
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this supplemental circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Huishang Bank Corporation Limited*, you should at once hand this supplemental circular, together with the accompanying second proxy form for the annual general meeting, to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this supplemental circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this supplemental circular.



Huishang Bank Corporation Limited*
徽商銀行股份有限公司

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

(Stock Code: 3698)

**GENERAL MANDATE RELATING TO THE PROPOSED ISSUANCE OF
DOMESTIC SHARES
PROPOSED A SHARE OFFERING AND THE RELATED MATTERS
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION,
THE PROCEDURES FOR GENERAL MEETINGS AND THE
ADMINISTRATIVE MEASURES FOR THE CONTROL OF
RELATED PARTY TRANSACTIONS
AND
SUPPLEMENTAL NOTICE OF THE 2014 ANNUAL GENERAL MEETING**

A supplemental notice convening the 2014 Annual General Meeting to be held as originally scheduled at the Hall, 11/F, Block A, Tianhui Building, 79 Anqing Road, Hefei, Anhui Province, the PRC at 9:00 a.m. on Friday, May 29, 2015 is set out on pages 110 to 113 of this circular.

If you intend to appoint a proxy to attend the Annual General Meeting, you are required to complete and return the accompanying second proxy form of the Annual General Meeting in accordance with the instructions printed thereon. For holders of H Shares, the second proxy form of the Annual General Meeting should be returned to Computershare Hong Kong Investor Services Limited and for holders of Domestic Shares, the second proxy form of the Annual General Meeting should be returned to the Bank's registered office and principal place of business in the PRC, in each case, in person or by post not less than 24 hours before the time fixed for holding the Annual General Meeting or any adjourned meeting thereof. Completion and return of the second proxy form will not preclude you from attending and voting in person at the Annual General Meeting or at any other adjourned meeting should you so wish.

This supplemental circular should be read in conjunction with the circular published on April 14, 2015 by the Bank.

* *Huishang Bank Corporation Limited 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.*

May 13, 2015

CONTENTS

		<i>Page</i>
DEFINITIONS		1
LETTER FROM THE BOARD		3
APPENDIX I	FEASIBILITY ANALYSIS REPORT ON THE USE OF PROCEEDS FROM THE A SHARE OFFERING	17
APPENDIX II	PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION IN CONNECTION WITH THE A SHARE OFFERING	20
APPENDIX III	THREE-YEAR DIVIDEND PLAN AFTER THE A SHARE OFFERING	52
APPENDIX IV	PRICE STABILIZATION PLAN OF A SHARES WITHIN THREE YEARS AFTER THE A SHARE OFFERING	58
APPENDIX V	DILUTION OF CURRENT RETURNS AS A RESULT OF THE A SHARE OFFERING AND REMEDIAL MEASURES	62
APPENDIX VI	STATUS REPORT ON THE USE OF PREVIOUSLY RAISED FUNDS	64
APPENDIX VII	PROPOSED AMENDMENTS TO THE PROCEDURES FOR GENERAL MEETINGS	66
APPENDIX VIII	PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES FOR THE CONTROL OF RELATED PARTY TRANSACTIONS	81
	SUPPLEMENTAL NOTICE OF THE 2014 ANNUAL GENERAL MEETING	110

DEFINITIONS

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

“Administrative Measures for the Control of Related Party Transactions”	the <i>Administrative Measures for the Control of Related Party Transactions of Huishang Bank Corporation Limited</i>
“A Share(s)”	ordinary share(s) proposed to be issued by the Bank pursuant to the A Share Offering and subscribed for in RMB
“A Share Offering”	the Bank’s proposed initial public offering of not more than 1,228,000,000 A Shares, which will be listed on the Shanghai Stock Exchange
“Annual General Meeting” or “AGM”	the 2014 annual general meeting of the Bank to be held at the Hall, 11/F, Block A, Tianhui Building, 79 Anqing Road, Hefei, Anhui Province, the PRC at 9:00 a.m. on Friday, May 29, 2015
“Articles of Association”	the articles of association of the Bank, as amended from time to time
“Bank”	Huishang Bank Corporation Limited (徽商銀行股份有限公司), a joint stock company incorporated in the PRC with limited liability, whose H Shares are listed on the Main Board of the Hong Kong Stock Exchange
“Board”	the board of Directors of the Bank
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the directors of the Bank
“Domestic Share(s)”	ordinary shares issued by the Bank in the PRC with a nominal value of RMB1.00 each, which are subscribed for or credited as paid up in RMB
“H Share Registrar”	Computershare Hong Kong Investor Services Limited
“H Share(s)”	overseas-listed foreign investment shares in the share capital of the Bank with a nominal value of RMB1.00 each, which are listed on the Main Board of the Hong Kong Stock Exchange

DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	May 11, 2015, being the latest practicable date prior to the printing of this supplemental circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Original Circular”	the AGM circular published on April 14, 2015 by the Bank
“PRC”	the People’s Republic of China, and for the purpose of this circular only, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“Price Stabilization Plan of A Shares within Three Years after the A Share Offering”	<i>the Price Stabilization Plan of A Shares within Three Years after the Initial Public Offering and Listing of the A Shares of Huishang Bank Corporation Limited</i>
“Procedures for General Meetings”	<i>the Procedures for General Meetings of Huishang Bank Corporation Limited</i>
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the Domestic Share(s) and the H Share(s) of the Bank
“Shareholder(s)”	the shareholder(s) of the Bank
“Supervisor(s)”	the supervisor(s) of the Bank

If there is any inconsistency between the English and Chinese versions of this supplemental circular, the Chinese version shall prevail.

LETTER FROM THE BOARD



Huishang Bank Corporation Limited*

徽商银行股份有限公司

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

(Stock Code: 3698)

Executive Directors:

Mr. Li Hongming
Ms. Xu Demei
Mr. Wu Xuemin
Mr. Zhang Renfu
Mr. Ci Yaping

*Registered office and principal
place of business in the PRC:*

Block A, Tianhui Building,
79 Anqing Road,
Hefei,
Anhui Province,
PRC

Non-executive Directors:

Mr. Zhang Feifei
Mr. Zhu Jiusheng
Mr. Zhao Zongren
Mr. Gao Yang

*Principal place of business in
Hong Kong:*

18/F, Tesbury Centre,
28 Queen's Road East,
Wanchai,
Hong Kong

Independent non-executive Directors:

Mr. Au Ngai Daniel
Mr. Dai Genyo
Mr. Wang Shihao
Mr. Zhang Shenghuai
Mr. Fung Weichang
Mr. Zhu Hongjun

To the Shareholders

**GENERAL MANDATE RELATING TO THE PROPOSED ISSUANCE OF
DOMESTIC SHARES
PROPOSED A SHARE OFFERING AND RELATED MATTERS
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION,
THE PROCEDURES FOR GENERAL MEETINGS AND THE
ADMINISTRATIVE MEASURES FOR THE CONTROL OF
RELATED PARTY TRANSACTIONS
AND
SUPPLEMENTAL NOTICE OF THE 2014 ANNUAL GENERAL MEETING**

1. INTRODUCTION

The AGM will be held at the Hall, 11/F, Block A, Tianhui Building, 79 Anqing Road, Hefei, Anhui Province, the PRC at 9:00 a.m. on Friday, May 29, 2015 as originally scheduled.

LETTER FROM THE BOARD

On May 12, 2015, Anhui Guoyuan Holding (Group) Company Ltd. (being a shareholder holding approximately 5.84% of the Shares of the Bank), submitted the proposals set out in the following paragraph to the AGM for consideration. Under the relevant laws, regulations and the Articles of Association, the Board presented these proposals submitted by Anhui Guoyuan Holding (Group) Company Ltd. at the AGM for consideration.

Except for the resolutions proposed in the Original Circular, the supplemental resolutions to be passed as special resolutions at the AGM include: (1) general mandate relating to the issuance of the Domestic Shares, (2) plan of the A Share Offering, (3) authorization to deal with matters relating to the A Share Offering, (4) use of proceeds from the A Share Offering, (5) accumulated profit distribution plan before the A Share Offering, and (6) amendments to the Articles of Association in connection with the A Share Offering; and the supplemental resolutions to be passed as ordinary resolutions include: (7) three-year dividend plan after the A Share Offering, (8) price stabilization plan of A Shares within three years after the A Share Offering, (9) undertakings on the disclosure of information in the prospectus published in connection with the A Share Offering, (10) dilution of current returns as a result of the A Share Offering and remedial measures, (11) status report on the use of previously raised funds, (12) amendments to the *Procedures for General Meetings*, and (13) amendments to the *Administrative Measures for the Control of Related Party Transactions*.

Pursuant to Rules 13.36 and 19A.38 of the Listing Rules and Article 134 of the Articles of Association, no approval by the holders of Domestic Shares and H Shares at separate class meetings is required in the case of authorizing, allotting or issuing Domestic Shares if the existing Shareholders have by special resolution in a general meeting given an approval for the Bank to authorize, allot or issue, either separately or concurrently once every 12 months, not more than 20% of the Domestic Shares in issue. Therefore, the Bank's legal advisors as to PRC laws, King & Wood Mallesons is of the view that, subject to the passing of the special resolution in respect of the general mandate to issue Domestic Shares at the AGM, the above supplemental resolutions shall be considered and approved by the Shareholders at the AGM and are not required to be passed at any separate class meeting of the Bank.

