unless he resigns and is dismissed for loss of independence.</del></p>	<p><b>Article 151</b> An independent Director may resign before his/her term of office expires.</p> <p>In resigning his/her duties, an independent Director shall tender a resignation to the Board in writing and specify any matter which is related to his/her resignation or which he/she considers necessary to bring to the attention of the Shareholders and creditors. <u><b>The Bank shall disclose the reasons of resignation of independent Directors and any matters of concern.</b></u></p> <p>If any independent Director resigns so that <u>the proportion of independent Directors on the Board or special committees not complying with the provisions of the laws and regulations or the Articles of Association, or where there is a lack of accounting professionals among the independent Directors, the independent Director who intends to resign shall continue to perform his/her duties until the date on which a new independent Director is appointed, except in cases where the resignation is due to loss of independence or where the independent Director is removed from office. The Bank shall complete the by-election within sixty days from the date on which the independent Director submits his/her resignation.</u></p>

Existing Articles of Association	Amended Articles of Association
<p><del>Article 185 The China Banking Regulatory Authority supervise the performance of duties by independent Directors. If an independent Director is in serious neglect of duty, the China Banking Regulatory Authority has the right to disqualify him/her as independent Director; a disqualified independent Director shall not serve as independent Director of the Bank again for the rest of his/her life.</del></p> <p><del>If an independent Director is disqualified by the China Banking Regulatory Authority, he/she is relieved of his/her duties automatically from the date of disqualification. A new independent Director shall be elected responsively at the Shareholders' general meeting of the Bank.</del></p>	

Existing Articles of Association	Amended Articles of Association
Section 4 Chairman of the Board	Section 4 Chairman of the Board
<p><b>Article 190</b> The chairman of the Board shall exercise the following functions and powers:</p> <p>(I) to preside over Shareholders' <del>general</del> meetings and convene and preside over Board meetings;</p> <p>.....</p> <p>(VI) in any emergent force majeure event such as serious natural disasters, to exercise the special right of disposal in respect of the business of the Bank in compliance with applicable laws and regulations and in the interests of the Bank, and to report to the Board and the Shareholders' <del>general</del> meeting of the Bank afterwards;</p> <p>(VII) to exercise other functions and powers conferred by the Board.</p>	<p><b>Article 156</b> The chairman of the Board shall exercise the following functions and powers:</p> <p>(I) to preside over Shareholders' meetings and convene and preside over Board meetings;</p> <p>.....</p> <p>(VI) in any emergent force majeure event such as serious natural disasters, to exercise the special right of disposal in respect of the business of the Bank in compliance with applicable laws and regulations and in the interests of the Bank, and to report to the Board and the Shareholders' meeting of the Bank afterwards;</p> <p>(VII) to exercise other functions and powers conferred by the Board.</p>

Existing Articles of Association	Amended Articles of Association
Section 5 Secretary of the Board	Section 5 Secretary of the Board
<p>Article 194 <del>The secretary of the Board shall be a natural person with requisite professional knowledge and experience, and is mainly responsible for:</del></p> <p>(I) <del>addressing and coordinating the information disclosure of the Bank, organizing the formulation of information disclosure management system of the Bank, and urging the Bank and relevant information disclosure obligors to observe relevant provisions concerning information disclosure;</del></p> <p>(II) <del>addressing investor relationship management, and coordinating the exchange of information between the Bank and the China Banking Regulatory Authority and other regulatory authorities of the State, investors, media, etc.;</del></p> <p>(III) <del>organizing and arranging Board meetings and Shareholders' general meetings, attending Shareholders' general meetings, Board meetings, meetings of the Board of Supervisors and meetings of senior management personnel, and taking and signing Board meeting minutes;</del></p> <p>(IV) <del>paying attention to media reports and actively verifying the authenticity of the reports;</del></p>	<p>Article 160 <u>The secretary of the Board is responsible for the preparation of Shareholders' meeting and Board meetings of the Bank, the custody of documents and the management of the Bank's Shareholder information and is responsible for organizing and coordinating matters relating to the Bank's information disclosure.</u></p> <p><u>The secretary of the Board shall comply with the relevant provisions of laws and regulations, regulatory requirements and the Articles of Association.</u></p>

Existing Articles of Association	Amended Articles of Association
<p>(V) <del>organizing trainings concerning relevant laws, administrative regulations, departmental rules and relevant provisions for Directors, Supervisors and senior management personnel of the Bank, and assisting the said persons in understanding their duties in information disclosure;</del></p> <p>(VI) <del>when learning that the Directors, Supervisors and senior management personnel of the Bank have violated laws, administrative regulations, departmental rules, other normative documents or the Articles of Association, or the Bank has made or may make a decision in violation of relevant regulations, reminding relevant persons and reporting to relevant regulatory authorities;</del></p> <p>(VII) <del>addressing the equity management affairs of the Bank, and ensuring that the Bank's shareholder register is duly established and that the persons who have the right of access to the relevant records and documents of the Bank obtain the same in due time;</del></p>	



Existing Articles of Association	Amended Articles of Association
<p><del>(VIII) keeping the documents containing details of shareholdings in the Bank by the Bank's Directors, Supervisors, senior management personnel, controlling Shareholders and their directors, supervisors and senior management personnel, ensuring that the Bank has complete organizational documents and records, and disclosing changes in the shareholdings of the Bank's Directors, Supervisors and senior management personnel;</del></p> <p><del>(IX) ensuring that the Bank legally prepares and submits reports and documents as required by the competent authorities;</del></p> <p><del>(X) fulfilling other duties as required by laws, administrative regulations, departmental rules, regulating documents and the Articles of Association.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><del>Article 195—A Director or other senior management personnel of the Bank may serve concurrently as secretary of the Board. However, a Supervisor of the Bank shall not serve concurrently as secretary of the Board. A certified public accountant of the accounting firm or a lawyer of the law firm engaged by the Bank shall not serve concurrently as secretary of the Board.</del></p> <p><del>In the event a Director of the Bank serves concurrently as secretary of the Board, where any act requires to be executed by the Director and the secretary of the Board separately, the said Director serving concurrently as secretary of the Board shall not execute the said act in both capacities.</del></p>	
<p><del>Article 196—The secretary of the Board of the Bank may serve concurrently as director of the Office of the Board. The secretary of the Board shall be appointed by the Board. The job qualifications of the secretary of the Board shall be examined by the China Banking Regulatory Authority.</del></p>	

Existing Articles of Association	Amended Articles of Association
Section 6 Special Committees under the Board	Section 6 Special Committees under the Board
<p><b>Article 197</b> The Board of the Bank establishes the Development Strategy and Social Responsibility Committee, Related Party Transactions Control Committee, Risk Management Committee, Audit Committee, Nomination and Remuneration Committee and Consumer Rights Protection Committee. All members of the special committees shall be Directors with professional knowledge and working experience for fulfilling their duties and each of the special committees shall have at least three members. In the Audit Committee and Nomination and Remuneration Committee, independent Directors shall be the majority and the proportion of independent Directors in the Related Party Transactions Control Committee and Risk Management Committee shall, in principle, not be less than one-third. In the Related Party Transactions Control Committee, <del>Audit Committee</del> and Nomination and Remuneration Committee, independent Directors shall act as chairperson.</p>	<p><b>Article 161</b> The Board of the Bank establishes the Development Strategy and Social Responsibility Committee, Related Party Transactions Control Committee, Risk Management Committee, Audit Committee, Nomination and Remuneration Committee and Consumer Rights Protection Committee. All members of the special committees shall be Directors with professional knowledge and working experience for fulfilling their duties and each of the special committees shall have at least three members. In the Audit Committee and Nomination and Remuneration Committee, independent Directors shall be the majority and the proportion of independent Directors in the Related Party Transactions Control Committee and Risk Management Committee shall, in principle, not be less than one-third. In the Related Party Transactions Control Committee and Nomination and Remuneration Committee, independent Directors shall act as chairperson.</p>

Existing Articles of Association	Amended Articles of Association
<p>Members of the Audit Committee shall all be non-executive Directors, a majority of which shall be independent Directors. The members should have expertise and work experience in some aspect of finance, audit, accounting or law and at least one of the independent Director shall have appropriate professional qualifications as set out under relevant laws and regulations (including but not limited to the Hong Kong Listing Rules) or have appropriate accounting or related financial management expertise.</p> <p>The person in charge of the Risk Management Committee should have the experience in judging and managing various types of risks.</p> <p>The special committees under the Board shall provide professional advice to the Board or make decisions on professional matters as authorized by the Board.</p> <p>Each of the relevant special committees should regularly communicate with the senior management and departments on the Bank's operation and risk status, and provide opinions and suggestions.</p>	<p>Members of the Audit Committee shall all be non-executive Directors, a majority of which shall be independent Directors. The members should have expertise and work experience in some aspect of finance, audit, accounting or law and at least one of the independent Director shall have appropriate professional qualifications as set out under relevant laws and regulations (including but not limited to the Hong Kong Listing Rules) or have appropriate accounting or related financial management expertise ' <b><u>and the chairperson of the committee shall be an independent Director with accounting expertise.</u></b></p> <p>The person in charge of the Risk Management Committee should have the experience in judging and managing various types of risks.</p> <p>The special committees under the Board shall provide professional advice to the Board or make decisions on professional matters as authorized by the Board.</p> <p>Each of the relevant special committees should regularly communicate with the senior management and departments on the Bank's operation and risk status, and provide opinions and suggestions.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 199</b> The Related Party Transactions Control Committee is mainly responsible for:</p> <p>.....</p> <p>(V) regularly reporting to the Board <del>and the Board of Supervisors</del> on confirmed related parties and related party transactions;</p> <p>.....</p>	<p><b>Article 163</b> The Related Party Transactions Control Committee is mainly responsible for:</p> <p>.....</p> <p>(V) regularly reporting to the Board on confirmed related parties and related party transactions;</p> <p>.....</p>
<p><b>Article 203</b> The Audit Committee is mainly responsible for:</p> <p>(I) <del>formulating internal audit systems, mid – and long-term audit plans and annual audit work plans, etc., and submitting them to the Board for approval;</del></p> <p>(II) <del>reviewing the duty performance by the Bank’s chief audit officer and the person in charge of the audit department, and providing recommendations and opinions to the Board on their appointment and removal;</del></p>	<p><b>Article 167</b> <u>The Audit Committee shall exercise the functions and powers of the Board of Supervisors as stipulated in the Company Law. It shall be responsible for reviewing the Bank’s financial information and its disclosure, supervising and evaluating internal and external audit work as well as internal controls. The following matters shall be submitted to the Board for consideration upon obtaining approval from more than half of all members of the Audit Committee:</u></p> <p>(I) <u>disclosure of financial information set out in financial accounting reports and periodic reports, and internal control evaluation reports;</u></p> <p>(II) <u>engagement or dismissal of the accounting firm undertaking the Bank’s audits work;</u></p>

Existing Articles of Association	Amended Articles of Association
<p><del>(III) listening to the work reports of the internal audit department of the Bank, guiding the internal audit work of the audit department, and evaluating and supervising the audit work;</del></p> <p><del>(IV) examining the implementation of internal audit work and reporting the audit work to the Board;</del></p> <p><del>(V) evaluating and resolving on internal audit procedure as authorized by the Board;</del></p> <p><del>(VI) recommending independent external audit institutions (accounting firms) to the Board of the Bank; reviewing and supervising the audit of the Bank's operation and management by external audit institutions and making recommendations for the renewal or removal of such external audit institutions;</del></p> <p><del>(VII) putting forward the external audit plan of the year (including the scope, procedure and method of audit), and reviewing the opinions and suggestions of the external audit institution after completion of audit;</del></p> <p><del>(VIII) coordinating the communication between internal auditors and external auditors;</del></p> <p><del>(IX) auditing the financial information of the Bank and disclosure thereof;</del></p>	<p><u>(III) appointment or dismissal of the financial controller of the Bank;</u></p> <p><u>(IV) changes to accounting policies, changes to accounting estimates or correction of material accounting errors made for reasons other than changes in accounting standards;</u></p> <p><u>(V) other matters stipulated by laws and regulations, regulatory requirements and the Articles of Association.</u></p>

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APPENDIX I      PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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Existing Articles of Association	Amended Articles of Association
<p><del>(X) reviewing the internal control system of the Bank;</del></p> <p><del>(XI) keeping abreast of major financial matters and changes in accounting policies of the Bank, and carrying out relevant work accordingly;</del></p> <p><del>(XII) providing proposals to the Board on the staffing and composition of the audit institution according to the operating activities, asset size and shareholding structure of the Bank;</del></p> <p><del>(XIII) fulfilling other duties as authorized by the Board.</del></p>	

Existing Articles of Association	Amended Articles of Association
<b>Section 7 Information Disclosure</b>	<b>Section 7 Information Disclosure</b>
<b>Chapter 9 Senior Management and Senior Management Personnel</b>	<b>Chapter 8 Senior Management and Senior Management Personnel</b>
<p><b>Article 214</b> The senior management of the Bank consists of the President, vice President, chief financial officer and other senior management personnel appointed by the Board of the Bank. The senior management is accountable to the Board <del>and subject to the supervision of the Board of Supervisors.</del></p> <p>.....</p> <p>The President and vice Presidents of the Bank shall have the qualifications <del>as those required for the chairman and vice chairman specified in Article 188 of the Articles of Association.</del></p>	<p><b>Article 178</b> The senior management of the Bank consists of the President, vice President, chief financial officer and other senior management personnel appointed by the Board of the Bank. The senior management is accountable to the Board.</p> <p>.....</p> <p>The President and vice Presidents of the Bank shall have the qualifications <u>that comply with the requirements of the China Banking Regulatory Authority and other relevant laws and regulations.</u></p>
<p><b>Article 217</b> Staff members of the controlling Shareholders <del>and de facto controllers</del> of the Bank who serve positions other than Director shall not serve as senior management member of the Bank.</p>	<p><b>Article 181</b> Staff members of the controlling Shareholders of the Bank who serve <u>administrative</u> positions other than Director shall not serve as senior management member of the Bank.</p>