This supplemental circular should be read in conjunction with the Original Circular. The purpose of Original Circular and the this supplemental circular is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the AGM.

2. ADDITIONAL MATTERS TO BE TRANSACTED AT THE AGM

Details of the matters to be considered at the AGM are set out in the notice of the AGM dated April 14, 2015 contained in the Original Circular and the supplemental notice of the AGM on pages 110 to 113 hereof.

LETTER FROM THE BOARD

Supplemental resolutions to be passed at the AGM, in addition to those set out in the Original Circular, are as follows:

2.1 General mandate relating to the issuance of the Domestic Shares

Under applicable laws and regulations of the PRC, the Listing Rules and the Articles of Association, a general mandate is proposed to be granted to the Board at the AGM to issue the Domestic Shares and to authorize the Board to delegate relevant powers in order to maintain the capital adequacy ratio at compliant levels, meet capital requirements for the continuing business development of the Bank, use financing platforms effectively and flexibly as well as to seize opportunities in the capital markets. As of the Latest Practicable Date, there was a total of 7,887,319,283 Domestic Shares in issue. Upon the passing of the special resolution in respect of the general mandate and assuming that no new Domestic Shares will be issued by the Bank prior to the date of the AGM, the Bank will be authorized to issue not more than 1,577,463,856 Domestic Shares under the general mandate.

Details of the general mandate are set out below:

2.1.1 Specific plans on the general mandate to issue the Domestic Shares

- (a) Under the conditions set out in (b) below, the Board is authorized to authorize, allot, issue, grant and/or otherwise deal with the Domestic Shares (for the purpose of this Section 2.1, the Domestic Shares include the ordinary Shares denominated in RMB issued by the Bank that are to be listed and traded on a stock exchange in the PRC, and referred to as the “Shares” or the “Domestic Shares”).

Notwithstanding the fulfillment of the conditions set out in (b) below, if the allotment of the Domestic Shares to which voting rights are attached will result in a de facto change in control of the Bank, the Board shall obtain authorization by way of a special resolution before making such allotment.

- (b) The number of Domestic Shares proposed to be authorized, allotted, issued, granted and/or otherwise deal with by the Board shall not exceed 20% of the total number of Domestic Shares issued by the Bank as at the date on which this resolution is passed at an annual general meeting.
- (c) For the purpose of this resolution:

“Relevant Period” means the period from the date on which this resolution is passed at an annual general meeting until the earliest of:

- (i) the conclusion of the next annual general meeting of the Bank following the date on which this resolution has been passed;
- (ii) the expiration of 12 months following the date of passing of this resolution at any general meeting; or
- (iii) the date on which the authorization to the Board under this resolution is revoked or varied by a special resolution at any general meeting.

LETTER FROM THE BOARD

- (d) the Board is hereby authorized to determine the details of the issue plan, including but not limited to:
 - (i) the class and number of shares proposed to be issued;
 - (ii) pricing mechanism and/or issue price (including the price range);
 - (iii) the date of opening and closing of the issuance;
 - (iv) use of proceeds;
 - (v) recommendation, agreement and share options to be made or granted for the exercise of the said power; and
 - (vi) other content to be included in the detailed issue plan as required by relevant laws, regulations and other regulatory documents, relevant regulatory authorities and stock exchanges on which the Shares of the Bank are listed.

- (e) the Board is hereby authorized to implement the issue plan and to deal with matters related to an increase in the registered capital of the Bank in order to reflect the Shares authorized to be issued by the Bank under this resolution, to make amendments in the Articles of Association which are appropriate and necessary to the issue of Shares and registered capital, to adopt and complete any other actions and procedures that are necessary to give effect to the issue plan and for the completion of the increase in the registered capital of the Bank.

2.1.2 Use of proceeds

Proceeds will be used to replenish the capital of the Bank after deducting the expenses for the issuance under the general mandate to issue the Domestic Shares at the AGM and approval by relevant state authorities.

2.1.3 Relevant authorization matters

In order to increase efficiency in decision-making, reduce internal approval procedures and take advantage of market opportunities, in respect of the general mandate to issue the Domestic Shares, it is proposed to the general meeting to approve and authorize the Board and its authorized persons to deal with the matters in connection with the general mandate to issue the Domestic Shares. The above specific details of the mandate to the persons authorized will be otherwise confirmed upon the Board exercising the general mandate under this resolution.

LETTER FROM THE BOARD

2.2 Plan of the A Share Offering

After the successful listing of the H Shares, the Board proposes to apply for the A Share Offering in order to further optimize the corporate governance structure, develop domestic and international financing platforms and improve the liquidity of all Shares held by the Shareholders. Under the requirements of the relevant laws, regulations and regulatory documents, such as the *Company Law of the PRC*, the *Securities Law of the PRC*, and the *Measures for the Administration of Initial Public Offerings and Listing of Shares* and the *Opinions of the China Securities Regulatory Commission on Further Promoting the IPO System Reform* issued by the CSRC, the Board has set out the following plans:

(a) *Class of Shares*

RMB ordinary Shares (A Shares)

(b) *Nominal value per Share*

RMB1.00

(c) *Proposed stock exchange for the listing*

Shanghai Stock Exchange

(d) *Offering size*

The number of Shares to be issued will be not more than 1,228,000,000 Shares. The actual total offering size will be determined based on capital requirements of the Bank, its communications with the regulatory authorities and the prevailing market conditions at the time of the offering.

The above maximum number of issue represents approximately 15.6% of the Domestic Shares in issue and approximately 11.1% of the issued share capital of the Bank as of the Latest Practicable Date. Subject to the passing of the special resolution in respect of the general mandate to issue Domestic Shares at the AGM, the Bank will issue the A Shares under the plan of A Share Offering pursuant to the general mandate.

(e) *Target subscribers*

Target subscribers will be qualified individuals and institutional investors (excluding those in respect of which subscription has been prohibited under national laws and regulations.)

If any of the above target subscribers of the A Share Offering is a connected person of the Bank, the Bank will take all reasonable measures to comply with the relevant listing rule requirements of the jurisdictions in which the Shares are listed.

LETTER FROM THE BOARD

(f) Strategic placing

The Bank may carry out strategic placings at the time of the A Share Offering, as required, to place some of the A Shares to investors who satisfy the requirements under applicable laws and regulations and the development strategy of the Bank based on the needs for business cooperation and scale of financing. The specific placing ratio will be determined according to the requirements of laws and regulations and subject to market conditions at the time of such placing.

(g) Mode of Offering

The offering will be conducted through a combination of placings to target subscribers at a price to be determined between the Bank and the subscribers on an offline basis and an offering to qualified public investors online at a fixed price, or through any other methods of offering as authorized by the CSRC.

(h) Pricing methodology

Taking into full account the interests of the existing Shareholders as a whole, and the conditions in the capital markets and the Bank at the time of the A Share Offering, the issue price of A Shares will be fixed through making enquiries with offline investors or fixed directly through negotiations between the lead underwriter(s) and the Bank, or by any other legally practicable methods.

(i) Form of underwriting

The offering will be underwritten by an underwriting syndicate led by a lead underwriter on a standby commitment basis.

(j) Conversion into a joint stock company with limited liability with domestic and overseas listed shares

In accordance with the plans for the A Share Offering and taking into account that H Shares have been issued in the H Share market, the Bank will make an application to convert into a joint stock company with limited liability with domestically and overseas listed shares.

(k) Term of the offering plan

The plans for the A Share Offering shall be valid for 12 months from the date of passing of the special resolution.

Subject to the approval of the general mandate relating to the issuance of Domestic Shares at the AGM as specified in paragraph 2.1 above, the A Share Offering described above is expected to proceed under the general mandate. The Domestic Shares in issue will be converted into domestically listed shares upon the completion of the A Share Offering.

LETTER FROM THE BOARD

2.3 Authorization to deal with matters relating to the A Share Offering

For the purposes of the A Share Offering, a resolution will be proposed at the AGM to authorize the Board to determine and deal with the matters in connection with the A Share Offering, including but not limited to:

- (a) Amending and improving the plans for offering and listing and organizing its implementation based on the comments of regulatory authorities in, and out of, China and subject to market conditions, including but not limited to determining the specific offering size, offer price, important undertakings of the Bank, potential strategic placings (including placing ratio and target subscribers), time and method of the offering, specific allocation for the use of proceeds, and other specific matters relating to the implementation of this plan on offering and listing; making corresponding adjustments (including the suspension and termination of the implementation of the offering plan) to matters in relation to the plans on offering and listing as a result of changes in laws, regulations or regulatory documents with respect to the A Share Offering, or changes in policies of regulatory authorities in connection with the A Share Offering, or changes in market conditions, save for those matters required to be voted again on at a general meeting under the requirements of the relevant laws, regulations, regulatory documents and the Articles of Association.
- (b) Handling the procedures for the review and examination, registration, filing, approval and consent with the regulatory authorities in, and out of, China in connection with matters relating to the A Share Offering according to the plan of A Share Offering; signing, executing, amending and completing all necessary documents to be submitted to any governments, authorities, organizations and individuals in, or out of, China with respect to the A Share Offering; designating an account specifically for the holding of any proceeds prior to this A Share Offering, if required; issuing statements and undertakings relating to the offering and listing, and the taking of such steps as are necessary, expedient or appropriate with respect to this offering and listing.
- (c) Drafting, amending, signing, submitting, publishing, disclosing, implementing, suspending or terminating any agreements, contracts, announcements, circulars or other documents relating to this offering and listing (including but not limited to the prospectus, listing documents, sponsorship agreements, underwriting agreements, listing agreements, intermediary service agreements and others); engaging sponsors, underwriters, law firms, auditing firms, receiving banks and other intermediaries in connection with this offering and listing; determining and paying expenses relating to this offering and listing.

LETTER FROM THE BOARD

- (d) Making any amendments to the Articles of Association and other corporate governance documents which have been considered and approved at general meetings and Board meetings and as amended by the Bank pursuant to domestic or foreign laws, regulations and other regulatory documents due to the needs of this offering and listing as a result of any changes in domestic or foreign laws, regulations and other regulatory documents and based on the requirements and advice of the relevant government agencies and regulatory authorities in or out of China, and the actual situation of this offering and listing; making corresponding amendments to the Articles of Association with respect to the registered capital and shareholding structure of the Bank and handling the filing and registration procedures with company registration authorities and other relevant government departments upon completion of the A Share Offering, and dealing with matters in relation to an application for the listing of A Shares on a securities exchange.
- (e) Handling the procedures in relation to the approval, filing and change of registration in connection with any change of the registered capital of the Bank with the China Banking Regulatory Commission, the department in charge of industrial and commercial administration and other relevant regulatory authorities according to the actual situation of this offering.
- (f) Handling any other matters which the Board thinks are necessary, expedient or appropriate for this offering and listing, subject to the relevant domestic and foreign laws and regulations.
- (g) Delegating other Directors or relevant persons to deal with, individually or jointly, any matters relating to this offering and listing as and when needed.
- (h) This authorization shall be valid for 12 months from the date of its passing at the general meeting.

2.4 Use of proceeds from the A Share Offering

All of the proceeds from the A Share Offering of the Bank, after deduction of the listing expenses, will be used to replenish the Core Tier I capital of the Bank to enhance its capital adequacy ratio. The Bank also formulated the *Feasibility Analysis Report on the Use of Proceeds from the A Shares Offering*, the full text of which is set out in Appendix I to this circular. The above resolution on use of proceeds from the A Share Offering and relevant feasibility analysis report on use of proceeds will be proposed at the AGM for Shareholders' consideration and approval.

LETTER FROM THE BOARD

The total estimated amount of proceeds from the A Share Offering is subject to various factors such as the conditions of the capital markets and the Bank at the time of the A Share Offering. Further details of the A Share Offering will be provided by the Bank in due course.

2.5 Accumulated profit distribution plan before the A Share Offering

In addition to an annual profit distribution and taking into account the interests of both existing and new Shareholders, the undistributed profits of the Bank accumulated prior to the date of the A Share Offering and listing will be shared by all Shareholders upon completion of the A Share Offering and listing in proportion to their respective shareholdings.

2.6 Amendments to the Articles of Association in connection with the A Share Offering

The Bank intends to make certain amendments to the Articles of Association based on the existing Articles of Association and in accordance with the requirements of the relevant laws, regulations and regulatory documents such as the *Securities Law of the PRC*, the *Guidance for the Articles of Association of Listed Companies*, the *Announcement No. 47 [2014] of the China Securities Regulatory Commission – the Guidance for the Articles of Association of Listed Companies (2014 Second Revision)*, the *Guideline No. 3 on the Supervision and Administration of Listed Companies – Distribution of Cash Dividends of Listed Companies*, the *Notice of the China Securities Regulatory Commission on Further Implementing Matters Relevant to the Cash Dividend Distribution by Listed Companies* for the purpose of meeting the regulatory requirements. Such amendments shall take effect and be implemented on the date of the A Share Offering. Details of such amendments are set out in Appendix II to this circular.

In addition, if resolution 17 as set out in the Original Circular (namely, the amendments to some of the provisions of the Articles of Association) is approved at the AGM the amendments under such resolution will automatically be set out as subparagraphs 2 to 4 of Article 61 of the Articles of Association (effective upon the A Share Offering), and the existing subparagraph 2 of Article 61 of the Articles of Association will be set out as subparagraph 5.

2.7 Three-year dividend plan after the A Share Offering

In order to further strengthen the awareness of rewarding Shareholders, improve the profit distribution system and offer continuous, stable and reasonable investment returns to Shareholders, the Bank has formulated the *Three-year Dividend Plan after the A Share Offering* based on the requirements of the *Company Law of the PRC*, the *Securities Law of the PRC*, the *Notice on Further Implementing Matters Relevant to the Cash Dividend Distribution by Listed Companies* and the *Guidelines No. 3 on the Supervision and Administration of Listed Companies – Distribution of Cash Dividends of Listed Companies*, as well as the Articles of Association, and taking into full account its actual operations and the needs of future development. The full text of such plan is set out in Appendix III to this circular.

It will also be proposed at the AGM that the Board be authorized to adjust the three-year dividend plan based on any changes in laws, regulations, regulatory documents and related policies or the opinions of the regulatory authorities in, and out of, China.

LETTER FROM THE BOARD

2.8 Price stabilization plan of A Shares within three years after the A Share Offering

Pursuant to the requirements of laws, administrative rules and regulations, departmental rules and regulations and regulatory documents, such as the *Company Law of the PRC*, the *Securities Law of the PRC*, and the *Opinions on Further Promoting the IPO System Reform* issued by the CSRC, the Bank has formulated the *Price Stabilization Plan of A Shares within Three Years after the A Share Offering* in order to enhance the fiduciary duties of Shareholders and senior management of the Bank and protect the interests of minority Shareholders. The full text of such plan is set out in Appendix IV to this circular.

The above resolution in relation to the price stabilization plan of A Shares within three years after the A Share Offering will be proposed at the AGM for Shareholders' consideration and approval, which will grant consent to the Bank to make an undertaking that if, within three years after the listing of the A Shares of the Bank, the daily closing prices of Shares of the Bank for 20 consecutive trading days are lower than that of its latest audited net asset per Share (if, after the date of the audit for the latest period, the net assets or the total number of Shares of the Bank have changed due to profit distribution, conversion of capital reserve into Share capital, additional offering, and placing of Shares, etc., the net asset per Share shall be adjusted accordingly), the Bank will implement the *Price Stabilization Plan of A Shares within Three Years After the A Share Offering*. It will also be proposed that the Board be authorized to adjust the plan and undertakings based on any changes in laws, regulations, regulatory documents and related policies or opinions of the regulatory authorities in and out of China, execute and submit documents relating to such plan and undertakings to the regulatory authorities (including the Hong Kong Stock Exchange). Public disclosure, such as the publication of relevant circulars and announcements will be made, and Shareholders' communication documents will be issued in accordance with the securities listing rules of the jurisdictions in which the Shares of the Bank are listed.

2.9 Undertakings regarding information disclosure in the prospectus published in connection with the A Share Offering

Under the requirements of the *Opinions on Further Promoting the IPO System Reform* issued by the CSRC and other relevant regulations that require the issuer to make undertakings publicly in its public offering and listing documents, the Bank will make the following undertakings in its public offering and listing documents:

- (a) The Bank shall, within five days after the competent authority such as the CSRC or a people's court has made a final ruling thereon or a ruling thereon has become effective, initiate the procedures for share repurchase to repurchase all the new A Shares of the Bank under the public offering and listing for any false representation, misleading statement or material omission contained in the prospectus of the Bank which would have a material and substantial effect on the ability of the Bank to satisfy the conditions of offering under law. Details of the share repurchase scheme will be subject to the internal and external review and approval of the Bank under applicable laws, regulations, regulatory documents and the Articles of Association.

LETTER FROM THE BOARD

The repurchase price shall not be lower than the issue price thereof plus interest on such shares for such period from issue to such repurchase at the prevailing bank demand deposit interest rate. In case of any ex-rights or ex-dividend activities such as profit distribution, bonus shares, conversion of reserves to share capital after the offering and listing, such repurchase shall cover all the new A Shares and their underlying Shares under the public offering, and the above share issue price shall be adjusted for such ex-rights or ex-dividend activities.

- (b) The Bank will compensate the investors fully and promptly for any losses in securities trading suffered by them due to any false representation, misleading statement or material omission in the prospectus of the Bank in accordance with law based on the final determination or the effective ruling handed down by the competent authority such as the CSRC or a people's court.

The Bank shall be liable under relevant laws, regulations, regulatory documents and the requirements of the regulatory authorities if it fails to observe the above undertakings.

Should the relevant laws, regulations and regulatory documents (including the listing rules of the jurisdictions where the Shares of the Bank are listed) have other requirements in respect of the Bank's performance of the above undertakings, the Bank shall comply with such other requirements.

The above undertakings will be proposed at the AGM for Shareholders' consideration and approval. It will also be proposed that the Board be authorized to amend the above undertakings based on any changes in laws, regulations, regulatory documents and related policies or the opinions of the regulatory authorities in and out of China.