Existing Articles of Association	Amended Articles of Association
<p><b>Article 220</b> The President is accountable to the Board and organizes and carries out the business management activities of the Bank in accordance with laws, regulations, rules, the Articles of Association and the authorization of the Board.</p> <p>The President shall perform the following functions and powers:</p> <p>(I) to propose to the Board to appoint or dismiss vice Presidents, chief financial officer and other senior management personnel of the Bank;</p> <p>(II) to appoint or dismiss persons <del>in charge of the functional departments and branches of the Bank</del> other than those to be engaged or dismissed by the Board;</p> <p>(III) to submit the annual business management plan and investment plan to the Board on behalf of the senior management personnel, and to organize the implementation upon approval by the Board;</p> <p>(IV) to authorize other senior management personnel and persons in charge of internal functional departments and branches to engage in operating activities;</p> <p>(V) to <del>draft</del> internal management institution setting plan of the Bank;</p>	<p><b>Article 184</b> The President is accountable to the Board and organizes and carries out the business management activities of the Bank in accordance with laws, regulations, rules, the Articles of Association and the authorization of the Board.</p> <p>The President shall perform the following functions and powers:</p> <p>(I) to propose to the Board to appoint or dismiss vice Presidents, chief financial officer and other senior management personnel of the Bank;</p> <p>(II) to appoint or dismiss persons other than those to be engaged or dismissed by the Board;</p> <p>(III) to submit the annual business management plan and investment plan to the Board on behalf of the senior management personnel, and to organize the implementation upon approval by the Board;</p> <p>(IV) to authorize other senior management personnel and persons in charge of internal functional departments and branches to engage in operating activities;</p> <p>(V) to <u>formulate</u> internal management institution setting plan of the Bank;</p>

Existing Articles of Association	Amended Articles of Association
<p>(VI) to adopt emergency measures when any material emergency (such as a run on the Bank) arises and promptly report them to the China Banking Regulatory Authority; the Board of Directors <b>and the Board of Supervisors</b>;</p>	<p>(VI) to adopt emergency measures when any material emergency (such as a run on the Bank) arises and promptly report them to the China Banking Regulatory Authority <u>and</u> the Board of Directors;</p>
<p>(VII) to <b>draft</b> the Bank's basic management system;</p>	<p>(VII) to <b>formulate</b> the Bank's basic management system;</p>
<p>(VIII) to formulate the Bank's specific regulations;</p>	<p>(VIII) to formulate the Bank's specific regulations;</p>
<p>(IX) to preside over the daily operation and management of the Bank, to organize the implementation of the resolutions of the Board, and to report the work to the Board;</p>	<p>(IX) to preside over the daily operation and management of the Bank, to organize the implementation of the resolutions of the Board, and to report the work to the Board;</p>
<p>(X) other functions and rights <b>that should be exercised by the President</b> conferred by laws; regulations, <b>rules</b> and the Articles of Association.</p>	<p>(X) other functions and rights conferred by laws <u>and</u> regulations, <b><u>regulatory requirements</u></b> and the Articles of Association <b><u>or granted by the Board</u></b>.</p>
<p>The President shall attend Board meetings, and if he/she is not a Director, he/she shall not have any voting right at Board meetings.</p>	<p>The President shall attend Board meetings, and if he/she is not a Director, he/she shall not have any voting right at Board meetings.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 222</b> The working rules of the President shall specify:</p> <p>.....</p> <p>(III) use of funds and assets of the Bank, authority to conclude important contracts, and the system to report to the Board <del>and the Board of Supervisors</del>;</p> <p>(IV) other matters deemed necessary by the Board.</p>	<p><b>Article 186</b> The working rules of the President shall specify:</p> <p>.....</p> <p>(III) use of funds and assets of the Bank, authority to conclude important contracts, and the system to report to the Board;</p> <p>(IV) other matters deemed necessary by the Board.</p>
<p><b>Article 225</b> If any senior management member violates the laws, administrative regulations, departmental rules or the Articles of Association in fulfilling his/her duties, thereby incurring economic losses to the Bank, the said senior management member shall be liable for compensation.</p>	<p><b>Article 189</b> If any senior management member violates the laws, administrative regulations, departmental rules or the Articles of Association in fulfilling his/her duties, thereby incurring economic losses to the Bank, the said senior management member shall be liable for compensation.</p> <p><u><b>If any senior management personnel causes damage to others in fulfilling his/her duties, the Bank shall be liable for compensation; if any senior management personnel acts with intent or gross negligence, he/she shall also be liable for compensation.</b></u></p>

Existing Articles of Association	Amended Articles of Association
	<p><u>Senior management personnel of the Bank shall perform their duties honestly, and protect the best interests of the Bank and all its Shareholders.</u></p> <p><u>If any senior management personnel of the Bank fails to faithfully perform his/her duties or breaches fiduciary obligations, thereby causing damage to the interests of the Bank and public shareholders, he/she shall be liable for compensation in accordance with the law.</u></p>
Chapter 10 Board of Supervisors	Delete the whole chapter
Chapter 11 Qualifications and Duties of Directors, <del>Supervisors</del> , President and Other Senior Management Personnel	Chapter 9 Qualifications and Duties of Directors, President and Other Senior Management Personnel
Newly added provision	<p><u>Article 190 The qualification of the Directors and senior management personnel of the Bank shall comply with the provisions of laws and regulations, regulatory requirements and the Articles of Association. Directors and senior management personnel shall undergo qualification review by the China Banking Regulatory Authority in accordance with the aforesaid provisions.</u></p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 262</b> No person shall hold the position of Director, <del>Supervisor</del>, or senior management personnel of the Bank in one of the following circumstances:</p> <p>.....</p> <p>(IV) a legal representative of companies or enterprises which have had their business licenses revoked and the business of such companies or enterprises were compulsorily closed down due to a violation of laws in which such person was personally liable, and three years have not elapsed from which the company or enterprise had its business license revoked and was ordered to be closed down, <del>and a person who has been punished by relevant administrative authorities according to laws for serious personal liability or direct leadership liability for illegal or incompliant operating activities or heavy losses of the institution he/she has worked for;</del></p> <p>(V) a person or his/her spouse who is listed as a defaulter by the people's court since he/she owes relatively large amounts of due and outstanding debt, <del>including but not limited to overdue loans from the Bank; or a person who is engaging in high-risk investment obviously beyond his/her risk capacity in connection with his/her family property, and an individual or enterprise employee who has overdue loans from the Bank;</del></p>	<p><b>Article 191</b> No person shall hold the position of Director or senior management personnel of the Bank in one of the following circumstances:</p> <p>.....</p> <p>(IV) a legal representative of companies or enterprises which have had their business licenses revoked and the business of such companies or enterprises were compulsorily closed down due to a violation of laws in which such person was personally liable, and three years have not elapsed from which the company or enterprise had its business license revoked and was ordered to be closed down;</p> <p>(V) a person or his/her spouse who is listed as a defaulter by the people's court since he/she owes relatively large amounts of due and outstanding debt;</p> <p><u>(VI) a person who is prohibited from entering into the securities market by the securities regulatory authority for a period which has not yet expired;</u></p> <p><u>(VII) a person who is publicly determined by the stock exchange to be unsuitable to be Director or senior management personnel of a listed company for a period which has not yet expired;</u></p>

Existing Articles of Association	Amended Articles of Association
<p><del>(VI) a person who has been removed by other commercial banks or organizations due to failure to fulfill the obligation of honesty;</del></p> <p><del>(VII) a person who has been disqualified for life from being Director and senior management personnel or has been disqualified from being Director and senior management personnel for two times on a cumulative basis;</del></p> <p><del>(VIII) a person who has been punished by relevant regulatory authorities for three times on a cumulative basis;</del></p> <p><del>(IX) a person who has violated the principle of honesty for provision of false materials in fulfilling his/her work duties;</del></p> <p><del>(X) a person who has obvious conflicts of interest with the duties of the proposed position as Director or senior management personnel;</del></p> <p><del>(XI) a person who has acted in violation of social morality, causing bad influences;</del></p> <p><del>(XII) a person under investigation by judicial authorities for suspected violations of criminal law and the investigation is still ongoing;</del></p>	<p>(VIII) other circumstances as stipulated by the law <u>and</u> regulations, <u>regulatory requirements or</u> the Articles of Association.</p> <p>Where any Director is elected or appointed <u>or any senior management personnel is engaged</u> in violation of the provisions in this article, the said election or appointment <u>or engagement</u> shall be invalid. Where any Director <u>or senior management personnel get</u> involved in any of the circumstances in this article during his/her term of office, <u>the Bank shall</u> remove him/her as Director <u>or senior management personnel</u>.</p>

Existing Articles of Association	Amended Articles of Association
<p><del>(XIII) a person judged by relevant competent authorities as having violated the provisions of securities laws and regulations, the violation involves fraudulent or dishonest acts, and less than five years have elapsed since the ruling;</del></p> <p><del>(XIV) a non-natural person;</del></p> <p><del>(XV) other circumstances as stipulated by the laws, administrative regulations or departmental rules.</del></p> <p>Where any Director is elected or appointed in violation of the provisions in this article, the said election <del>or</del> appointment shall be invalid. Where any Director <del>gets</del> involved in any of the circumstances in this article during his/her term of office, <del>the Board of Supervisors shall request the Shareholders' general meeting to</del> remove him/her as Director.</p>	
<p><del>Article 263 The validity of an act carried out by Directors and senior management personnel of the Bank on behalf of the Bank as against a bona fide third party shall not be affected by any incompliance in the appointment, election or qualification thereof.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><del>Article 264 In exercising the functions and powers conferred by the Bank, Directors, Supervisors and senior management personnel of the Bank shall fulfil the following obligations to each Shareholder in addition to the obligations required by laws, regulations, regulatory rules or the listing rules of the stock exchange where shares of the Bank are listed, and the Articles of Association:</del></p> <p><del>(I) not to let the Bank operate beyond the business scope specified in its business license;</del></p> <p><del>(II) to sincerely act in the best interest of the Bank;</del></p> <p><del>(III) not to seize from the Bank any asset, including but not limited to opportunity favorable to the Bank;</del></p> <p><del>(IV) not to seize from any Shareholder any personal interests, including but not limited to dividend right and voting right, but excluding the restructuring of the Bank submitted to the Shareholders' general meeting for approval pursuant to the Articles of Association.</del></p>	
<p><del>Article 265 In exercising rights or fulfilling obligations, the Directors, Supervisors and senior management personnel of the Bank have the duty to act with due discretion, diligence and skill as a reasonable discreet person should do in similar circumstances.</del></p>	



Existing Articles of Association	Amended Articles of Association
<p><del>Article 266 Each of the Bank's Directors, Supervisors and senior management personnel shall perform his/her duties in accordance with fiduciary principle; and shall not put himself/herself in a position where his/her duty may conflict with his/her interest. This principle shall include (but not limited to) fulfilling the following obligations:</del></p> <p><del>(I) to act honestly in the best interest of the Bank;</del></p> <p><del>(II) to act within the scope of its powers and not to exceed such powers;</del></p> <p><del>(III) to exercise his/her proportional decision power in person without being subject to the manipulations of other persons, and not to transfer such power to other persons unless permitted by law or administrative regulation or approved by the Shareholders with full knowledge at the Shareholders' general meeting;</del></p> <p><del>(IV) to treat Shareholders of the same class with equality, and different classes with fairness;</del></p> <p><del>(V) not to enter into contracts or conduct transactions or make arrangements with the Bank unless otherwise provided by the Articles of Association or approved by the Shareholders with full knowledge at the Shareholders' general meeting;</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><del>(VI) not to employ the Bank's assets in any way so as to pursue interests for himself/herself unless approved by the Shareholders with full knowledge at the Shareholders' general meeting;</del></p> <p><del>(VII) not to accept any bribery or other illegal income by using his/her powers and position, and seize the assets of the Bank in any manner, including but not limited to opportunities beneficial to the Bank;</del></p> <p><del>(VIII) not to accept commissions relating to the transactions of the Bank, without the approval of the Shareholders with full knowledge at the Shareholders' general meeting;</del></p> <p><del>(IX) to obey the Articles of Association, perform his/her duties honestly and faithfully, protect the Bank's interests, and not to pursue his/her personal gain by taking advantage of his/her powers and positions at the Bank;</del></p> <p><del>(X) not to compete with the Bank in any way unless approved by the Shareholders with full knowledge at the Shareholders' general meeting;</del></p>	

Existing Articles of Association	Amended Articles of Association
<p>(XI) <del>not to misappropriate the funds of the Bank or lend the funds of the Bank to other persons, open accounts in his/her own or another individual's name for deposit of the Bank's assets, or use Bank's assets as security for the debts of the Shareholders of the Bank or other individuals;</del></p> <p>(XII) <del>not to divulge the confidential information relating to the Bank received during his/her term of office, unless approved by the Shareholders with full knowledge at the Shareholders' general meeting; and not to use such information unless for the purpose of the Bank's interests; however, it is allowed to disclose such information to a court of law or other governing authorities under the following circumstances:</del></p> <ol style="list-style-type: none"> <li>1. <del>as prescribed by law;</del></li> <li>2. <del>as required for the purpose of public interest;</del></li> <li>3. <del>as required for the purpose of such Director's, Supervisor's, senior management personnel's own interests.</del></li> </ol>	

Existing Articles of Association	Amended Articles of Association
<p><b>Article 267</b> Directors shall observe laws, <del>administrative</del> regulations and the Articles of Association and shall assume the following duties of due diligence to the Bank, <del>in addition to the provisions of Article 266 of the Articles of Association:</del></p> <p>(I) to cautiously, earnestly and diligently fulfill the rights conferred by the Bank to ensure that the business conduct of the Bank is in conformity with laws, administrative regulations, departmental rules and all economic policies of the State, and its business activities shall not go beyond the business scope as registered in its business license;</p> <p><del>(II)</del> to timely become aware of the business and management situation of the Bank;</p> <p><del>(III)</del> to sign written confirmations of the regular reports issued by the Bank and to ensure the information disclosed by the Bank is true, accurate and complete;</p> <p>(IV) to faithfully furnish related information and materials to the <del>Board of Supervisors</del>, and not to interfere with the <del>Board of Supervisors or the Supervisors</del> in exercising its/their powers;</p>	<p><b>Article 192</b> Directors <u>and senior management personnel of the Bank</u> shall observe laws <u>and</u> regulations, <u>regulatory requirements</u> and the Articles of Association and shall assume the following duties of due diligence to the Bank, <u>and exercise the reasonable care that may be expected of a manager normally in performing his/her duties in the best interests of the Bank.</u></p> <p><u>Directors and senior management personnel of the Bank shall assume the following duties of due diligence to the Bank:</u></p> <p>(I) to cautiously, earnestly and diligently fulfill the rights conferred by the Bank to ensure that the business conduct of the Bank is in conformity with laws, administrative regulations, departmental rules and all economic policies of the State, and its business activities shall not go beyond the business scope as registered in its business license;</p> <p><u>(II) treats all Shareholders fairly;</u></p> <p><u>(III)</u> to timely become aware of the business and management situation of the Bank;</p> <p><u>(IV)</u> to sign written confirmations of the regular reports issued by the Bank and to ensure the information disclosed by the Bank is true, accurate and complete;</p>

Existing Articles of Association	Amended Articles of Association
<p>(V) <del>to exercise personally the lawfully-conferred disposal concerning the management of the Bank without being subject to the manipulations of other persons, and not to transfer such discretion to other persons unless permitted by applicable law or approved by the Shareholders with full knowledge at the Shareholders' general meeting;</del></p> <p>(VI) to fulfill other duties of due diligence stipulated by laws, <del>administrative</del> regulations, <del>departmental rules</del> and the Articles of Association.</p>	<p>(V) to faithfully furnish related information and materials to the <u>Audit Committee under the Board</u>, and not to interfere with the <u>Audit Committee under the Board</u> in exercising its/their powers;</p> <p>(VI) to fulfill other duties of due diligence stipulated by laws <u>and</u> regulations, <u>regulatory requirements</u> and the Articles of Association.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 268</b> Directors shall observe laws, <del>administrative</del> regulations and the Articles of Association and shall assume the <del>following</del> duties of loyalty to the Bank, <del>in addition to the provisions of Article 266 of the Articles of Association:</del></p> <p>(I) <del>not to violate the Articles of Association or enter into contracts or conduct transactions with the Bank without approval of the Shareholders' general meeting;</del></p> <p>(II) <del>not to, without approval of the Shareholders' general meeting, seek business opportunities which should have belonged to the Bank for himself/herself or others by using his/her powers and position, or run the same businesses as those of the Bank for himself/herself or for others;</del></p> <p>(III) not to take advantage of his/her connection with the Bank to harm interests of the Bank;</p> <p>(IV) other duties of loyalty as prescribed by laws, <del>administrative</del> regulations, <del>departmental rules</del> and the Articles of Association.</p> <p>The proceeds obtained by a Director in violation of this Articles of Association shall belong to the Bank. Where the Bank suffers any losses thereby, the said Director shall be obliged to make compensations therefor.</p>	<p><b>Article 193</b> Directors <u>and senior management personnel of the Bank</u> shall observe laws <u>and</u> regulations, <u>regulatory requirements</u> and the Articles of Association and shall assume the duties of loyalty to the Bank, <u>and shall take measures to avoid any conflict between their own interests and the interests of the Bank and shall not utilize their positions to seek undue benefits.</u></p> <p><u>Directors and senior management personnel of the Bank shall assume the following duties of loyalty to the Bank:</u></p> <p>(I) <u>not to misappropriate the Bank's properties or divert the funds of the Bank;</u></p> <p>(II) <u>not to open accounts in his/her own or another individual's name for deposit of the Bank's funds;</u></p> <p>(III) <u>not to offer bribes or accept any other illegal income by using his/her powers and position;</u></p> <p>(IV) <u>not to enter into any contract or conduct any transaction, directly and indirectly, with the Bank without reporting to the Board or the Shareholders' meeting and obtaining approval through resolutions by the Board or the Shareholders' meeting as stipulated in these Articles of Association;</u></p>

Existing Articles of Association	Amended Articles of Association
	<p>(V) <u>not to take advantage of their positions to seek any business opportunities that are due to the Bank for themselves or others, unless such business opportunities are not available to the Bank upon reporting to the Board or the Shareholders' meeting and obtaining approval through resolutions by the Shareholders' meeting or as required in laws, administrative regulations and the Articles of Association;</u></p> <p>(VI) <u>not to conduct any businesses similar to those of the Bank for themselves or others without reporting to the Board or the Shareholders' meeting and obtaining approval through resolutions by the Shareholders' meeting;</u></p> <p>(VII) <u>not to take any commission for any transaction between other parties and the Bank as their own;</u></p> <p>(VIII) <u>not to disclose any secret of the Bank without authorization;</u></p> <p>(IX) not to take advantage of his/her connection with the Bank to harm interests of the Bank;</p> <p>(X) other duties of loyalty as prescribed by laws <u>and</u> regulations, <u>regulatory requirements</u> and the Articles of Association.</p>

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**APPENDIX I      PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

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Existing Articles of Association	Amended Articles of Association
	<p>The proceeds obtained by a Director in violation of this Articles of Association shall belong to the Bank. Where the Bank suffers any losses thereby, the said Director shall be obliged to make compensations therefor.</p> <p><u>The close relatives of Directors and senior management personnel, enterprises directly or indirectly controlled by Directors, senior management personnel or their close relatives, as well as related parties with other associated relationships with Directors and senior management personnel, when entering into contracts or conducting transactions with the Bank, shall be subject to the provisions of item (4) of this Article.</u></p>



Existing Articles of Association	Amended Articles of Association
<p><del>Article 269—Directors, Supervisors and senior management personnel of the Bank shall not direct the following persons or organizations (hereinafter referred to as “Associates”) to engage in activities prohibited for Directors, Supervisors and senior management personnel:</del></p> <p><del>(I) spouses or underage children of Directors, Supervisors or senior management personnel of the Bank;</del></p> <p><del>(II) trustors of Directors, Supervisors or senior management personnel of the Bank or of such persons as described in item (I) of this article;</del></p> <p><del>(III) partners of Directors, Supervisors or senior management personnel of the Bank or of such persons as described in item (I) or (II) of this article;</del></p> <p><del>(IV) company (companies) which a Director, Supervisor or senior management personnel of the Bank has de facto single control over or joint control over with such persons as described in item (I), (II) or (III) of this article or other Directors, Supervisors or senior management personnel of the Bank; and</del></p> <p><del>(V) Directors, Supervisors and senior management personnel of the company (companies) referred to by item (IV) of this article.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><del>Article 270 The fiduciary duty of a Director, Supervisor and senior management personnel of the Bank may not necessarily cease upon the conclusion of his term, their obligations to keep confidential the business secrets of the Bank shall survive the conclusion of his/her term. The duration of the other obligations and duties shall be determined in accordance with the principle of fairness, taking into account of the lapse between the time when he/she leaves the office and the occurrence of the relevant event, and the situation and the circumstances and terms under which his/her relation with the Bank was ended.</del></p>	
<p><del>Article 271 The Shareholders with full knowledge of the relevant circumstances may at the Shareholders' general meeting relieve a Director, Supervisor and senior management personnel of the Bank of his/her liability as a result of his/her violation of any specific duty, save as by Article 74 of the Articles of Association.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><del>Article 272—A Director or any of his/her contacts (as defined in the Hong Kong Listing Rules), Supervisor and senior management personnel of the Bank who directly or indirectly has material interests in contracts, transactions, or arrangements that are being planned or have already been concluded by the Bank (save the contracts of employment between the Directors, Supervisors or senior management personnel and the Bank), shall, as soon as possible, disclose to the Board the nature and extent of his/her interests, regardless of whether or not the matters at hand require the approval of the Board.</del></p> <p><del>Unless the interested Directors, Supervisors or senior management personnel of the Bank have made such disclosure to the Board as required by the preceding paragraph of this article, and the relevant matter has been approved by the Board at the Board's meeting where such Directors, Supervisors or other senior management personnel have not been counted as part of the quorum and voted thereat, the Bank shall be entitled to cancel such contracts, transactions, or arrangements, except as to any other party which is a bona fide party without knowledge of the violation of duties on the part of such Directors, Supervisors and senior management personnel.</del></p> <p><del>Where the Associates of the Directors, Supervisors and senior management personnel of the Bank have interests in such contracts, transactions or arrangements, such Directors, Supervisors and senior management personnel shall also be deemed to be interested.</del></p>	

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APPENDIX I      PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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Existing Articles of Association	Amended Articles of Association
<p><del>Article 273 If, prior to the Bank's initial consideration of such contracts, transactions, or arrangements referred to by the preceding article, a Director, Supervisor or senior management personnel of the Bank has delivered a written notice to the Board, which contains the statement that he has interests in the contracts, transactions, or arrangements to be concluded by the Bank in the future, such Director, Supervisor or senior management personnel shall be deemed to have made the disclosure stipulated by the preceding article in respect of the statement contained in the notice.</del></p> <p><del>The Bank shall arrange appropriate insurance cover in respect of legal action against its Directors.</del></p>	
<p><del>Article 274 The Bank shall not pay taxes in any form for its Directors, Supervisors and senior management personnel.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><del>Article 275—The Bank shall not, directly or indirectly, provide any loan or loan guarantee to the Directors, Supervisors, President and other senior management personnel of the Bank and of its parent company, or any of their respective associates.</del></p> <p><del>The preceding provision shall not apply in the following circumstance:</del></p> <p><del>(I) loans or loan guarantees provided by the Bank to its subsidiaries;</del></p> <p><del>(II) loans, loan guarantees or other funds provided by the Bank to the Directors, Supervisors, President and other senior management personnel of the Bank for the payment of the expenses incurred for the purpose of the Bank or for the performance of their duties and responsibilities for the Bank pursuant to their employment contracts which were adopted by the Shareholders' general meeting;</del></p> <p><del>(III) if the normal business activities of the Bank include provision of loans and loan guarantees, loans and loan guarantees provided by the Bank to the relevant Directors, Supervisors, President and other senior management personnel of the Bank and their connected persons, provided that the loans and loan guarantees are provided on normal commercial terms and conditions.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><del>Article 276—If the Bank provides a loan in breach of the provisions above, regardless of the terms of the loan, the person who has received the loan or the borrower shall repay it immediately.</del></p> <p><del>The Bank shall not be forced to execute the loan guarantee provided by it in violation of the first paragraph of Article 275 of the Articles of Association, except in the following circumstances:</del></p> <p><del>(I) The loan provider does not know that it has provided loans to the connected persons of the Directors, Supervisors and senior management personnel of the Bank;</del></p> <p><del>(II) The guarantee provided by the Bank has been sold by the loan provider lawfully to a goodwill buyer.</del></p>	
<p><del>Article 277—The guarantee referred to in preceding articles of Chapter 11 of the Articles of Association include the act of the guarantor to undertake liability or provide property to ensure fulfilment of obligations by the obligor.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><del>Article 278 If the Directors, Supervisors, or senior management personnel of the Bank fail to fulfill the obligations to the Bank, the Bank has the right to take the following measures in addition to the rights and remedial measures under the relevant laws, regulations and regulatory rules:</del></p> <p><del>(I) to require such Director, Supervisor or senior management personnel to compensate the Bank for the losses arising from their neglect of duty;</del></p> <p><del>(II) to cancel the contracts or transactions concluded between the Bank and such Director, Supervisor or senior management personnel, or between the Bank and a third person (if the third person knows or is supposed to know that the Director, Supervisor or senior management personnel representing the Bank has breached his duties to the Bank);</del></p> <p><del>(III) to require such Director, Supervisor or senior management personnel to surrender gains arising from breach of his duties;</del></p> <p><del>(IV) to recover monies, including but not limited to commissions received by such Director, Supervisor or senior management personnel that would have been received by the Bank;</del></p> <p><del>(V) to require such Director, Supervisor or senior management personnel to surrender interests earned or likely to be earned from monies that would have been paid to the Bank.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><del>Article 279— The Bank shall enter into written contracts with the Directors and the Supervisors regarding remuneration which are subject to the prior approval from the Shareholders’ general meeting. The aforesaid remunerations include:</del></p> <p><del>(I) remuneration for the Directors, Supervisors—or—senior management personnel of the Bank;</del></p> <p><del>(II) remuneration for the Directors, Supervisors—or—senior management personnel of the subsidiaries of the Bank;</del></p> <p><del>(III) remuneration for those providing other services for managing the Bank and its subsidiaries companies;</del></p> <p><del>(IV) compensation to the Directors or Supervisors for loss of their office or upon retirement.</del></p> <p><del>Except for the contracts mentioned above, the Directors and Supervisors shall not initiate litigation against the Bank and claim benefits due to them for the foregoing matters.</del></p>	



Existing Articles of Association	Amended Articles of Association
<p><del>Article 280—The remuneration contracts between the Bank and its Directors or Supervisors shall stipulate that if the Bank is to be acquired, the Directors and Supervisors of the Bank shall, subject to prior approval from the Shareholders' general meeting, be entitled to compensation or other funds for loss of their positions or upon retirement.</del></p> <p><del>The acquisition of the Bank mentioned in the preceding paragraph refers to one of the following circumstances:</del></p> <p><del>(I) a takeover offer made by any person to all Shareholders;</del></p> <p><del>(II) a takeover offer made by any person with the intent of making the offer or the controlling Shareholder.</del></p> <p><del>If the Directors and Supervisors concerned fail to comply with this article, any funds received by them shall belong to the persons who have accepted the offer mentioned above by selling their shares. The Directors and Supervisors shall bear the expenses arising from the distribution of such amounts proportionally, and such expenses shall not be deducted from the amounts.</del></p>	