2.10 Dilution of current returns as a result of the A Share Offering and remedial measures

The General Office of the State Council issued the *Opinions of the General Office of the State Council on Further Strengthening the Protection of Lawful Rights and Interests of Medium and Small Investors in the Capital Markets* (Guo Ban Fa [2013] No. 110) on December 25, 2013, which states that "If a company proceeds with an initial public offering of shares, or a listed company undergoes refinancing or engages in mergers and acquisitions or restructuring and therefore dilutes its current returns, it shall undertake to adopt specific measures to make remedy for such returns and honor the undertaking". The Bank has conducted relevant analysis in respect of the impact of the A Share Offering on the dilution of the current returns and suggested the measures on making remedies for the current returns, the full text of which is set out in Appendix V to this circular.

The above remedial measures will be proposed at the AGM for Shareholders' consideration and approval. It will also be proposed that the Board be authorized to adjust the above remedial measures based on any changes in laws, regulations, regulatory documents and related policies or the opinions of the regulatory authorities in, and out of, China.

LETTER FROM THE BOARD

2.11 Status report on the use of previously raised funds

Upon verification of the use of previously raised funds, the Bank prepared the *Status Report on the Use of Previously Raised Funds*. PricewaterhouseCoopers Zhong Tian LLP will conduct an audit and inspection on Bank's use of the funds raised previously and issue the *Assurance Report on Bank's Use of the Previously Raised Funds* accordingly.

The full text of the *Status Report on Use of Previously Raised Funds* is set out in Appendix VI to this circular.

2.12 Proposed amendments to the Procedures for General Meetings

In order to meet the relevant regulatory requirements, the Bank has prepared the *Procedures for General Meetings* which will take effect following the A Share Offering on the basis of the existing *Procedures for General Meetings* and under the requirements of the relevant laws, regulations and regulatory documents, such as the *Guidance for the Articles of Association of Listed Companies* and the *Rules of General Meetings of Listed Companies*. Details of such amendments are set out in Appendix VII to this circular.

2.13 Proposed amendments to the Administrative Measures for the Control of Related Party Transactions

In order to meet the relevant regulatory requirements, the Bank has prepared the *Administrative Measures for the Control of Related Party Transactions* which will take effect following the A Share Offering on the basis of the existing *Administrative Measures for the Control of Related Party Transactions* and under the requirements of the relevant laws, regulations and regulatory documents, such as the *Administrative Measures for Information Disclosure by Listed Companies*, the *Listing Rules of the Shanghai Stock Exchange*, the *Guidelines of the Shanghai Stock Exchange for the Implementation of Related Party Transactions*, and the Listing Rules. Details of such amendments are set out in Appendix VIII to this circular.

The plan of the A Share Offering forms the foundation of the A Share Offering, while other resolutions in relation to the A Share Offering are supporting documents. Under the requirements of the *Opinion on Further Promoting the IPO System Reform* issued by the CSRC in November 2013 and its subsidiary legislative documents, any company intending to issue A shares is required to amend its articles of association, formulate a return plan for shareholders for three years after the A share offering and a price stabilization plan of A shares within three years after an A share offering, and execute undertakings regarding repurchase of new A shares under an A share offering and compensation for the losses of investors, in accordance with such new requirements. Such other resolutions in relation to the A Share Offering do not form part of the plan of the A Share Offering and the passing of any of the resolutions is not conditional on any other resolution. However, if any of the resolutions is not passed at a general meeting, the application documents for the A Share Offering may not fulfill the requirements of the CSRC, which may substantively impede the successful application of the A Share Offering of the Bank.

LETTER FROM THE BOARD

3. IMPACT OF THE A SHARE OFFERING ON THE SHAREHOLDING STRUCTURE OF THE BANK

Assuming a total of 1,228,000,000 A Shares are permitted to be issued under the A Share Offering and there are no changes to the share capital of the Bank prior to the completion of the A Share Offering, the shareholding structures of the Bank as at the Latest Practicable Date and immediately after the completion of the A Share Offering are set out as follows:

	As at the Latest Practicable Date		Immediately after completion of the A Share Offering	
	Number of Shares	Approximate percentage of the Bank's issued share capital	Number of shares	Approximate percentage of the Bank's issued share capital
Domestic Shares				
Domestic Shares in issue	7,887,319,283	71.38%	7,887,319,283	64.24%
A Shares to be newly issued under the A Share Offering	–	–	1,228,000,000	10.00%
H Shares	<u>3,162,500,000</u>	<u>28.62%</u>	<u>3,162,500,000</u>	<u>25.76%</u>
Total	<u>11,049,819,283</u>	<u>100%</u>	<u>12,277,819,283</u>	<u>100%</u>

Except for the proposed subscription of the Bank's new H Shares by GOME Electrical Appliances Holding Limited, which lapsed on January 31, 2015, the Bank has not conducted any fund raising activities in connection with the issue of share capital within the 12 months immediately preceding the Latest Practicable Date. Based on the publicly available information and to the knowledge of the Directors, the Bank has a public float of 25% which satisfies the requirements under Rule 8.08 of the Listing Rules as at the Latest Practicable Date.

4. THE AGM

The Bank will convene the AGM at the Hall, 11/F, Block A, Tianhui Building, 79 Anqing Road, Hefei, Anhui Province, the PRC at 9:00 a.m. on Friday, May 29, 2015 to consider and, if thought fit, to pass resolutions in respect of the matters set out in the notice of the AGM and the supplemental notice of the AGM. The second proxy form will be dispatched to the Shareholders in accordance with the Listing Rules.

If you intend to appoint a proxy to attend the AGM, you are required to complete and return the accompanying second proxy form for the AGM in accordance with the instructions printed therein. For holders of H Shares, the second proxy form for the AGM should be returned to Computershare Hong Kong Investor Services Limited and for holders of Domestic Shares, the second proxy form for the AGM should be returned to the Bank's registered office and principal place of business in the PRC, in each case, in person or by post not less than 24

LETTER FROM THE BOARD

hours before the time fixed for holding the Annual General Meeting or any adjourned meeting thereof. Completion and return of the second proxy form will not preclude you from attending and voting in person at the Annual General Meeting or at any other adjourned meeting should you so wish.

5. RECOMMENDATIONS

The Board (including the independent non-executive Directors) considers that the supplemental resolutions to be proposed at the AGM are in the interests of the Bank and the Shareholders as a whole and accordingly recommend that the Shareholders vote in favor of all the resolutions to be proposed at the AGM and set out in the supplemental notice of the AGM.

By order of the Board
Huishang Bank Corporation Limited*
Li Hongming
Chairman

Hefei, Anhui Province, the PRC
May 13, 2015

* *Huishang Bank Corporation Limited 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.*

Pursuant to laws and regulations such as the *Measures for the Administration of Initial Public Offering and Listing of Shares* issued by the CSRC, the feasibility analysis on the use of proceeds by the Bank is reported as follows:

1. NUMBER AND USE OF THE A SHARES THROUGH THE INITIAL PUBLIC OFFERING

The Bank intends to publicly offer not more than 1,228,000,000 RMB ordinary shares (A Shares) and use all proceeds from the public offering of A Shares (after deduction of listing expenses) to replenish its Core Tier I capital and to enhance its capital adequacy ratio. The A Share Offering is subject to approval of regulatory authorities such as the CBRC and the CSRC.

2. ANALYSIS ON THE NECESSITY OF THE A SHARE OFFERING

- (a) **Expansion of capital replenishment channels for implementation of strategic plan.** 2015 marks the beginning of the new five-year plan of the Bank, during which the acceleration of the Bank's comprehensive development in various areas will increase its rate of capital consumption. A listing of A Shares could provide the Bank with more capital replenishment platforms for sustainable and rapid development. As at the end of 2014, the Bank had a capital adequacy ratio of 13.41% and a Core Tier I capital adequacy ratio of 11.50%. Although the regulatory requirements on capital have been satisfied, the Bank needs to take a proactive approach to capital replenishment. In addition to the capital replenishment from the A Share Offering, the Bank may have more flexibility to use capital instruments in the PRC after the listing of A Shares, which would offer more choices and options to the Bank for optimizing and adjusting its shareholding structure.
- (b) **Strengthening of core competitiveness and enhancing brand value.** If the A Shares are successfully listed, the Bank hopes to become one of the first city commercial banks in China with a dual A and H Share listing, further enhancing its market status, brand value and reputation and thus its comprehensive competitiveness, which will contribute to a higher market share and overall operational capability.

3. FEASIBILITY ANALYSIS ON THE INITIAL PUBLIC OFFERING OF A SHARES

The Bank will ensure that its rate of return on common stockholders' equity is maintained at a high level coupled with the rapid growth of its net assets through the prudent use of proceeds. In achieving this, the Bank will adopt the following measures:

(a) Optimization of business structure to enhance development quality and efficiency

The Bank adopts a development path of differentiation, cultivating unique characteristics and refinement in developing its key strategic businesses. With years of operational experience, it has established a business system with diverse products, gradually improving its operational features and competitive edge, and cultivating a steady increase in its market recognition and brand influence. In the future, it will continue to optimize its business and revenue structure to create a strong business with unique features. The integration of existing businesses and professionalization of the micro-credit business will promote the development of newly emerging businesses such as investment banking, inter-bank banking and custodian services, which will further diversify the Bank's sources of liability, asset operation and revenue streams to ensure the steady increase in the quality and efficiency of its business development.