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APPENDIX I      PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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Existing Articles of Association	Amended Articles of Association
Chapter 12 Blame-taking Resignation System	Chapter 10 Blame-taking Resignation System
Article 281 to Article 286	Delete the whole chapter
Newly added provision	<p><u>Article 194 If the Directors and senior management personnel of the Bank violate the laws and regulations, regulatory requirements or the Articles of Association in fulfilling their duties, thereby incurring any loss to the Bank, they shall be liable for compensation. The Bank shall implement a system whereby Directors and senior management personnel shall resign on their own blame due to the major case, significant loss of assets or major liability accidents, and the determination of responsibilities shall be the responsibility of the Board and shall be reported to the Shareholders' meeting.</u></p>

Existing Articles of Association	Amended Articles of Association
<b>Chapter 13 Financial Accounting System, Profit Distribution and Audit</b>	<b>Chapter 11 Financial Accounting System, Profit Distribution and Audit</b>
<b>Section 1 Financial Accounting System</b>	<b>Section 1 Financial Accounting System</b>
<p><b>Article 287</b> The Bank shall formulate its financial accounting system in accordance with relevant laws, <del>administrative regulations, department rules and the provisions of the PRC accounting standards formulated by the competent financial authorities of the State Council.</del></p>	<p><b>Article 195</b> The Bank shall formulate its financial accounting system in accordance with relevant laws <u>and regulations and the provisions of the relevant authorities of the State.</u></p>
<p><del>Article 288 The Bank shall prepare a financial report at the end of each fiscal year and the same shall be reviewed and verified according to laws.</del></p> <p><del>The Bank shall publish its financial report twice each fiscal year, i.e. publish the interim financial report within 60 days after the end of the first six months of each fiscal year and publish its annual financial report within 120 days after the end of each fiscal year, which shall be audited by an accounting firm according to laws.</del> The above financial and accounting reports shall be prepared in accordance with relevant laws, administrative regulations and department regulations. If the securities regulatory authorities in the place where the securities of the Bank are listed have special provisions, such provisions shall prevail.</p>	<p><b>Article 196</b> <u>The Bank shall disclose its annual report within four months from the end of each fiscal year, and shall disclose its interim report within two months from the end of the first half of each fiscal year.</u></p> <p>The above financial and accounting reports shall be prepared in accordance with relevant laws, administrative regulations and department regulations. If the securities regulatory authorities in the place where the securities of the Bank are listed have special provisions, such provisions shall prevail.</p>

Existing Articles of Association	Amended Articles of Association
<p><del>Article 289 The financial report prepared by the Bank in accordance with relevant laws, administrative regulations and regulatory documents issued by local government or competent authorities shall be submitted by the Board of Directors of the Bank to Shareholders at every annual general meeting.</del></p>	
<p><del>Article 290 The financial report of the Bank shall be made available at the registered address of the Bank for inspection by Shareholders within 20 days prior to the holding of the annual general meeting. Each Shareholder of the Bank shall be entitled to obtain the financial report mentioned in Chapter 13 of these Articles of Association.</del></p> <p><del>Unless otherwise specified herein, the Bank shall, at least 21 days before the date of the annual general meeting, deliver to each shareholder of H Shares by person or prepaid mail at the address registered in the register of shareholders of H Shares, such financial and accounting reports, together with reports of the Board of Directors report and the balance sheet, the income statement or the statement of revenues and expenditures or the financial summary report.</del></p> <p>If the securities regulatory authority in the place where the Bank's securities are listed has other regulations, those regulations shall prevail.</p>	<p><u>Article 197 The Bank shall, at least 21 days before the convening of the Shareholders' meeting, publish its financial and accounting reports or deliver them to H Shareholders at the address registered in the register of Shareholders.</u></p> <p>If the securities regulatory authority in the place where the Bank's securities are listed has other regulations, those regulations shall prevail.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 293</b> No books of account other than those provided by the laws shall be established by the Bank. The <del>assets</del> of the Bank shall not be deposited in account opened under the name of any individual.</p>	<p><b>Article 200</b> No books of account other than those provided by the laws shall be established by the Bank. The <u>funds</u> of the Bank shall not be deposited in account opened under the name of any individual.</p>
<p><b>Article 294</b> The Bank shall formulate profit distribution policies according to its own operating conditions, risk conditions, capital planning, market environment and other factors, take into account the overall interests of all Shareholders and the sustainable development of the Bank, and balance the relationship between cash dividends and capital replenishment.</p> <p>When the Bank distributes the after-tax profits of the current year in accordance with the provisions of laws and regulations, it shall withdraw 10% as the Bank's statutory reserve fund. When the accumulated statutory reserve fund exceeds 50% of the Bank's registered capital, the Bank may cease to make such withdrawal.</p> <p>If the statutory reserve fund of the Bank is not sufficient to cover the losses made in the previous year, the profits of the current year shall be used to cover such losses before a withdrawal to the statutory reserve fund is made in accordance with the provisions of the previous paragraph.</p> <p>After the Bank draws the statutory reserve fund and general provision from the after tax profits, it may, by a resolution made at the Shareholders' <del>general</del> meeting, draw a discretionary reserve fund from the after-tax profits.</p>	<p><b>Article 201</b> The Bank shall formulate profit distribution policies according to its own operating conditions, risk conditions, capital planning, market environment and other factors, take into account the overall interests of all Shareholders and the sustainable development of the Bank, and balance the relationship between cash dividends and capital replenishment.</p> <p>When the Bank distributes the after-tax profits of the current year in accordance with the provisions of laws and regulations, it shall withdraw 10% <u>of the profits</u> as the Bank's statutory reserve fund. When the accumulated statutory reserve fund exceeds 50% of the Bank's registered capital, the Bank may cease to make such withdrawal.</p> <p>If the statutory reserve fund of the Bank is not sufficient to cover the losses made in the previous year, the profits of the current year shall be used to cover such losses before a withdrawal to the statutory reserve fund is made in accordance with the provisions of the previous paragraph.</p> <p>After the Bank draws the statutory reserve fund and general provision from the after tax profits, it may, by a resolution made at the Shareholders' meeting, draw a discretionary reserve fund from the after-tax profits.</p>

Existing Articles of Association	Amended Articles of Association
<p>The after-tax profits of the Bank, after covering the losses and withdrawing the reserve fund and general provision, shall be distributed to Shareholders in accordance with their proportion of shareholdings in the Bank.</p> <p>Where the Shareholders' <del>general</del> meeting, in contravention of the requirements provided in the preceding paragraph, distributes profits to Shareholders before making up losses, making allocations to the statutory reserve fund and the general provision in accordance with the regulations, the Shareholders shall refund all profits distributed in contravention of such requirements to the Bank.</p> <p>The Bank's shares held by the Bank shall not participate in the profit distribution.</p> <p>If the capital adequacy ratio of the Bank fails to meet the standards stipulated by applicable laws, no profits shall be distributed to investors.</p>	<p>The after-tax profits of the Bank, after covering the losses and withdrawing the reserve fund and general provision, shall be distributed to Shareholders in accordance with their proportion of shareholdings in the Bank, <b><u>except for those which are not distributed in a proportionate manner as provided by the Articles of Association.</u></b></p> <p>Where the Shareholders' meeting, in contravention of the requirements provided in the preceding paragraph, distributes profits to Shareholders before making up losses, making allocations to the statutory reserve fund and the general provision in accordance with the regulations, the Shareholders shall refund all profits distributed in contravention of such requirements to the Bank; <b><u>if such distribution incurs any loss to the Bank, the Shareholders and the responsible Directors and senior management personnel shall bear the liability for compensation.</u></b></p> <p>The Bank's shares held by the Bank shall not participate in the profit distribution.</p> <p>If the capital adequacy ratio of the Bank fails to meet the standards stipulated by applicable laws, no profits shall be distributed to investors.</p>
<p><del>Article 296—The capital reserve shall include the following:</del></p> <p>(I) <del>premium received in excess of the par value of the shares issued;</del></p> <p>(II) <del>other revenue required by the competent financial department of the State Council to be so included.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><b>Article 297</b> After the Shareholders' <del>general</del> meeting of the Bank determined the plan of profit distribution, <del>the Board of Directors of the Bank</del> shall complete distributing dividends (shares) within two months <del>after the conclusion of Shareholders' general meeting</del>.</p>	<p><b>Article 203</b> After the Shareholders' meeting of the Bank determined the plan of profit distribution, <u>or after the Board of the Bank has formulated a specific plan based on the conditions and cap of the interim dividend for the next year considered and approved by the annual Shareholders' meeting</u>, it shall complete distributing dividends (shares) within two months.</p>
<p><b>Article 300</b> The Bank shall appoint receiving agents for the Shareholders of overseas listed foreign shares. Receiving agents shall receive on behalf of relevant Shareholders dividends distributed and other payables by the Bank in respect of the overseas listed foreign shares. The receiving agent will keep these payments on behalf of the relevant shareholders pending payment to relevant shareholders.</p> <p>The receiving agent appointed by the Bank shall comply with the laws and the requirements of the regulations of the stock exchange where the shares of the Bank are listed.</p> <p><del>The Bank is the receiving agent appointed by H Shareholders and shall be a trust company registered in accordance with the Trustee Ordinance of Hong Kong.</del></p>	<p><b>Article 206</b> The Bank shall appoint receiving agents for the Shareholders of overseas listed foreign shares. Receiving agents shall receive on behalf of relevant Shareholders dividends distributed and other payables by the Bank in respect of the overseas listed foreign shares. The receiving agent will keep these payments on behalf of the relevant shareholders pending payment to relevant shareholders.</p> <p>The receiving agent appointed by the Bank shall comply with the laws and the requirements of the regulations of the stock exchange where the shares of the Bank are listed.</p>

Existing Articles of Association	Amended Articles of Association
Section 2 Internal Audit	Section 2 Internal Audit
<p>Article 302 The Bank shall implement an internal audit system <del>and have ad-hoc audit staff, for carrying out internal audit and supervision on the financial matters and economic activities of the Bank. The Bank has a chief audit officer as the head of internal audit.</del></p>	<p>Article 208 The Bank shall implement an internal audit system, <u>which specifies the leadership system, duties and responsibilities, staffing, financial security, use of audit results and accountability for internal audit work.</u></p>
<p>Article 303 <del>The Bank's internal audit system and the duties of auditors shall be implemented after approval by the Board of Directors. The person in charge of audit is accountable to the Board of Directors, and regularly reports its work to the Board of Directors and the Audit Committee, and to the Board of Supervisors, President and senior management.</del></p> <p><del>The internal audit department of the Bank shall implement vertical management and be directly led by the Board of Directors.</del></p> <p><del>Internal audit work shall be independent of business management, risk-oriented, and ensure objectiveness and fairness.</del></p>	<p>Article 209 <u>The internal audit department of the Bank conducts supervision and inspection of the business activities, risk management, internal control, financial information and other matters of the Bank.</u></p> <p><u>The internal audit department of the Bank shall be accountable to the Board of Directors.</u></p> <p><u>The internal audit department of the Bank shall be subject to the supervision and guidance of the Audit Committee of the Board of Directors in the course of its supervision and inspection of the business activities, risk management, internal control and financial information of the Bank. If the internal audit department discovers relevant major problems or clues, it shall report directly to the Audit Committee of the Board of Directors immediately.</u></p>



Existing Articles of Association	Amended Articles of Association
	<p><u>The internal audit department shall be responsible for the specific organization and implementation of the evaluation of the Bank's internal control. The Bank shall issue an annual internal control evaluation report based on the evaluation report and relevant information issued by the internal audit department and reviewed by the Audit Committee.</u></p> <p><u>The internal audit department shall actively cooperate and provide necessary support and collaboration when the Audit Committee of the Board of Directors of the Bank communicates with the external audit institutions such as accounting firms and national audit authorities.</u></p> <p><u>The Audit Committee of the Board of Directors of the Bank shall participate in the assessment of the person in charge of internal audit.</u></p>
Section 3 Appointment of Accounting Firm	Section 3 Appointment of Accounting Firm
<p><b>Article 304</b> The Bank shall appoint an independent accounting firm in compliance with relevant national regulations to audit the annual financial reports and other financial reports of the Bank. The term of appointment of an accounting firm appointed by the Bank shall start from the closing of the annual general meeting and end at the closing of the next annual general meeting, and can be renewed. However, an accounting firm controlled by related parties shall not be hired by the Bank for audit.</p>	<p><b>Article 210</b> The Bank shall appoint an independent accounting firm in compliance with relevant national regulations to audit the annual financial reports <u>of the Bank</u> and <u>review</u> other financial reports of the Bank. The term of appointment of an accounting firm appointed by the Bank shall start from the closing of the annual general meeting and end at the closing of the next annual general meeting, and can be renewed. However, an accounting firm controlled by related parties shall not be hired by the Bank for audit.</p>