(b) Promotion of business innovation to enhance the standard of comprehensive services

In recent years, the Bank has been continuously promoting financial innovation and enhancing its capability in diversified operation and management through measures such as obtaining business qualifications and starting business innovation. The Bank's adoption of two key approaches of "development driven by innovation and guaranteed by management improvement" will speed up the transformation and upgrade of the business in all aspects and continue to foster innovation in new service and operational models; the building of a comprehensive cross-selling and synergy mechanism across business lines and creating a positive interactive developmental model between traditional businesses and innovative businesses. The Bank will strive to establish itself as a full-service bank with local economic and social development by focusing on the needs of the market and its clients.

(c) Strengthening regional deployment and channel establishment

The Bank has been optimizing its regional deployment continuously by propelling the development of regional and community branches through the penetration into the low-tier market by setting up community sub-branches as well as small and micro sub-branches, the economies of scale of which have been established. While keeping risks manageable, the Bank will, going forward, cultivate regional markets, develop the financial inclusion system, expand the provincial financial services business, and accelerate the quality development of its branches to support its rapid yet steady business development. It will also increase efforts in developing internet financing, launching direct banking and WeChat banking and further increase its resources in key projects such as research and development of new models and new products and their promotion. It will execute its internet financing strategy to build a multi-level, vertical and differentiated branch outlets system that integrates both physical and electronic branch outlets.

(d) Strengthening of risk management to ensure stable asset quality

In the wake of a slowdown in economic growth and the higher pressure on non-performing asset management and control, the Bank will further strengthen its management and control over business risks by continuously improving its comprehensive risk management system. The Bank will conduct risk investigations by closely monitoring key aspects with high credit risk to strengthen risk warning, mitigation and disposal, which will prevent a snowballing of credit risk and maintain a stable asset quality level. The Bank will strengthen the management and control of various risks in accordance with regulatory requirements to maintain liquidity, market, operational and legal risks at controllable levels.

4. IMPACT OF THE OFFERING ON THE OPERATION, MANAGEMENT AND FINANCIAL CONDITION OF THE BANK

The A Share Offering will enable the Bank to increase its capital adequacy ratio which will in turn increase its risk tolerance and competitiveness and attract further business development opportunities. The impact of the A Share Offering on the operation, management and financial condition of the Bank is as follows:

(a) Impact on net assets, net assets per share and rate of return on common stockholders' equity

The net assets of the Bank will increase through the A Share Offering. Although there may be certain dilution effects on the rate of return on common stockholders' equity in the short run, the A Share Offering will have positive effects on the net asset value per share and rate of return on common stockholders' equity in the long run when the proceeds generate incomes gradually.

(b) Impact on capital adequacy ratio

Upon receipt of the proceeds from the A Share Offering, the capital adequacy ratio and the Core Tier I capital adequacy ratio of the Bank will be further enhanced which would strengthen its risk tolerance.

(c) Impact on profitability

The A Share Offering will facilitate the rapid development of the Bank's businesses and further enhance its profitability.

Based on the above, all proceeds from the A Share Offering (after the deduction of listing expenses) will be used to replenish the Core Tier I capital of the Bank and enhance its capital adequacy ratio in accordance with the requirements of relevant laws and regulations, the industry policy of the PRC and the long-term strategic development direction of the Bank. Furthermore, in the interests of the Bank and all Shareholders, the A Share Offering will be necessary and feasible, as well as beneficial to the long-term healthy growth of the Bank by providing capital support to its sustainable and sound development.

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
<p>CHAPTER 1 GENERAL PROVISIONS</p>	<p>CHAPTER 1 GENERAL PROVISIONS</p>	<p>Addition made in accordance with the actual circumstances of the A Share Offering.</p>
<p>Article 1 The Articles of Association (the “Articles”) are formulated in accordance with the <i>Company Law of the People’s Republic of China</i> (the “Company Law”), the <i>Commercial Banking Law of the People’s Republic of China</i> (the “Commercial Banking Law”), the <i>Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies</i> (the “Special Regulations”), the <i>Mandatory Provisions for Articles of Association of Companies to be Listed Overseas</i>, the <i>Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited</i> (the “Hong Kong Listing Rules”) and other relevant laws, administrative regulations, departmental rules and regulatory documents, for the purpose of regulating the organisation and activities of Huishang Bank Corporation Limited (the “Bank”), and protecting the legitimate rights and interests of shareholders and stakeholders of the Bank.</p>	<p>Article 1 The Articles of Association (the “Articles”) are formulated in accordance with the <i>Company Law of the People’s Republic of China</i> (the “Company Law”), the <i>Securities Law of the People’s Republic of China</i>, the <i>Commercial Banking Law of the People’s Republic of China</i> (the “Commercial Banking Law”), the <i>Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies</i> (the “Special Regulations”), the <i>Mandatory Provisions for Articles of Association of Companies to be Listed Overseas</i>, the <i>Guidance for the Articles of Association of Listed Companies</i>, the <i>Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited</i> (the “Hong Kong Listing Rules”) and other relevant laws, administrative regulations, departmental rules and regulatory documents, for the purpose of regulating the organisation and activities of Huishang Bank Corporation Limited (the “Bank”), and protecting the legitimate rights and interests of shareholders and stakeholders of the Bank.</p>	<p>Addition made in accordance with the actual circumstances of the A Share Offering.</p>

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
CHAPTER 3 SHARES AND REGISTERED CAPITAL	CHAPTER 3 SHARES AND REGISTERED CAPITAL	
Section 1 Share Issue	Section 1 Share Issue	
<p>Article 17 Shares issued by the Bank to investors within the PRC and subscribed for in RMB shall be referred to as “domestic shares”. Shares issued by the Bank to investors outside the PRC and subscribed for in foreign currency shall be referred to as “foreign investment shares”. Foreign investment shares listed outside the PRC shall be referred to as “overseas-listed foreign shares”.</p>	<p>Article 17 Shares issued by the Bank to investors within the PRC and subscribed for in RMB shall be referred to as “domestic shares”. Shares issued by the Bank to investors outside the PRC and subscribed for in foreign currency shall be referred to as “foreign investment shares”. Foreign investment shares listed outside the PRC shall be referred to as “overseas-listed foreign shares”.</p>	<p>Amendments made in accordance with the actual circumstances of the A Share Offering, and that all the Domestic shares will be converted into domestically listed shares upon the completion of the A Share Offering.</p>
<p>Shares listed and traded on foreign stock exchange with approval from departments authorised by the State Council and approval from foreign securities regulatory authorities are collectively referred to as “overseas-listed shares”.</p>	<p>Shares listed and traded on a stock exchange in the PRC shall collectively be referred to as “domestically listed shares”.</p>	
<p>Overseas-listed foreign shares issued by the Bank and listed on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) are referred to as “H shares”.</p>	<p>Shares listed and traded on a foreign stock exchange with approval from departments authorised by the State Council and approval from foreign securities regulatory authorities shall be collectively referred to as “overseas-listed shares”.</p>	
<p>Foreign currencies referred to in the preceding paragraph shall mean the lawful currencies of other countries or regions other</p>	<p>Overseas-listed shares issued by the Bank and listed on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) shall be referred to as “H shares”.</p>	

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
<p>than RMB, which are recognised by the State Administration of Foreign Exchange for payment for share subscription to the Bank.</p>	<p>Foreign currencies referred to in the preceding paragraph shall mean the lawful currencies of other countries or regions other than RMB, which are recognised by the State Administration of Foreign Exchange for payment for share subscription to the Bank.</p>	
<p>Domestic shares issued by the Bank are retained under centralized depository of the relevant securities depository institutions for safe custody; whereas the H shares of the Bank are mainly retained under the safe custody of securities clearing companies in Hong Kong and such shares may also be held under the personal names of shareholders.</p>	<p>Domestically listed shares issued by the Bank are retained under the centralized safe custody of the securities depository institutions that meet the relevant requirements, whereas the H shares of the Bank are mainly retained under the safe custody of securities clearing companies in Hong Kong and may also be held under the personal names of shareholders.</p>	
<p>Shareholders of the Bank may trade in unlisted shares in overseas stock exchanges upon approval from the relevant regulatory authorities such as the banking regulatory authorities and the securities regulatory authority of the State Council. The listing and trading of the aforementioned shares shall comply with the regulatory procedures, regulations and requirements of the overseas stock exchange.</p>		

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
<p>Article 19 The total number of ordinary shares that the Bank may issue upon approval by the examination and approval departments authorised by the State Council is 11,049,819,283 shares. The Bank’s share capital structure is: 11,049,819,283 ordinary shares, among which 7,887,319,283 are domestic shares, representing 71.38% of the total number of shares issued by the Bank; and 3,162,500,000 H shares, representing 28.62% of the total number of shares issued by the Bank.</p>	<p>Article 19 The total number of ordinary shares that the Bank may issue upon approval by the examination and approval departments authorised by the State Council is [●] shares. The Bank’s share capital structure is: [●] ordinary shares, among which [●] are domestically listed shares, representing [●]% of the total number of shares issued by the Bank; and 3,162,500,000 are overseas-listed shares (H shares), representing [●]% of the total number of shares issued by the Bank.</p>	<p>Amendments made in accordance with the actual circumstances of the A Share Offering.</p>
<p>Article 20 Subject to approval and verification of the Bank’s plan to issue overseas-listed shares and domestic shares by the securities regulatory authority of the State Council, the Board of Directors of the Bank may implement arrangements regarding the issuance of the shares respectively.</p>	<p>Article 20 Subject to approval and verification of the Bank’s plan to issue overseas-listed shares and domestically listed shares by the securities regulatory authority of the State Council, the Board of Directors of the Bank may implement arrangements regarding the issuance of the shares respectively.</p>	<p>Amendments made in accordance with the actual circumstances of the A Share Offering.</p>
<p>The Bank may separately implement its plan to issue overseas-listed shares and domestic shares pursuant to the preceding paragraph within fifteen (15) months from the date of approval and verification by the securities regulatory authority of the State Council.</p>	<p>The Bank may separately implement its plan to issue overseas-listed shares and domestically listed shares pursuant to the preceding paragraph within fifteen (15) months from the date of approval and verification by the securities regulatory authority of the State Council.</p>	

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
<p>Article 21 In the event that there are overseas-listed shares and domestic shares included in the total number of shares stated in the said plan, such shares shall be fully subscribed for at their respective offerings. If these shares cannot be fully subscribed due to special circumstances, such shares may be issued in separate tranches subject to the approval and verification by the securities regulatory authority of the State Council.</p>	<p>Article 21 In the event that there are overseas-listed shares and domestically listed shares included in the total number of shares stated in the said plan, such shares shall be fully subscribed for at their respective offerings. If these shares cannot be fully subscribed due to special circumstances, such shares may be issued in separate tranches subject to the approval and verification by the securities regulatory authority of the State Council.</p>	<p>Amendments made in accordance with the actual circumstances of the A Share Offering.</p>
<p>Article 22 The registered capital of the Bank is RMB11,049,819,283.</p>	<p>Article 22 The registered capital of the Bank is RMB[●].</p>	
<p>Section 2 Increase or Reduction and Repurchase of Shares</p>	<p>Section 2 Increase or Reduction and Repurchase of Shares</p>	
	<p>Article 25 Any increase or reduction in the registered capital of the Bank shall be subject to the approval of regulatory authorities of the PRC such as the banking regulatory authority according to law, and all formalities in relation to the change of registration shall be made with the company registration authorities.</p>	<p>Addition made in accordance with Clause 2, Article 177 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
Section 3 Transfer and Pledge of Shares	Section 3 Transfer and Pledge of Shares	
Article 30 Unless otherwise specified by the relevant laws, administrative regulations and the regulations of the securities regulatory authorities in the jurisdiction in which the shares of the Bank are listed, the fully paid shares of the Bank may be transferred legally without any lien attached.	Article 31 Unless otherwise specified by the relevant laws, administrative regulations and the regulations of the securities regulatory authorities or stock exchanges in the jurisdictions in which the shares of the Bank are listed, the fully paid shares of the Bank may be transferred legally without any lien attached.	Drafting improvements based on these amendments.
...	...	
CHAPTER 4 FINANCIAL ASSISTANCE FOR THE PURCHASE OF THE BANK'S SHARES	CHAPTER 4 FINANCIAL ASSISTANCE FOR THE PURCHASE OF THE BANK'S SHARES	
Article 37 The Bank or its subsidiary banks (subsidiary companies) shall not offer any financial assistance at any time by any means to purchasers or prospective purchasers who will or who wish to purchase the Bank's shares. Such purchasers shall include both persons who have directly or indirectly assumed obligations.	Article 38 The Bank or its subsidiary banks (subsidiary companies, including subsidiary undertakings of the Bank) shall not offer any financial assistance at any time by any means (including but not limited to gifts, advances, guarantees, compensations, loans or otherwise) to purchasers or prospective purchasers who will or wish to purchase the Bank's shares. Such purchasers shall include any persons who have directly or indirectly assumed obligations in connection with any purchase of the Bank's shares.	Addition made in accordance with Article 20 of the <i>Guidance for the Articles of Association of Listed Companies</i> .
...	...	

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
<p>Article 42 The Bank shall maintain a register of shareholders which sets out the following matters: ...</p>	<p>Article 43 The Bank shall establish and maintain a register of shareholders in accordance with evidence provided by securities registrars which sets out the following matters: ...</p>	<p>Addition made in accordance with Article 30 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>
<p>Article 49 ... Shareholders holding domestic shares and who apply for the replacement of share certificates shall comply with the relevant provisions of the Company Law. ...</p>	<p>Article 50 ... Shareholders holding domestically listed shares and who apply for the replacement of share certificates shall comply with the relevant provisions of the Company Law. ...</p>	<p>Amendment made in accordance with the actual circumstances of the A Share Offering.</p>
<p>CHAPTER 6 SHAREHOLDERS' GENERAL MEETINGS</p>	<p>CHAPTER 6 SHAREHOLDERS' GENERAL MEETINGS</p>	
<p>Section 1 Shareholders</p>	<p>Section 1 Shareholders</p>	
<p>Article 53 Holders of ordinary shares of the Bank shall enjoy the following rights: ... (2) to personally attend or appoint a proxy to attend shareholders' general meetings, and to exercise voting rights based on the number of shares held by them; ...</p>	<p>Article 54 Holders of ordinary shares of the Bank shall enjoy the following rights: ... (2) to request, convene, chair, attend in person or by proxy shareholders' general meetings according to law, and to exercise voting rights based on the number of shares held by them; ...</p>	<p>Addition made in accordance with Clauses (2) and (5) of Article 32 of the <i>Guidance for the Articles of Association of Listed Companies</i> and the Listing Rules.</p>
<p>Other than item (ii), the documents referred to in items (i) to (vi) shall be maintained at the</p>	<p>Other than item (ii), the documents referred to in items (i) to (vi) shall be maintained at the</p>	

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
<p>Hong Kong address of the Bank in accordance with Hong Kong Listing Rules and available for inspection free of charge by both the public shareholders and H shareholders, except for item (v), which will only be available for inspection by the shareholders.</p> <p>...</p>	<p>address of the Bank in Hong Kong in accordance with the Listing Rules of the Hong Kong Stock Exchange and available for inspection free of charge by both the public shareholders and H shareholders, except for item (v), which will only be available for inspection by the shareholders.</p>	
<p>The Bank may refuse to provide any of the above documents if the documents to be inspected or photocopied involve price sensitive information and the Bank's trade secrets</p> <p>...</p>	<p>Minutes of Board meetings, minutes of meetings of the Board of Supervisors and counterfoils of corporate bonds are also available for inspection by the shareholders of the Bank.</p> <p>...</p>	
	<p>The Bank may refuse to provide any of the above documents if the documents to be inspected or photocopied involve the Bank's trade secrets and price sensitive information (including inside information).</p> <p>...</p>	
<p>Section 2 General Provisions on Shareholders' General Meetings</p>	<p>Section 2 General Provisions on Shareholders' General Meetings</p>	
<p>Article 71 The Bank shall convene shareholders' general meetings at its place of domicile or at any other place specified in the notice of shareholders' general meeting. The Bank shall arrange for a venue to hold a physical meeting.</p>	<p>Article 72 The Bank shall convene shareholders' general meetings at its place of domicile or at any other place specified in the notice of shareholders' general meeting. The Bank shall arrange for a venue to hold a physical meeting. The Bank may facilitate its shareholders to attend shareholders' general meetings through various means and channels, including using modern communication methods such as video, telephone and internet voting platforms on the basis that the Bank will ensure the</p>	<p>Addition made in accordance with Clause 2, Article 44 and Article 80 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p> <p>Addition made in accordance with the Article 21 of the <i>Rules for the General Meetings of Shareholders of Listed Companies</i>.</p>

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
	<p>legality and validity of such meetings. Shareholders who attend any shareholders' general meeting using the above means will be deemed to have validly attended such meeting. The identities of shareholders shall be verified in accordance with Article 48 of the Articles of Association. If a shareholders' general meeting is held online or by any other means, the notice of shareholders' general meeting shall expressly state the time and voting procedures, whether online or otherwise.</p>	
<p>Article 72 When a shareholders' general meeting is being held, the Bank shall engage lawyers to observe the meeting, give legal opinions as to the matters set out below and, make announcements as to the matters set out below as required by the rules of the jurisdiction in which the shares of the Bank are listed:</p>	<p>Article 73 When a shareholders' general meeting is being held, the Bank shall engage lawyers to observe the meeting, give legal opinions as to the matters set out below, and make announcements as to the matters set out below as required by the rules of the jurisdiction in which the shares of the Bank are listed:</p>	<p>Amendment made in accordance with Article 45 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>
<p>(1) whether the procedures for convening and holding the shareholders' general meeting are in compliance with the laws, administrative rules and the Articles;</p>	<p>(1) whether the procedures for convening and holding the shareholders' general meeting are in compliance with laws, administrative rules and these Articles of Association;</p>	
<p>(2) whether the qualifications of the attendees and convener are legal and valid;</p>	<p>(2) whether the qualifications of the attendees and convener are legal and valid;</p>	
<p>(3) verify the qualifications of shareholders who have put forward new proposals at the shareholders' general meeting;</p>	<p>(3) whether the voting procedures and voting outcome of the shareholders' general meeting are legal and valid; and</p>	