Existing Articles of Association	Amended Articles of Association
<p><del>Article 305 The accounting firm appointed by the Bank shall have the following rights:</del></p> <p><del>(I) To access the accounts, records and vouchers of the Bank at any time, and to ask any Directors or senior management of the Bank to provide relevant documents and explanations;</del></p> <p><del>(II) To ask the Bank to take every action possible to obtain documents and explanations from its subsidiaries needed for it to perform its duties;</del></p> <p><del>(III) To be present at general meetings, get notice of the meeting entitled to receive by any Shareholders or other information relating to the meeting, and deliver speeches at general meeting in relation to the matters concerning it acting as accounting firm of the Bank.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><b>Article 306</b> The Bank’s appointment, dismissal or non-renewal of an accounting firm shall be decided by the Shareholders’ <del>general</del> meeting <del>and reported to the securities regulatory authority of the State Council for record</del>. The Board of Directors shall not appoint an accounting firm before the decision of the Shareholders’ <del>general</del> meeting.</p>	<p><b>Article 211</b> The Bank’s appointment, dismissal or non-renewal of an accounting firm shall be decided by the Shareholders’ meeting. The Board of Directors shall not appoint an accounting firm before the decision of the Shareholders’ meeting.</p>
<p><b>Article 307</b> In the event of vacancy of accounting firm, the Board may appoint an accounting firm to fill the said vacancy before convening of a Shareholders’ <del>general</del> meeting. During the said vacancy, if the Bank has any incumbent accounting firm, the said accounting firm may still fulfil its duties.</p>	<p><b>Article 212</b> In the event of vacancy of accounting firm, the Board may appoint an accounting firm to fill the said vacancy before convening of a Shareholders’ meeting. During the said vacancy, if the Bank has any incumbent accounting firm, the said accounting firm may still fulfil its duties.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 308</b> The Shareholders' <del>general</del> meeting shall comply with the following provisions in passing a resolution to appoint a non-incumbent accounting firm to fill any vacancy, or to continue to appoint an accounting firm appointed by the Board to fill the vacancy, or to dismiss an incumbent accounting firm:</p> <p>(I) The proposal for appointment or dismissal shall, before the notice of a Shareholders' <del>general</del> meeting is sent, be served to the accounting firm to be appointed or whose service is to be terminated or who has terminated its service in the relevant fiscal year. Termination of service shall include dismissal, resignation or retirement.</p> <p>(II) If the accounting firm about to terminate service makes a written statement and requests the Bank to notify the Shareholders of the said statement, the Bank shall take the following actions unless the statement is received too late:</p> <ol style="list-style-type: none"> <li>1. Describe in the notice issued for the resolution that the accounting firm about to terminate service has made a statement;</li> <li>2. Send to each Shareholder entitled to obtain the notice of the Shareholders' <del>general</del> meeting a copy of the statement as an attachment to the notice in the form specified in the Articles of Association.</li> </ol>	<p><b>Article 213</b> The Shareholders' meeting shall comply with the following provisions in passing a resolution to appoint a non-incumbent accounting firm to fill any vacancy, or to continue to appoint an accounting firm appointed by the Board to fill the vacancy, or to dismiss an incumbent accounting firm:</p> <p>(I) The proposal for appointment or dismissal shall, before the notice of a Shareholders' meeting is sent, be served to the accounting firm to be appointed or whose service is to be terminated or who has terminated its service in the relevant fiscal year. Termination of service shall include dismissal, resignation or retirement.</p> <p>(II) If the accounting firm about to terminate service makes a written statement and requests the Bank to notify the Shareholders of the said statement, the Bank shall take the following actions unless the statement is received too late:</p> <ol style="list-style-type: none"> <li>1. Describe in the notice issued for the resolution that the accounting firm about to terminate service has made a statement;</li> <li>2. Send to each Shareholder entitled to obtain the notice of the Shareholders' meeting a copy of the statement as an attachment to the notice in the form specified in the Articles of Association.</li> </ol>

Existing Articles of Association	Amended Articles of Association
<p>(III) If the Bank fails to send out the statement of the accounting firm as specified in (II) above, the relevant accounting firm may require that the said statement be read at the Shareholders' <del>general</del> meeting and may further lodge a complaint.</p> <p>(IV) The accounting firm about to terminate service has the right to attend the following meetings:</p> <ol style="list-style-type: none"> <li>1. The Shareholders' <del>general</del> meeting at which its term of appointment expires;</li> <li>2. The Shareholders' <del>general</del> meeting for filling vacancy because of its termination of service;</li> <li>3. The Shareholders' <del>general</del> meeting held because of its voluntary resignation.</li> </ol> <p>The accounting firm about to terminate service shall have the right to receive all notices of the aforesaid meetings or other information relating to the meetings, and to deliver speeches at the aforesaid meetings in relation to the matters concerning it acting as the former accounting firm of the Bank.</p>	<p>(III) If the Bank fails to send out the statement of the accounting firm as specified in (II) above, the relevant accounting firm may require that the said statement be read at the Shareholders' meeting and may further lodge a complaint.</p> <p>(IV) The accounting firm about to terminate service has the right to attend the following meetings:</p> <ol style="list-style-type: none"> <li>1. The Shareholders' meeting at which its term of appointment expires;</li> <li>2. The Shareholders' meeting for filling vacancy because of its termination of service;</li> <li>3. The Shareholders' meeting held because of its voluntary resignation.</li> </ol> <p>The accounting firm about to terminate service shall have the right to receive all notices of the aforesaid meetings or other information relating to the meetings, and to deliver speeches at the aforesaid meetings in relation to the matters concerning it acting as the former accounting firm of the Bank.</p>
<p><b>Article 310</b> The remunerations of the accounting firm or the method for determining the remunerations shall be subject to the decision of the Shareholders' <del>general</del> meeting. <del>The remunerations of the accounting firm appointed by the Board shall be determined by the Board.</del></p>	<p><b>Article 215</b> The remunerations of the accounting firm or the method for determining the remunerations shall be subject to the decision of the Shareholders' meeting.</p>

Existing Articles of Association	Amended Articles of Association
<b>Article 311</b> The accounting firm appointed by the Bank shall <del>also</del> report the audit results of the Bank's financial and accounting reports to the Board of Directors <del>and the Board of Supervisors</del> .	<b>Article 216</b> The accounting firm appointed by the Bank shall report the audit results of the Bank's financial and accounting reports to the Board of Directors.
<del><b>Article 312</b> Regardless of the terms in the contract concluded between the accounting firm and the Bank, the Shareholders' general meeting may, through an ordinary resolution, dismiss the said accounting firm before expiry of the term thereof or no longer renew after the end of the term. In the event of any rights claimed by the accounting firm for dismissal or non-reappointment against the Bank, the said rights shall not be affected.</del>	
<b>Article 313</b> The Bank shall notify the accounting firm 15 days in advance before the dismissal or non-reappointment of such accounting firm. When the Shareholders' <del>general</del> meeting of the Bank votes on the dismissal of the accounting firm, the accounting firm shall be allowed to state its opinions.	<b>Article 217</b> The Bank shall notify the accounting firm 15 days in advance before the dismissal or non-reappointment of such accounting firm. When the Shareholders' meeting of the Bank votes on the dismissal of the accounting firm, the accounting firm shall be allowed to state its opinions.

Existing Articles of Association	Amended Articles of Association
<p><b>Article 314</b> Where the accounting firm put forward its resignation, it shall state to the Shareholders' <del>general</del> meeting whether the Bank has improper matters.</p> <p><del>The accounting firm may resign by placing a written notice of resignation at the legal registered address of the Bank. The said notice shall take effect on the date of placement of the resignation notice at the legal registered address of the Bank, or on a later date specified in the notice. The said notice shall include one of the following statements:</del></p> <p><del>(I) A statement that its resignation does not involve any information to be disclosed to the Shareholders or creditors of the Bank;</del></p> <p><del>(II) A statement of any information to be disclosed.</del></p>	<p><b>Article 218</b> Where the accounting firm put forward its resignation, it shall state to the Shareholders' meeting whether the Bank has improper matters.</p>

Existing Articles of Association	Amended Articles of Association
<p><del>The Bank shall send a copy of the written notice mentioned above to relevant competent authorities within 14 days after receipt of the said notice. If the notice contains the statement mentioned in (II) herein, the Bank shall keep a copy of the said statement in the Bank for reference by the Shareholders. Save as otherwise provided in the Articles of Association, the Bank shall also send the aforesaid copy in (II) herein by pre-paid mail to each Shareholder entitled to receive the Bank's financial status report at the address as shown in the Shareholders' register; or during the above-mentioned period, the Bank shall publish such copy through the website of the stock exchange at the place where the Bank's shares are listed, or publish such copy in one or more newspapers specified by such stock exchange and by the Articles of Association in compliance with applicable laws, regulations, regulatory requirements and the Hong Kong Listing Rules.</del></p> <p><del>If the notice of resignation of the accounting firm contains a statement of any information to be disclosed, the accounting firm may require the Board to convene an extraordinary general meeting to listen to its explanation about the resignation.</del></p>	



Existing Articles of Association	Amended Articles of Association
<b>Chapter 14 Democratic Management of Employees, and Labour and Personnel System</b>	<b>Chapter 12 Democratic Management of Employees, and Labour and Personnel System</b>
<p><b>Article 315</b> The Bank establishes and improves the democratic management system <del>for employees</del> in accordance with the Company Law, the Trade Union Law of the People's Republic of China (《中華人民共和國工會法》) and other laws and regulations, with the trade union organization and <del>the system of</del> workers' congress <del>as the core</del>, actively listens to employees' opinions, and creates favorable conditions for employee representatives to participate in the governance of the Company in an orderly manner according to laws.</p>	<p><b>Article 219</b> The Bank establishes and improves the democratic management system in accordance with the Company Law, the Trade Union Law of the People's Republic of China (《中華人民共和國工會法》) and other laws and regulations, with the trade union organization and workers' congress <u>as the basic form</u>, actively listens to employees' opinions, and creates favorable conditions for employee representatives to participate in the governance of the Company in an orderly manner according to laws.</p>

Existing Articles of Association	Amended Articles of Association
<b>Chapter 15 Notice and Announcement</b>	<b>Chapter 13 Notice and Announcement</b>
<p><b>Article 317</b> Except as otherwise provided in the Articles of Association, the Bank's notices (including but not limited to the notices of convening the meetings of <del>general</del> Shareholders, the Board of Directors <del>and the Board of Supervisors</del>) shall be issued in the following manner:</p> <p>(I) by personal delivery;</p> <p>(II) by mail (including email);</p> <p>(III) by fax;</p> <p>(IV) by announcement on the newspaper and other media;</p> <p>(V) by publishing on the website designated by the Bank and the Stock Exchange in accordance with laws, regulations, regulatory requirements, the listing rules of the place where the shares of the Bank are listed and the Articles of Association;</p> <p>(VI) by others means approved by the relevant regulatory authorities at the place where the shares of the Bank are listed or stipulated in the Articles of Association.</p> <p>Where a notice of the Bank is served by announcement, the said notice shall be deemed as having been received by all relevant persons once it is announced.</p>	<p><b>Article 221</b> Except as otherwise provided in the Articles of Association, the Bank's notices (including but not limited to the notices of convening the meetings of Shareholders, the Board of Directors) shall be issued in the following manner:</p> <p>(I) by personal delivery;</p> <p>(II) by mail (including email);</p> <p>(III) by fax;</p> <p>(IV) by announcement on the newspaper and other media;</p> <p>(V) by publishing on the website designated by the Bank and the <b>Hong Kong</b> Stock Exchange in accordance with laws, regulations, regulatory requirements, the listing rules of the place where the shares of the Bank are listed and the Articles of Association;</p> <p>(VI) by others means approved by <u>the laws and regulations, regulatory authorities</u>, relevant regulatory authorities at the place where the shares of the Bank are listed or stipulated in the Articles of Association.</p> <p>Where a notice of the Bank is served by announcement, the said notice shall be deemed as having been received by all relevant persons once it is announced.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 318</b> The date of service of the Bank's notice:</p> <p>(I) if the notice is sent by personal delivery, the recipient <del>or its agent</del> shall affix signature (or seal) to the return on service and the signing date shall be the date of service;</p> <p>.....</p>	<p><b>Article 222</b> The date of service of the Bank's notice:</p> <p>(I) if the notice is sent by personal delivery, the recipient shall affix signature (or seal) to the return on service and the signing date shall be the date of service;</p> <p>.....</p>
<p><b>Chapter 16</b> Merger, Division, Capital Increase, Capital Reduction, Dissolution and Liquidation</p>	<p><b>Chapter 14</b> Merger, Division, Capital Increase, Capital Reduction, Dissolution and Liquidation</p>
<p><b>Section 1</b> Merger, Division, Capital Increase and Capital Reduction</p>	<p><b>Section 1</b> Merger, Division, Capital Increase and Capital Reduction</p>
<p><del>Article 323—In respect of the merger or division of the Bank, the Board shall propose a plan and have it adopted following the procedure specified in the Articles of Association, and go through relevant examination and approval formalities pursuant to laws. Any Shareholder objecting to the merger or division of the Bank shall have the right to require the Bank or the Shareholders approving the merger or division of the Bank to purchase his shares at a fair price. Resolution on merger or division of the Bank shall be archived as document for reference by the Shareholders.</del></p> <p><del>Save as otherwise provided for by the securities regulatory authority at the location where the Bank's shares are listed, the aforementioned documents shall be served by mail to the holders of overseas listed foreign shares.</del></p>	

Existing Articles of Association	Amended Articles of Association
<p><b>Article 324</b> In the event of merger of the Bank, the parties concerned shall conclude a merger agreement and prepare balance sheets and property inventories. The Bank shall notify creditors within 10 days from the date on which the resolution in favor of the merger is adopted, and shall publish announcements in the newspaper or on the National Enterprise Credit Information Publicity System in 30 days. The creditors may require the Bank to repay debts or provide corresponding guarantees within 30 days after receipt of the notice or within 45 days after the announcement if the creditors have not received the notice.</p>	<p><b>Article 227</b> In the event of merger of the Bank, the parties concerned shall conclude a merger agreement and prepare balance sheets and property inventories. The Bank shall notify creditors within 10 days from the date on which the resolution in favor of the merger is adopted, and shall publish announcements in the newspaper or on the National Enterprise Credit Information Publicity System in 30 days. The creditors may require the Bank to repay debts or provide corresponding guarantees within 30 days after receipt of the notice or within 45 days after the announcement if the creditors have not received the notice.</p>
<p><b>Article 328</b> The Bank shall prepare a balance sheet and a property inventory when the Bank reduces its registered capital.</p> <p>The Bank shall notify the creditors within 10 days of adopting the resolution to reduce its registered capital at the Shareholders' <del>general</del> meeting and being approved by statutory approval authority and shall publish announcements in the newspaper or on the National Enterprise Credit Information Publicity System within 30 days. Creditors shall, within 30 days of receiving a notice or within 45 days since the day of the announcement for those who have not received a notice, be entitled to require the Bank to repay debts or provide corresponding guarantees.</p>	<p><b>Article 231</b> The Bank shall prepare a balance sheet and a property inventory when the Bank reduces its registered capital.</p> <p>The Bank shall notify the creditors within 10 days of adopting the resolution to reduce its registered capital at the Shareholders' meeting and being approved by statutory approval authority and shall publish announcements in the newspaper or on the National Enterprise Credit Information Publicity System within 30 days. Creditors shall, within 30 days of receiving a notice or within 45 days since the day of the announcement for those who have not received a notice, be entitled to require the Bank to repay debts or provide corresponding guarantees.</p>

Existing Articles of Association	Amended Articles of Association
<p>The registered capital of the Bank after the capital reduction shall not be lower than the minimum of the legal requirement.</p> <p>If the Bank is still in a loss position after covering losses in accordance with the provisions of paragraph 2 of Article 295 in the Articles of Association, it may reduce the registered capital to cover the losses. If the registered capital is reduced to cover the losses, the Bank shall not make any distribution to the Shareholders, nor shall it exempt the Shareholders from the obligations to make capital contributions or pay up the amounts of shares.</p> <p>Where the registered capital is reduced in accordance with the provisions of the preceding paragraph, the provisions of paragraph 2 of this article shall not apply, but it shall be announced in the newspaper or on the National Enterprise Credit Information Publicity System within 30 days from the date on which the Shareholders' <b>general</b> meeting made a resolution to reduce the registered capital.</p>	<p>The registered capital of the Bank after the capital reduction shall not be lower than the minimum of the legal requirement.</p> <p>If the Bank is still in a loss position after covering losses in accordance with the provisions of paragraph 2 of Article 295 in the Articles of Association, it may reduce the registered capital to cover the losses. If the registered capital is reduced to cover the losses, the Bank shall not make any distribution to the Shareholders, nor shall it exempt the Shareholders from the obligations to make capital contributions or pay up the amounts of shares.</p> <p>Where the registered capital is reduced in accordance with the provisions of the preceding paragraph, the provisions of paragraph 2 of this article shall not apply, but it shall be announced in the newspaper or on the National Enterprise Credit Information Publicity System within 30 days from the date on which the Shareholders' meeting made a resolution to reduce the registered capital.</p>

Existing Articles of Association	Amended Articles of Association
<p>After the Bank reduces its registered capital in accordance with the provisions of the preceding two paragraphs, it shall not distribute profits until the cumulative amount of the statutory reserve fund and the discretionary reserve fund reaching 50% of the registered capital of the Bank.</p> <p>In the event that the registered capital is reduced in violation of the Articles of Association, Shareholders shall refund the funds received by them, and any reduction or waive of capital contributions by Shareholders shall be restored to its original state. If any losses are caused to the Bank, the Shareholders and the responsible Directors, <del>Supervisors and</del> senior management personnel shall bear the liability for compensation.</p>	<p>After the Bank reduces its registered capital in accordance with the provisions of the preceding two paragraphs, it shall not distribute profits until the cumulative amount of the statutory reserve fund and the discretionary reserve fund reaching 50% of the registered capital of the Bank.</p> <p>In the event that the registered capital is reduced in violation of the Articles of Association, Shareholders shall refund the funds received by them, and any reduction or waive of capital contributions by Shareholders shall be restored to its original state. If any losses are caused to the Bank, the Shareholders and the responsible Directors, senior management personnel shall bear the liability for compensation.</p>

Existing Articles of Association	Amended Articles of Association
<b>Section 2 Dissolution and Liquidation</b>	<b>Section 2 Dissolution and Liquidation</b>
<p><b>Article 330</b> The Bank shall be dissolved and liquidated according to laws upon approval and consent by the China Banking Regulatory Authority in any of the following circumstances:</p> <p>(I) The operating period expires;</p> <p>(II) The general meeting has resolved to dissolve the Bank;</p> <p>(III) Merger or division of the Bank entails dissolution;</p> <p>(IV) When the business license is revoked, the Bank is ordered to be closed down or revoked <del>due to its violation of laws or administrative regulations;</del></p> <p>(V) Where the operation and management of the Bank encounters serious difficulties and its continued existence would cause heavy losses to Shareholders, the Shareholders holding more than 10% <del>of the total voting rights</del> of the Bank may apply to the people's court for dissolving the Bank if there are no other solutions.</p> <p><del>(VI) The Bank is declared insolvent according to laws because we are unable to pay debts as they fall due.</del></p>	<p><b>Article 233</b> The Bank shall be dissolved and liquidated according to laws upon approval and consent by the China Banking Regulatory Authority in any of the following circumstances:</p> <p>(I) the operating period expires, <u>or any other dissolution events as stipulated in the Articles of Association occur;</u></p> <p>(II) The general meeting has resolved to dissolve the Bank;</p> <p>(III) Merger or division of the Bank entails dissolution;</p> <p>(IV) When the business license is revoked, the Bank is ordered to be closed down or revoked;</p> <p>(V) Where the operation and management of the Bank encounters serious difficulties and its continued existence would cause heavy losses to Shareholders, the Shareholders holding more than 10% <u>of the voting rights</u> of the Bank may apply to the people's court for dissolving the Bank if there are no other solutions.</p> <p><u>If the Bank encounters the grounds for dissolution as stipulated in the preceding paragraph, it shall publicly announce the grounds for dissolution through the National Enterprise Credit Information Publicity System within ten days.</u></p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 331</b> In the event when the Bank is dissolved according to section (I), (II) and (V) of Article 330 of the Articles of Association, a liquidation committee shall be established within 15 days after the dissolution circumstance arises. <del>Its members shall be selected by the Shareholders' general meeting by an ordinary resolution. Where the liquidation committee has not been established within the specified period, the creditor may apply to the People's Court for appointment of relevant persons to form a liquidation committee for liquidation.</del></p> <p><del>In the event when the Bank is dissolved according to section (VI) of Article 330 of the Articles of Association, the People's Court shall form a liquidation committee comprising of Shareholders, relevant authorities and professionals in accordance with the law to proceed with the liquidation.</del></p> <p><del>In the event when the Bank is dissolved according to section (IV) of Article 330 of the Articles of Association, the relevant competent authority shall form a liquidation committee comprising of shareholders, relevant authorities and professionals to proceed with the liquidation.</del></p>	<p><b>Article 234</b> In the event when the Bank is dissolved according to section (I), (II), <u>(IV)</u> and (V) of Article 233 of the Articles of Association, a liquidation committee shall be established within 15 days after the dissolution circumstance arises. <u>The Directors act as the obligors in respect of the liquidation of the Bank.</u></p> <p><u>The liquidation group shall consist of the Directors, unless otherwise provided for in the Articles of Association or another person resolved to be elected at the Shareholders' meeting.</u></p> <p><u>Where the liquidation obligors fail to fulfil their liquidation obligations in a timely manner and cause losses to the Bank or creditors, they shall be liable for compensation.</u></p> <p><u>Where the situation set forth in section (I) and (II) of Article 233 of the Articles of Association occurs, and no property has been distributed to its Shareholders, the Bank may continue to exist by amending the Articles of Association or resolutions made by the Shareholders' meeting.</u></p> <p><u>Amendments to the Articles of Association or resolutions made by the Shareholders' meeting in accordance with preceding paragraph shall be passed by a vote representing more than two-thirds of the voting rights of the Shareholders present at the Shareholders' meeting.</u></p>



Existing Articles of Association	Amended Articles of Association
<p><del>Article 332 If the Board decides to liquidate the Bank (save for liquidation when the Bank is declared bankrupt), a notice of the general meeting to be held therefor shall contain a statement that the Board has made thorough investigation on the conditions of the Bank and that the Bank may repay all the debts within 12 months after commencement of liquidation.</del></p> <p><del>After the resolution on liquidation is adopted at the general meeting, the functions and powers of the Board shall cease forthwith.</del></p> <p><del>The liquidation committee shall, as per the instructions of the general meeting, report to the general meeting at least once a year about the revenues and expenses of the liquidation committee, the businesses of the Bank and the progress of liquidation, and shall deliver a final report to the general meeting at the end of liquidation.</del></p>	
<p><del>Article 333 After the establishment of the liquidation committee, the functions and powers of the Directors, Supervisors and senior management immediately ceased.</del> During liquidation, the liquidation committee shall exercise the following functions and powers:</p> <p>.....</p> <p>(VI) To <del>dispose</del> of the remaining assets of the Bank after repayment of debts;</p> <p>(VII) To represent the Bank in civil proceedings.</p>	<p>Article 235 During liquidation, the liquidation committee shall exercise the following functions and powers:</p> <p>.....</p> <p>(VI) To <b>distribute</b> of the remaining assets of the Bank after repayment of debts;</p> <p>(VII) To represent the Bank in civil proceedings.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 335</b> After the liquidation committee has examined and taken possession of the assets of the Bank and has prepared a balance sheet and property inventory, it shall formulate a liquidation proposal and submit such proposal to the general meeting or the people’s court for confirmation.</p> <p>.....</p>	<p><b>Article 237</b> After the liquidation committee has examined and taken possession of the assets of the Bank and has prepared a balance sheet and property inventory, it shall formulate a liquidation proposal and submit such proposal to the general meeting or the people’s court for confirmation.</p> <p>.....</p>
<p><b>Article 336</b> <del>In the event of liquidation due to the dissolution of the company,</del> after the liquidation committee has liquidated the Bank’s properties and prepared a balance sheet and a property inventory, if it believes that the Bank’s properties are insufficient to repay our debts in full, it shall, upon approval of the China Banking Regulatory Authority, apply to the people’s court for bankruptcy liquidation in accordance with the law.</p> <p>After the Bank’s bankruptcy application has been accepted by the people’s court, the liquidation committee shall transfer to the bankruptcy administrator designated by the people’s court all matters relating to the liquidation.</p>	<p><b>Article 238</b> After the liquidation committee has liquidated the Bank’s properties and prepared a balance sheet and a property inventory, if it believes that the Bank’s properties are insufficient to repay our debts in full, it shall, upon approval of the China Banking Regulatory Authority, apply to the people’s court for bankruptcy liquidation in accordance with the law.</p> <p>After the Bank’s bankruptcy application has been accepted by the people’s court, the liquidation committee shall transfer to the bankruptcy administrator designated by the people’s court all matters relating to the liquidation.</p>
<p><b>Article 337</b> After completion of liquidation of the Bank, the liquidation committee shall prepare a liquidation report, which shall be submitted to the Shareholders’<del>general</del> meeting or the people’s court for confirmation, and submit the same to the company registration authority, and apply to cancel registration and announce termination of the company.</p>	<p><b>Article 239</b> After completion of liquidation of the Bank, the liquidation committee shall prepare a liquidation report, which shall be submitted to the Shareholders’ meeting or the people’s court for confirmation, and submit the same to the company registration authority, and apply to cancel registration and announce termination of the company.</p>

Existing Articles of Association	Amended Articles of Association
Chapter 17 Amendment of Articles of Association	Chapter 15 Amendment of Articles of Association
<p><b>Article 344</b> The Bank shall amend the Articles of Association in any of the following circumstances:</p> <p>.....</p> <p>(III) The general meeting has resolved to amend the Articles of Association.</p>	<p><b>Article 246</b> The Bank shall amend the Articles of Association in any of the following circumstances:</p> <p>.....</p> <p>(III) The general meeting has resolved to amend the Articles of Association.</p>
<p><b>Article 345</b> Any amendments to be made to the Articles of Association pursuant to a resolution of the Shareholders' <del>general</del> meeting shall be subject to the approval of the competent authorities; if registration matters are involved, the Bank shall apply for registration of the changes in accordance with the law.</p>	<p><b>Article 247</b> Any amendments to be made to the Articles of Association pursuant to a resolution of the Shareholders' meeting shall be subject to the approval of the competent authorities; if registration matters are involved, the Bank shall apply for registration of the changes in accordance with the law.</p>
<p><b>Article 346</b> The Board shall amend the Articles of Association according to the resolutions on amending the same passed at a general meeting and the approval opinions of relevant competent authorities.</p>	<p><b>Article 248</b> The Board shall amend the Articles of Association according to the resolutions on amending the same passed at a Shareholders' meeting and the approval opinions of relevant competent authorities.</p>

Existing Articles of Association	Amended Articles of Association
<b>Chapter 18 Settlement of Disputes</b>	<b>Delete the whole chapter</b>
<b>Chapter 19 Definitions</b>	<b>Chapter 16 Definitions</b>
<p><b>Article 355</b> “Substantial shareholders” as mentioned in the Articles of Association refers to the shareholders who can directly, indirectly, or jointly hold or control more than 5% of the shares or voting rights of the Bank, or the shareholders who hold less than 5% of the total capital or total number of shares but have a significant impact upon the decision making and operation management of the Bank.</p> <p>The “Significant impact” above shall include (but not limited to) nominating Directors, <del>Supervisors</del> or senior management of the Bank, to influence the Bank’s financial, operation and management decisions through agreements or other means, and other circumstances as identified by the China Banking Regulatory Authority.</p>	<p><b>Article 256</b> “Substantial shareholders” as mentioned in the Articles of Association refers to the shareholders who can directly, indirectly, or jointly hold or control more than 5% of the shares or voting rights of the Bank, or the shareholders who hold less than 5% of the total capital or total number of shares but have a significant impact upon the decision making and operation management of the Bank.</p> <p>The “Significant impact” above shall include (but not limited to) nominating Directors or senior management of the Bank, to influence the Bank’s financial, operation and management decisions through agreements or other means, and other circumstances as identified by the China Banking Regulatory Authority.</p>
<p><b>Article 356</b> The “De facto controller” mentioned in the Articles of Association means a person who, is able to exercise the de facto control over the actions of the Bank through investment relationships, agreements or other arrangements.</p>	<p><b>Article 257</b> The “De facto controller” mentioned in the Articles of Association means a person who, is able to exercise the de facto control over the actions of the Bank through investment relationships, agreements or other arrangements.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 357</b> “Associated relations” as mentioned in the Articles of Association refers to the relationship between the Bank’s controlling shareholders, de facto controllers, directors, <del>supervisors</del>, senior management and enterprises directly or indirectly controlled by it, and other relations that may cause interest transfer of the Bank. However, the state-controlled enterprises shall not have associated relations only because they are jointly controlled by the state.</p>	<p><b>Article 258</b> “Associated relations” as mentioned in the Articles of Association refers to the relationship between the Bank’s controlling shareholders, de facto controllers, directors, senior management and enterprises directly or indirectly controlled by it, and other relations that may cause interest transfer of the Bank. However, the state-controlled enterprises shall not have associated relations only because they are jointly controlled by the state.</p>
<p><b>Chapter 20 Supplementary Provisions</b></p>	<p><b>Chapter 17 Supplementary Provisions</b></p>
<p><b>Article 361</b> Unless otherwise specified, the terms “above”, “within”, and “below” in the Articles of Association shall include the figure; “lower than”, “beyond”, “less than”, “more than” and “exceed” shall exclude the figure.</p>	<p><b>Article 262</b> Unless otherwise specified, the terms “above”, “within”, and “below” in the Articles of Association shall include the figure; “lower than”, “beyond”, “less than”, “more than”, “exceed” <u>and “over”</u> shall exclude the figure.</p>
<p><b>Article 362</b> Matters uncovered in the Articles of Association shall be implemented in accordance with applicable laws.</p>	<p><b>Article 263</b> Matters uncovered in the Articles of Association shall be implemented in accordance with applicable laws <u>and relevant regulatory rules</u>.</p>
<p><b>Article 364</b> The appendices to the Articles of Association include the Rules of Procedure for the Shareholders’ <del>General</del> Meeting, the Rules of Procedure for Board Meetings <del>and the Rules of Procedure for Meetings of the Board of Supervisors</del>.</p>	<p><b>Article 265</b> The appendices to the Articles of Association include the Rules of Procedure for the Shareholders’ Meeting and the Rules of Procedure for Board Meetings.</p>