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
<p>(4) whether the voting procedures and voting outcome of the shareholders' general meeting are legal and valid; and</p>	<p>(4) legal opinions on other relevant issues as requested by the Bank.</p>	
<p>(5) legal opinions on other relevant issues as requested by the Bank.</p>		
<p>Section 4 Proposals and Notice of Shareholders' General Meetings</p>	<p>Section 4 Proposals and Notice of Shareholders' General Meetings</p>	
<p>Article 85 Notice of shareholders' general meeting shall meet the following requirements: ...</p>	<p>Article 86 Notice of shareholders' general meeting shall meet the following requirements: ... <i>(A new item (11) shall be added prior to the existing item (11))</i></p>	<p>Addition made in accordance with Article 21 of the <i>Rules for the General Meetings of Shareholders of Listed Companies.</i></p>
	<p>(11) In the event that a shareholders' general meeting is held through network or by other means, the notice of shareholders' general meeting shall explicitly state the time and voting procedures for voting through network or by other means; ...</p>	
<p>Article 86 The notice of a shareholders' general meeting shall be delivered by hand or prepaid mail to all shareholders (regardless of whether they have voting rights at the shareholders' general meeting). The address of</p>	<p>Article 87 The notice of a shareholders' general meeting shall be delivered by hand or prepaid mail to all shareholders (regardless of whether they have voting rights at the shareholders' general meeting). The address of</p>	<p>Amendment made in accordance with the actual circumstances of the A Share Offering.</p>

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
<p>the recipients shall be the address registered in the register of shareholders. For holders of domestic shares, the notice of a shareholders’ general meeting may be in form of an announcement.</p>	<p>the recipients shall be the address registered in the register of shareholders. For holders of domestically listed shares, the notice of a shareholders’ general meeting may be in form of an announcement.</p>	
<p>The aforesaid announcement shall be published in one or more newspapers specified by the securities regulatory authority of the State Council between the forty-five (45) to fifty (50) day interval prior to the date the meeting is convened. All holders of domestic shares shall be deemed as having been notified of the forthcoming shareholders’ general meeting once the announcement is published.</p>	<p>The aforesaid announcement shall be published in one or more newspapers specified by the securities regulatory authority of the State Council between the forty-five (45) to fifty (50) day intervals prior to the date on which the meeting is convened. All holders of domestically listed shares shall be deemed as having been notified of the forthcoming shareholders’ general meeting once the announcement is published</p>	
<p>...</p>	<p>....</p>	
<p>Section 5 The Holding of Shareholders’ General Meetings</p>	<p>Section 5 The Holding of Shareholders’ General Meetings</p>	
<p>Article 90 Any shareholder entitled to attend and vote at a shareholders’ general meeting shall be entitled to 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 powers at a shareholders’ general meeting:</p>	<p>Article 91 All shareholders recorded in the register of shareholders on the record date or their proxies shall have the right to attend shareholders’ general meetings and exercise voting rights in accordance with the relevant laws, regulations and these Articles of Association.</p>	<p>Addition made in accordance with Article 59 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>
<p>(1) the same right of speech as the shareholder at the meeting;</p> <p>(2) have authority to demand or join other shareholders in demanding a poll; and</p>	<p>Any shareholder entitled to attend and vote at a shareholders’ general meeting shall be entitled to appoint one or more persons (these persons need not be shareholders) as proxies to attend and vote on his/her/its behalf. A proxy may exercise the following rights under the authorisation of such shareholder at a shareholders’ general meeting:</p>	

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
(3) have 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.	(1) the same right of speech as the shareholder at the meeting; (2) have authority to demand or join other shareholders in demanding a poll; and (3) have 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.	
Article 105 The convener shall ensure that the minutes are truthful, accurate and complete. The attending directors, supervisors, secretary to the Board of Directors, convener or their representatives and the chairman of the meeting shall sign on the minutes. The minutes, list of signatures by shareholders in attendance, powers of attorney, and valid information regarding alternative voting methods shall be filed and shall form part of the Bank's files. The secretary to the Board of Directors shall preserve the files in accordance with the Bank's record management guidelines for at least ten (10) years.	Article 106 The attending directors, supervisors, secretary to the Board of Directors, convener or their representatives and the chairman of the meeting shall sign on the minutes, and shall ensure that the minutes are true, accurate and complete. The minutes, together with the list of signatures by shareholders in attendance, powers of attorney, and valid information regarding network and alternative voting methods shall be filed and shall form part of the Bank's files. The secretary to the Board of Directors shall preserve the files in accordance with the file management rules of the Bank for at least ten (10) years.	Amendment made in accordance with Article 73 of the <i>Guidance for the Articles of Association of Listed Companies</i> and Article 41 of the <i>Rules for the General Meetings of Shareholders of Listed Companies</i> .

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
Section 6 The Voting Procedures and Resolutions of Shareholders' General Meetings	Section 6 The Voting Procedures and Resolutions of Shareholders' General Meetings	
<p>Article 107 A shareholder (including his/her proxy) shall exercise his/her voting rights based on the number of shares with voting rights held. Each share shall have one (1) vote, but the shares held by the Bank have no voting rights and that part of the shares is not counted towards the total number of shares with voting rights that is held by shareholders attending the meeting.</p>	<p>Article 108 A shareholder (including his/her/its proxy) shall exercise his/her/its voting rights based on the number of shares with voting rights held. Each share shall have one (1) vote, but the shares held by the Bank have no voting rights and that part of the shares is not counted towards the total number of shares with voting rights held by shareholders attending the meeting.</p> <p>Where material issues considered at a general meeting affect the interests of minority investors, the votes of minority investors shall be counted separately. The results of the separate vote count shall be disclosed publicly in a timely manner.</p> <p>The Board of Directors, the majority of independent directors and shareholders satisfying the relevant requirements and conditions may collect voting rights from shareholders publicly. Information including the specific voting preference shall be fully provided to the shareholders for whom voting rights are being solicited. Soliciting shareholders' voting rights with consideration or any consideration in disguised form is prohibited. The Bank shall not impose any minimum shareholding limitation for soliciting voting rights.</p>	<p>Addition made in accordance with Article 78 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
<p>Article 112 Connected shareholders shall not participate in voting when matters concerning connected party transactions are considered at a shareholders' general meeting, and the shares with voting rights represented by the connected shareholders shall not be counted into the total number of valid votes.</p> <p>...</p>	<p>Article 113 Connected shareholders shall not participate in voting when matters concerning related party transactions are considered at a shareholders' general meeting, and the shares with voting rights represented by the connected shareholders shall not be counted into the total number of valid votes. The voting of the non-connected shareholders shall be fully disclosed in the announcement of the resolutions passed at the shareholders' general meeting.</p> <p>...</p>	<p>Addition made in accordance with Article 79 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>
<p>Article 116 Unless there is cumulative polling, all proposals shall be voted separately at the shareholders' general meeting. If there are a number of proposals related to the same matter, votes shall be cast in the order of which the proposals were presented. Except where there is <i>force majeure</i> or other special circumstances resulting in the adjournment of the shareholders' general meeting or the failure to pass resolutions, no resolutions proposed shall be set aside or skipped at the shareholders' general meeting.</p>	<p>Article 117 Unless there is cumulative polling, all proposals shall be voted separately at the shareholders' general meeting. If there are a number of proposals related to the same matter, votes shall be cast in the order of which the proposals were presented.</p> <p>When reviewing any proposal at a shareholders' general meeting, no amendment shall be made to the proposal. Otherwise, such change shall be deemed as a new proposal and cannot be voted on at the current shareholders' general meeting.</p> <p>Except where there is <i>force majeure</i> or other special circumstances resulting in the adjournment of the shareholders' general meeting or the failure to pass resolutions, no proposal shall be set aside or voted at the shareholders' general meeting.</p>	<p>Amendment made in accordance with Article 84 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
<p>Article 117 Apart from proposals regarding the procedure or administration of the shareholders' general meeting for which resolutions may be made by a show of hands and counted by the chairman of the meeting acting in good faith, all other matters shall be decided on by a poll.</p>	<p>Article 118 Apart from proposals regarding the procedure or administration of the shareholders' general meeting for which resolutions may be made by a show of hands and counted by the chairman of the meeting acting in good faith, all other matters shall be voted by open ballot at the shareholders' general meeting.</p>	<p>Addition made in accordance with Article 86 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>
<p>Article 118 ...</p> <p>When a proposal is voted at a shareholders' general meeting, the vote count and examination of the poll shall be conducted together by lawyers, representatives of shareholders and representatives of supervisors. At the same time, the auditors of the Bank, the H Share Registrar or external accountants (who are qualified as auditors) shall be appointed as the scrutineer. The chairman of the meeting shall announce the voting outcome at the meeting and shall declare, according to the voting outcome, whether the resolution has been passed. The voting outcome for each resolution shall be recorded in the meeting minutes.</p>	<p>Article 119 ...</p> <p>When a proposal is voted at a shareholders' general meeting, the vote count and examination of the poll shall be conducted together by lawyers, representatives of shareholders and representatives of supervisors. At the same time, the auditors of the Bank, the H Share Registrar or external accountants (who are qualified as auditors) shall be appointed as the scrutineer.</p> <p>Shareholders or their proxies who vote through network or by any other means shall be entitled to check their own voting results via the relevant voting system.</p>	<p>Reasons for deletion: it has combined with Article 122 of the revised Articles of Association.</p> <p>Addition made in accordance with Paragraph 3, Article 87 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
<p>Article 119 In the event that the same voting rights have been exercised twice, the result of the first vote shall prevail.</p>	<p>Article 120 The same voting rights may be exercised through only one means: on site, through network or by other means. In the event that the same voting rights have been exercised twice, the result of the first vote shall prevail.</p>	<p>Addition made in accordance with Article 85 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>
<p>Article 121 For every proposal, the chairman of the shareholders' general meeting shall announce the voting circumstances, the voting, and whether the proposal has been passed based on the voting outcome.</p>	<p>Article 122 Any on-site shareholders' general meeting shall not end earlier than the time of the meeting held through network or by other means. For every proposal, the chairman of the shareholders' general meeting shall announce the voting circumstances, the voting outcome, and whether the proposal has been passed based on the voting outcome. The voting outcome of any proposal shall be recorded in the meeting minutes.</p>	<p>Amendment made in accordance with Article 88 of the <i>Guidance for the Articles of Association of Listed Companies</i>, and combining Article 118 of the existing Articles of Association with this Article.</p>
<p>Prior to formally announcing the voting outcome, all interested parties attending the meeting in person, including the Bank, the vote counter, the scrutineer and substantial shareholders, etc., have an obligation to keep the voting results confidential.</p>	<p>Prior to formally announcing the voting outcome, all parties involved in the on-site voting or voting through network or otherwise, including the Bank, vote counter, scrutineer, substantial shareholders, and the network service provider, etc., shall have an obligation to keep the voting results confidential.</p>	
<p>Article 124 Resolutions adopted at the shareholders' general meeting shall be announced in a timely manner in accordance with the relevant requirements of the regulatory authority. The announcement shall specify the number of shareholders and proxies attending the meeting, the total number of shares with voting</p>	<p>Article 125 Resolutions adopted at the shareholders' general meeting shall be announced in a timely manner in accordance with the requirements of the relevant regulatory authorities. The announcement shall specify the number of shareholders and proxies attending the meeting, the total number of shares with voting</p>	<p>Addition made in accordance with Article 92 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
rights held by them and the proportion relative to the total number of shares with voting rights of the Bank, the voting method, the voting outcome of each proposal and the details of each adopted resolution.	rights held by them and the percentage of the total number of shares with voting rights of the Bank, the voting method, the voting outcome of each proposal and the details of each adopted resolution.	
	If any proposal is not passed, or if the resolution passed at the preceding shareholders' general meeting is amended at the current shareholders' general meeting, a special note shall be made in the announcement relating to the resolutions of the shareholders' general meeting.	
Article 125 If the proposal regarding the election of the directors or supervisors is approved at the shareholders' general meeting, the newly elected director or supervisor's term of service shall commence on the date on which the resolution is passed.		Have been combined and included in Articles 136 and 220 of the revised Articles of Association