Existing Articles of Association	Amended Articles of Association
<p><b>Article 365</b> The Articles of Association shall take effect <del>from the date of listing of H Shares publicly issued by the Bank on the Hong Kong Stock Exchange for trading</del> after being reviewed and approved by the Shareholders' <del>general</del> meeting, approved by the China Banking Regulatory Authority <del>and registered with the market supervision and management authority, and shall be the same when they are modified.</del></p>	<p><b>Article 266</b> The Articles of Association shall take effect after being reviewed and approved by the Shareholders' meeting, <u>and</u> approved by the China Banking Regulatory Authority.</p>

**I. RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. After making all reasonable enquiries, each Director confirms that, to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

**II. DISCLOSURE OF INTERESTS**

As at the Latest Practicable Date, the interests of the Directors, Supervisors and the Chief Executive of the Bank in the Shares, underlying Shares and debentures of the Bank or its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as required to be notified to the Bank and the Hong Kong Stock Exchange pursuant to the Model Code or in accordance with Divisions 7 and 8 of Part XV under the SFO are as follows:

			Number of			
			Domestic	Percentage	Percentage	
			Shares	of total	of total	
Name of Director/ Supervisor/ chief executive	Class of Shares	Capacity	directly or indirectly held	issued shares <sup>(2)</sup> (%)	class shares <sup>(2)</sup> (%)	Long position/ short position
Mr. ZHANG Wenbin	Domestic Shares	Beneficial owner	70,266	0.0012	0.0014	Long position
Ms. SUN Zuying	Domestic Shares	Beneficial owner	21,756	0.0004	0.0004	Long position
Mr. ZHANG	Domestic Shares	Beneficial owner	495,656	0.0083	0.0100	Long position
Renzhao <sup>(1)</sup>		Interest of spouse	113,752	0.0019	0.0023	Long position
Mr. LU Guangming	Domestic Shares	Beneficial owner	132,320	0.0022	0.0027	Long position

Notes:

- (1) By virtue of the SFO, Mr. ZHANG Renzhao is deemed to be interested in the 113,752 Domestic Shares held by his spouse, Ms. QU Wenwei (曲文微).
- (2) The percentages above are calculated based on the total number of issued shares of 5,980,058,344 shares and the total number of Domestic Shares of 4,971,197,344 shares of the Bank as of the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, Supervisors and chief executive of the Bank had any interests or short positions mentioned above. As at the Latest Practicable Date, so far as is known to the Directors, no Director was a director or employee of a company which has an interest or short position in the shares and underlying shares of the Bank which would fall to be disclosed to the Bank under the provisions of Divisions 2 and 3 of Part XV of the SFO.

As at the Latest Practicable Date, pursuant to the register maintained by the Bank under Section 336 of the SFO, and to the best knowledge of the Bank, the following persons (other than the Bank's Directors, Supervisors and chief executive) had or were deemed or taken to have interests and/or short positions in the Shares or underlying Shares of the Bank which would fall to be disclosed to the Bank and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were, directly or indirectly, interested in 5% or more of the nominal value of any class of shares of the Bank carrying rights to vote in all circumstances at general meetings of any other member of the Bank:

Name of shareholders	Class of shares	Nature of interest	Number of shares directly or indirectly held (Shares)	Long position/ short position	Approximate % of interest in the Bank (%)	Approximate % of the relevant class of shares of the Bank (%)
Shandong Hi-Speed Group <sup>(1)</sup>	Domestic shares	Beneficial owner and interest in controlled corporation	2,820,195,515	Long position	47.16	56.73
Weihai Municipal Finance Bureau	Domestic shares	Beneficial owner	919,671,509	Long position	15.38	18.50
Shandong Hi-Speed <sup>(1)</sup>	Domestic shares	Beneficial owner	693,957,987	Long position	11.60	13.96
China Hongqiao Group Limited	H shares	Beneficial owner	276,045,000	Long position	4.62	27.36
Heze City Investment Holdings Group Co., Ltd. <sup>(2)</sup>	H shares	Interest in controlled corporation	139,594,000	Long position	2.33	13.84
Heze City Investment Holdings Hong Kong International Co., Limited <sup>(2)</sup>	H shares	Beneficial owner	139,594,000	Long position	2.33	13.84
Shenzhen Shengqiu Investment Co., Ltd.	H shares	Beneficial owner	137,305,000	Long position	2.30	13.61
TEDA Investment Holding Co., Ltd.	H shares	Beneficial owner	113,940,000	Long position	1.91	11.29
Tianjin TEDA Industrial Group Co., Ltd. (天津泰達實業集團有限公司) <sup>(3)</sup>	H shares	Interest in controlled corporation	113,940,000	Long position	1.91	11.29



## APPENDIX II

## GENERAL INFORMATION

Name of shareholders	Class of shares	Nature of interest	Number of shares directly or indirectly held (Shares)	Long position/ short position	Approximate % of interest in the Bank (%)	Approximate % of the relevant class of shares of the Bank (%)
Tianjin Bohai State-owned Assets Management Co., Ltd. (天津渤海國有資產經營管理有限公司) <sup>(3)</sup>	H shares	Interest in controlled corporation	113,940,000	Long position	1.91	11.29
Tsinlien Group Company Limited (津聯集團有限公司) <sup>(3)</sup>	H shares	Beneficial owner	113,940,000	Long position	1.91	11.29
Jinan Licheng Holdings Group Co., Ltd.	H shares	Beneficial owner	111,852,000	Long position	1.87	11.09
Shandong Lulong Construction Co., Ltd. <sup>(4)</sup>	H shares	Beneficial owner	71,003,000	Long position	1.19	7.04
YANG Shulan <sup>(4)</sup>	H shares	Interest in controlled corporation	71,003,000	Long position	1.19	7.04
Xindu Group Limited <sup>(4)</sup>	H shares	Interest in controlled corporation	71,003,000	Long position	1.19	7.04
Sparky International Company Limited (斯派柯國際有限公司) <sup>(5)</sup>	H shares	Beneficial owner	68,712,000	Long position	1.15	6.81
Shandong Zhaojin Group Company Limited <sup>(5)</sup>	H shares	Interest in controlled corporation	68,712,000	Long position	1.15	6.81
Zhaojin Mining Industry Company Limited <sup>(5)</sup>	H shares	Interest in controlled corporation	68,712,000	Long position	1.15	6.81
Tianjin Guangcheng Investment Group Co., Ltd. <sup>(6)</sup>	H shares	Interest in controlled corporation	67,040,000	Long position	1.12	6.65
Tianjin Jizhou Xincheng Agricultural Development Co., Ltd. <sup>(6)</sup>	H shares	Beneficial owner	67,040,000	Long position	1.12	6.65
Tianjin Jizhou Xincheng Construction Investment Co., Ltd. <sup>(6)</sup>	H shares	Interest in controlled corporation	67,040,000	Long position	1.12	6.65

*Notes:*

- (1) Shandong Hi-Speed Group is the Controlling Shareholder of the Bank and is directly held by Shandong SASAC, Shandong Guohui Investment Holding Group Co., Ltd., a wholly-owned subsidiary of Shandong SASAC, and Shandong Caixin Assets Operation Co., Ltd. as to 70.00%, 20.00% and 10.00%, respectively.

Shandong Hi-Speed is owned by Shandong Hi-Speed Group Company as to approximately 70.57%. Therefore, Shandong Hi Speed Group Company is deemed to be interested in all the shares held by Shandong Hi-Speed for the purpose of the SFO.

- (2) Heze City Investment Holdings Group Co., Ltd. wholly owns Heze City Investment Holdings Hong Kong International Co., Limited. Accordingly, Heze City Investment Holdings Group Co., Ltd. is deemed to be interested in the 139,594,000 H shares held by Heze City Investment Holdings Hong Kong International Co., Limited for the purpose of the SFO.
- (3) Tianjin TEDA Industrial Group Co., Ltd. wholly owns Tsinlien Group Company Limited through its wholly-owned subsidiary, Tianjin Bohai State-owned Assets Management Co., Ltd. Therefore, Tianjin TEDA Industrial Group Co., Ltd. and Tianjin Bohai State-owned Assets Management Co., Ltd. are deemed to be interested in the 113,940,000 H shares held by Tsinlien Group Company Limited for the purpose of the SFO.
- (4) Xindu Group Limited indirectly holds 71,003,000 H shares through its subsidiary, Shandong Lulong Construction Co., Ltd. Ms. YANG Shulan holds approximately 56.00% of the interests in Xindu Group Limited. Accordingly, Xindu Group Limited and Ms. YANG Shulan are deemed to be interested in 71,003,000 H shares for the purpose of the SFO.
- (5) Zhaojin Mining Industry Company Limited indirectly holds 68,712,000 H Shares through Sparky International Company Limited, its wholly-owned subsidiary. Shandong Zhaojin Group Company Limited owns 34.74% of the interests in Zhaojin Mining Industry Company Limited. Accordingly, Zhaojin Mining Industry Company Limited and Shandong Zhaojin Group Company Limited are deemed to be interested in the 68,712,000 H Shares held by Sparky International Company Limited for the purpose of the SFO.
- (6) Tianjin Guangcheng Investment Group Co., Ltd. wholly owns Tianjin Jizhou Xincheng Agricultural Development Co., Ltd. through its wholly-owned subsidiary, Tianjin Jizhou Xincheng Construction Investment Co., Ltd. Accordingly, Tianjin Guangcheng Investment Group Co., Ltd. and Tianjin Jizhou Xincheng Construction Investment Co., Ltd. are deemed to be interested in the 67,040,000 H shares held by Tianjin Jizhou Xincheng Agricultural Development Co., Ltd. for the purpose of the SFO.

Saved as disclosed above, the Bank is not aware of any other parties (other than the Directors, Supervisors and chief executives of the Bank) who had any interests or short positions in the shares of the Bank which were required to be recorded in the register maintained by the Bank pursuant to Section 336 of the SFO as at the end of the Reporting Period.

**III. DIRECTORS' AND SUPERVISORS' INTERESTS IN COMPETING BUSINESS**

As at the Latest Practicable Date, none of the Directors and Supervisors of the Bank held any interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Bank.

**IV. DIRECTORS' AND SUPERVISORS' INTERESTS IN ASSETS**

As at the Latest Practicable Date, none of the Directors or Supervisors had any direct or indirect interest in any asset which had been, since 31 December 2024, being the date to which the latest published audited consolidated financial statements of the Bank were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

**V. DIRECTORS' AND SUPERVISORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS**

Save for the continuing connected transactions which are exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules, as at the Latest Practicable Date, none of the Directors and Supervisors of the Bank or any entity connected with the Directors and Supervisors had any direct or indirect interest in any transaction, arrangement or contract of significance (other than service contracts) in relation to the Bank's business to which the Bank was a party.

**VI. SIGNIFICANT ADVERSE CHANGES**

As at the Latest Practicable Date, to the best of the Directors' knowledge and information, there has been no material adverse change in the financial or trading position of the Group since the end of the latest published audited consolidated financial statements of the Group, i.e. 31 December 2024.

**VII. LITIGATION**

As at the Latest Practicable Date, to the best of the Directors' knowledge and information, there were no litigations or claims of material importance pending or threatened against any member of the Group.

**VIII. SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors and Supervisors of the Bank had any service contract determinable by the Bank within one year without payment of any compensation (other than statutory compensation).

**IX. MATERIAL CONTRACTS**

No contracts (other than those entered into in the ordinary business course), which are, or may be, material, have been entered into by the Group within two years immediately preceding the date of this circular and up to the Latest Practicable Date.

**X. EXPERT**

The followings are the qualifications of the expert who had given its opinions or advices which are contained in this circular:

<b>Name</b>	<b>Qualification</b>
Gram Capital Limited	A licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser to advise the Independent Board Committee and the independent Shareholders in respect of the Shandong Hi-Speed's Subscription.

As at the Latest Practicable Date, Gram Capital did not own any equity interest in any member of the Group or had any right (whether legally exercisable or not) to subscribe for or nominate persons to subscribe for securities carrying voting rights of any member of the Group.

As at the Latest Practicable Date, Gram Capital did not have any interest, directly or indirectly, in any assets purchased, sold, leased or proposed to be purchased, sold, leased by any member of the Group since December 31, 2024, the date of the latest published audited financial statements of the Group.

Gram Capital has issued a written consent to the publication of this circular, agreeing to reprint its letter or report in its current form and content and quote its name, and has not withdrawn the relevant consent.

**XI. DOCUMENTS ON DISPLAY**

Copies of the following documents will be published on the websites of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Bank ([www.whccb.com](http://www.whccb.com)) from the date of this circular up to and including the date of the Extraordinary General Meeting and the Class Meetings (being not less than 14 days):

- (a) Domestic Shares Subscription Agreement I;
- (b) Domestic Shares Subscription Agreement II;
- (c) the letter from the Board, the text of which is set out in this circular;

- (d) the letter from the Independent Board Committee, the text of which is set out in this circular;
- (e) the letter from the Independent Financial Adviser, the text of which is set out in this circular; and
- (f) the written consent given by the expert as referred to under the paragraph headed “Expert” in this Appendix.

## XII. OTHERS

- (a) The address of the registered office of the Bank is No. 137A, Qingdao North Road, Weihai City, Shandong Province.
- (b) Mr. LU Jiliang and Ms. TAM Pak Yu, Vivien serve as the joint company secretaries of the Bank. Mr. LU has been serving as a vice president of the Bank since February 2021 and an executive Director since August 2021. He was a secretary to the Board of the Bank from August 2021 to December 2021. He successively served as the vice president and the president of Shangdong Tongda Financial Leasing Co., Ltd. from February 2019 to February 2021. He successively served as the deputy general manager of the party community working department (黨群工作部) and the president (行長) of Huancui Governance Branch (環翠管轄行) of the Bank from January 2015 to February 2019. Before joining the Bank, he worked at China Development Bank Co., Ltd., Shandong Province Branch from July 2013 to December 2014. Ms. TAM serves as a manager of SWCS Corporate Services Group (Hong Kong) Limited, a professional services provider specializing in corporate services, and has over nine years of experience in corporate secretarial field. Ms. TAM has been admitted as an associated member of both The Hong Kong Chartered Governance Institute and the Chartered Governance Institute of the United Kingdom in 2018.

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## NOTICE OF 2025 FIRST EXTRAORDINARY GENERAL MEETING

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**WEIHAI BANK CO., LTD.\***

**威海银行股份有限公司\***

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

**(Stock Code: 09677)**

## NOTICE OF 2025 FIRST EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the 2025 first extraordinary general meeting (the **"2025 First Extraordinary General Meeting"**) of Weihai Bank Co., Ltd.\* (the **"Bank"**) will be held at the Conference Room, 3/F, Weihai Bank Digital Financial Center, No. 137A, Qingdao North Road, Weihai City, Shandong Province, the PRC on Monday, September 29, 2025 at 9:00 a.m. Unless otherwise defined, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Bank dated September 14, 2025 (the **"Circular"**).

The following resolutions shall be considered and, if thought fit, approved by the Shareholders of the Bank at the 2025 First Extraordinary General Meeting:

### **Special Resolutions**

1. To consider and approve item by item the following items of the resolution regarding the Proposed Issuance of Domestic Shares to Specific Target Places:
  - 1.1 Type and par value of Shares to be issued
  - 1.2 Number of Shares to be issued
  - 1.3 Target places
  - 1.4 Pricing and total proceeds
  - 1.5 Method of Issuance
  - 1.6 Timing of Issuance
  - 1.7 Use of proceeds
  - 1.8 Distribution of retained profit

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## NOTICE OF 2025 FIRST EXTRAORDINARY GENERAL MEETING

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- 1.9 Lock-up arrangement
- 1.10 Validity period
- 2. To consider and approve item by item the following items of the resolution regarding the Proposed Non-public Issuance of H Shares:
  - 2.1 Type and par value of Shares to be issued
  - 2.2 Number of Shares to be issued
  - 2.3 Target placees
  - 2.4 Pricing and total proceeds
  - 2.5 Method of Issuance
  - 2.6 Timing of Issuance
  - 2.7 Use of proceeds
  - 2.8 Distribution of retained profit
  - 2.9 Validity period
  - 2.10 Listing arrangement
- 3. To consider and approve the resolution regarding the Authorization of the Board of Directors to Complete the Matters Related to the Proposed Issuance of Domestic Shares to Specific Target Placees and the Non-public Issuance of H Shares
- 4. To consider and approve the resolution regarding the Proposed Changes in Registered Capital and Consequential Amendments to the Relevant Provisions of the Articles of Association after the Completion of the Issuance
- 5. To consider and approve the resolution on Proposed Amendments to the Articles of Association

### **Ordinary Resolutions**

- 6. To consider and approve the resolution regarding the Entry into of the Domestic Shares Subscription Agreements and the Connected Transaction in Respect of the Subscription of Domestic Shares by the Shandong Hi-Speed Subscribers

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## NOTICE OF 2025 FIRST EXTRAORDINARY GENERAL MEETING

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7. To consider and approve the resolution regarding the Proposed Dissolution of the Board of Supervisors

### Ordinary Resolutions (Cumulative Votes<sup>(Note 6)</sup>)

8. To consider and approve the resolution regarding the Proposed Change of Directors

**Weihai Bank Co., Ltd.\***  
**Board of Directors**

Weihai, the PRC  
September 14, 2025

*As at the date of this notice, the Board of the Bank comprises Mr. MENG Dongxiao, Mr. ZHANG Wenbin, Mr. LU Jiliang and Mr. JIANG Yi as executive Directors; Mr. CHEN Xiaojun, Mr. ZHAO Bing, Mr. JIAO Weifeng, Mr. KANG Jian and Ms. LI Jie as non-executive Directors; Mr. FAN Chi Chiu, Mr. WANG Yong, Ms. SUN Zuying, Mr. YANG Yunhong and Mr. PENG Feng as independent non-executive Directors.*

- \* Weihai Bank 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.

#### Notes:

1. For more information on the resolutions mentioned above, please refer to the Circular.
2. **Registration Procedures for Attending the 2025 First Extraordinary General Meeting**

Individual Shareholders who wish to attend the meeting in person shall produce their identity cards or other effective document(s) or proof of identity and stock account cards. Proxies of individual Shareholders shall produce their effective document of identity and proxy form. A corporate Shareholder should attend the meeting by its legal representative or proxy appointed by the legal representative. A legal representative who wishes to attend the meeting should produce his/her identity card or other valid document(s) evidencing his/her capacity as a legal representative. If being appointed to attend the meeting, the proxy should produce his/her identity card and an authorization instrument duly signed by the legal representative of the corporate Shareholder.

3. **Proxy**

Any Shareholder entitled to attend and vote at the 2025 First Extraordinary General Meeting is entitled to appoint one or more person(s) (if the Shareholder holds two or more issued Shares), whether such person(s) is a Shareholder of the Bank or not, to act as his/her/its proxy or proxies to attend and vote on his/her/its behalf at the 2025 First Extraordinary General Meeting. The instrument appointing a proxy must be signed by the Shareholder or his/her attorney duly authorized in writing. For a corporate Shareholder, the proxy instrument must be affixed with the common seal or signed by its director or attorney duly authorized in writing. If the instrument appointing the proxy is signed by a person authorized by the appointer, the power of attorney or other authorization documents under which the instrument is signed must be notarized and shall be deposited together and at the same time with the instrument appointing the proxy. To be valid, the proxy form together with a copy of the notarized power of attorney or other authorization documents must be delivered to the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in case of H Shareholders) or the office of the Board at Room 2309, No. 137A, Qingdao North Road, Weihai City, Shandong Province, the PRC (in case of Domestic Shareholders) not



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## NOTICE OF 2025 FIRST EXTRAORDINARY GENERAL MEETING

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later than 24 hours before the fixed time (i.e. 9:00 a.m. on Sunday, September 28, 2025) of holding the 2025 First Extraordinary General Meeting or any adjournment thereof (as the case may be). In case of registered joint holders of any Shares, any one of the registered joint holders can vote on such Shares at the 2025 First Extraordinary General Meeting in person or by proxy as if he/she is the only holder entitled to vote. If more than one registered joint holders attend the 2025 First Extraordinary General Meeting in person or by proxy, only the vote of the person whose name appeared first in the register of members of the Bank relating to such Shares (in person or by proxy) will be accepted as the sole and exclusive vote of the joint holders. Completion and return of the proxy form and instrument appointing the proxy will not preclude you from attending and voting in person at the 2025 First Extraordinary General Meeting or any adjournment thereof should you so wish, in this case, the instrument appointing the proxy shall be deemed to be revoked.

#### 4. Closure of Register of Members

The Bank's register of members will be closed from Saturday, September 27, 2025 to Monday, September 29, 2025 (both days inclusive). The Shareholder(s) whose name(s) appear(s) in the Bank's register of Shareholders on Monday, September 29, 2025 shall be entitled to attend and vote at the 2025 First Extraordinary General Meeting. For a Shareholder to be eligible for attending and voting at the 2025 First Extraordinary General Meeting, all transfer document(s) together with the relevant share certificates and other appropriate document(s) shall be delivered to our Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for the H Shareholders) or the office of the Board of the Bank at Room 2309, No. 137A, Qingdao North Road, Weihai City, Shandong Province, the PRC (for the Domestic Shareholders) no later than 4:30 p.m. on Friday, September 26, 2025.

#### 5. Publication of Poll Results

Pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**"), all resolutions at the 2025 First Extraordinary General Meeting will be voted by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted only by a show of hands). The results of poll will be published on the website of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Bank ([www.whccb.com](http://www.whccb.com)) in accordance with the Hong Kong Listing Rules.

#### 6. Cumulative Voting System

No ballot will be cast "For", "Against" or "Abstain" in cumulative voting. You may fill in the corresponding voting right in the "Cumulative Votes" column against the name of each candidate. The lowest votes will be nil and the highest will be the maximum voting right owned under the resolution and unnecessarily the integral multiples of the number of shares held by you. You may either cast all your votes to one of the proposed candidates, or cast them equally or diversely to more than one of the proposed candidates.

Please note: the total number of your votes cast on the candidates shall not exceed the aggregate number of votes to which you are entitled. When the total votes cast by you on certain candidates exceeds the total votes to which you are entitled, all the votes you have cast will become invalid and be regarded as abstain. When the total votes cast by you for certain candidates are less than the total votes to which you are entitled, the votes are valid and the remaining votes will be regarded as abstain.

#### 7. Miscellaneous

The 2025 First Extraordinary General Meeting is expected to last for no more than half a day. Shareholders who attend the meeting in person or by proxy shall bear their own expenses on traveling, dining, and accommodation.

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## NOTICE OF 2025 FIRST H SHAREHOLDERS CLASS MEETING

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**WEIHAI BANK CO., LTD.\***

**威海银行股份有限公司\***

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

**(Stock Code: 09677)**

## NOTICE OF 2025 FIRST H SHAREHOLDERS CLASS MEETING

**NOTICE IS HEREBY GIVEN THAT** the 2025 First H Shareholders Class Meeting (the “**2025 First H Shareholders Class Meeting**”) of Weihai Bank Co., Ltd.\* (the “**Bank**”) will be held at the Conference Room, 3/F, Weihai Bank Digital Financial Center, No. 137A, Qingdao North Road, Weihai City, Shandong Province, the PRC on Monday, September 29, 2025 immediately after the 2025 First Extraordinary General Meeting (to be held at 9:00 a.m.) and the 2025 First Domestic Shareholders Class Meeting to be held on the same day. Unless otherwise defined, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Bank dated September 14, 2025 (the “**Circular**”).

The following resolutions shall be considered and, if thought fit, approved by the H Shareholders of the Bank at the 2025 First H Shareholders Class Meeting:

### **Special Resolutions**

1. To consider and approve item by item the following items of the resolution regarding the Proposed Issuance of Domestic Shares to Specific Target Placees:
  - 1.1 Type and par value of Shares to be issued
  - 1.2 Number of Shares to be issued
  - 1.3 Target placees
  - 1.4 Pricing and total proceeds
  - 1.5 Method of Issuance
  - 1.6 Timing of Issuance
  - 1.7 Use of proceeds
  - 1.8 Distribution of retained profit

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## NOTICE OF 2025 FIRST H SHAREHOLDERS CLASS MEETING

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- 1.9 Lock-up arrangement
- 1.10 Validity period
- 2. To consider and approve item by item the following items of the resolution regarding the Proposed Non-public Issuance of H Shares:
  - 2.1 Type and par value of Shares to be issued
  - 2.2 Number of Shares to be issued
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  - 2.6 Timing of Issuance
  - 2.7 Use of proceeds
  - 2.8 Distribution of retained profit
  - 2.9 Validity period
  - 2.10 Listing arrangement
- 3. To consider and approve the resolution regarding the Authorization of the Board of Directors to Complete the Matters Related to the Proposed Issuance of Domestic Shares to Specific Target Placees and the Non-public Issuance of H Shares
- 4. To consider and approve the resolution on Proposed Amendments to the Articles of Association

### **Ordinary Resolution**

- 5. To consider and approve the resolution regarding the Entry into of the Domestic Shares Subscription Agreements and the Connected Transaction in Respect of the Subscription of Domestic Shares by the Shandong Hi-Speed Subscribers

**Weihai Bank Co., Ltd.\***  
**Board of Directors**

Weihai, the PRC  
September 14, 2025

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## NOTICE OF 2025 FIRST H SHAREHOLDERS CLASS MEETING

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*As at the date of this notice, the Board of the Bank comprises Mr. MENG Dongxiao, Mr. ZHANG Wenbin, Mr. LU Jiliang and Mr. JIANG Yi as executive Directors; Mr. CHEN Xiaojun, Mr. ZHAO Bing, Mr. JIAO Weifeng, Mr. KANG Jian and Ms. LI Jie as non-executive Directors; Mr. FAN Chi Chiu, Mr. WANG Yong, Ms. SUN Zuying, Mr. YANG Yunhong and Mr. PENG Feng as independent non-executive Directors.*

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## NOTICE OF 2025 FIRST H SHAREHOLDERS CLASS MEETING

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