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
Section 7 Special Procedures for Voting by a Certain Class of Shareholders	Section 7 Special Procedures for Voting by a Certain Class of Shareholders	
Article 134 Aside from other classes of shareholders, the shareholders of domestic shares and overseas-listed shares are deemed to be shareholders of different classes.	Article 134 Aside from other classes of shareholders, the shareholders of domestically listed shares and overseas-listed shares are deemed to be shareholders of different classes.	Amendment made in accordance with the actual circumstances of the A Share Offering
The special voting procedure at a shareholders' general meeting for class shareholders shall not apply for the following cases:	The special voting procedure at a shareholders' general meeting for class shareholders shall not apply in the following cases:	
<p>(1) upon the approval by way of a special resolution passed by a shareholders' general meeting, the Bank independently or simultaneously issues domestic shares and/or overseas-listed shares every twelve (12) months, provided that the amount of each class of shares intended to be issued is not more than 20% of the issued and outstanding shares of the respective class;</p> <p>(2) the Bank's plan on issuing domestic shares and overseas-listed shares at the time of incorporation, which is completed within fifteen (15) months from the date of approval from the securities regulatory authority of the State Council; and</p> <p>(3) the relevant regulatory authorities such as banking regulatory authorities and</p>	<p>(1) upon the approval by way of a special resolution passed by a shareholders' general meeting, the Bank independently or simultaneously issues domestically listed shares and/or overseas-listed shares every twelve (12) months, and the number of domestically listed shares and/or overseas-listed shares proposed to be issued is not more than 20% of the outstanding shares in issue of their own class; and</p> <p>(2) the Bank's plan on issuing domestically listed shares and overseas-listed shares at the time of incorporation, which is completed within fifteen (15) months from the date of approval from the securities regulatory authority of the State Council.</p>	

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
<p>the securities regulatory authority of the State Council have given approval for unlisted shares held by the shareholders of the Bank to be traded in overseas stock exchanges.</p>		
<p>CHAPTER 7 BOARD OF DIRECTORS</p>	<p>CHAPTER 7 BOARD OF DIRECTORS</p>	
<p>Section 1 Directors</p>	<p>Section 1 Directors</p>	
<p>Article 136 Directors shall be elected or removed from office by shareholders at a general meeting. The term of office of a director shall be three (3) years, and a director may be re-elected and re-appointed upon expiry of their term of office. ...</p>	<p>Article 136 Directors shall be elected or removed from office by shareholders at a general meeting. The term of office of a director shall be three (3) years, and a director may be re-elected and re-appointed upon expiry of their term of office. Prior to the expiry of his/her term, a director shall not be removed without reason from his/her office by a general meeting. ...</p>	<p>Addition made in accordance with Paragraph 1, Article 96 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>
<p>The term of office of a director shall be calculated from the date on which he/she takes up the office, to the date of the expiration of the term of office of the Board of Directors. Where re-election is not carried out promptly after a director's term of office expires, the original director shall continue to perform the duties owed by a director before a new director is elected to take up the office, subject to the laws, administrative regulations, departmental regulations and the Articles.</p>	<p>The term of office of a director shall be calculated from the later of the date on which the proposal in relation to the election of director is passed at a shareholders' general meeting or the appointment qualifications thereof are approved, to the date of the expiration of the term of office of the Board of Directors. Where re-election is not carried out promptly after a director's term of office expires, the original director shall continue to perform his/her duties as director pursuant to laws, administrative regulations, departmental</p>	

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
<p>regulations and these Articles of Association before a new director is elected to take up office.</p> <p>Article 137 A director may resign before their term of office expires. He/she shall submit a written resignation to the Board of Directors. The Board of Directors shall inform the Board of Supervisors of this fact within two (2) days and report at the most recent shareholders’ general meeting.</p> <p>...</p>	<p>regulations and these Articles of Association before a new director is elected to take up office.</p> <p>Article 137 A director may resign before their term of office expires. He/she shall submit a written resignation to the Board of Directors. The Board of Directors will inform the Board of Supervisors of this fact within two (2) days and disclose relevant information according to law.</p> <p>...</p>	<p>Amendment made in accordance with Article 100 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>
<p>Section 3 Board of Directors</p>	<p>Section 3 Board of Directors</p>	
<p>Article 175 Board meetings shall only be held when more than half of the directors attend the meeting. The Board of Directors shall resolve the matters proposed to be resolved by means of a meeting. Resolutions adopted at the Board meeting must be approved by more than half of the directors.</p> <p>Each director shall have one (1) vote in respect of the Board resolutions.</p>	<p>Article 175 Board meetings shall only be held when more than half of the directors attend the meeting. The Board of Directors shall resolve the matters proposed to be resolved by means of a meeting. Unless otherwise provided in these Articles of Association or the relevant laws and regulations, resolutions adopted at the Board meeting must be approved by more than half of all directors.</p> <p>Each director shall have one (1) vote in respect of the Board resolutions.</p>	<p>Drafting improvements made in accordance with these amendments.</p>
<p>CHAPTER 9 BOARD OF SUPERVISORS</p>	<p>CHAPTER 9 BOARD OF SUPERVISORS</p>	
<p>Section 1 Supervisors</p>	<p>Section 1 Supervisors</p>	
<p>Article 220 The supervisor’s term of office shall be calculated from the date on which he/she takes up</p>	<p>Article 220 The supervisor’s term of office shall be calculated from the date on which the proposal in</p>	<p>Moved to this Article from the existing Article 125.</p>

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
<p>the office to the date of expiry of the term of office of the current Board of Supervisors. Where re-election is not carried out promptly after the expiry of the supervisor's term of office or the number of supervisors on the Bank's Board of Supervisors falls below the quorum because of a supervisor's resignation during his/her term of office, before a new supervisor has been elected to take up the vacant position, subject to the laws, administrative regulations, departmental regulations and the Articles, the existing supervisor shall continue to perform his duties as a supervisor.</p>	<p>relation to the election of supervisor is passed at a shareholders' general meeting or the proposal in relation to the election of employee supervisor is passed at an employees' representative meeting to the date of expiry of the term of office of the current Board of Supervisors. Where re-election is not carried out promptly after the expiry of the supervisor's term of office, or the number of supervisors on the Bank's Board of Supervisors falls below the quorum because of a supervisor's resignation during his/her term of office, the original supervisor shall continue to perform his duties as supervisor pursuant to laws, administrative regulations, departmental regulations and these Articles of Association before a new supervisor is elected to take up the office.</p>	

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
CHAPTER 13 FINANCIAL ACCOUNTING SYSTEM, PROFITS DISTRIBUTION AND AUDIT	CHAPTER 13 FINANCIAL ACCOUNTING SYSTEM, PROFITS DISTRIBUTION AND AUDIT	
Section 1 Financial Accounting System and Distribution of Profits	Section 1 Financial Accounting System and Distribution of Profits	
Article 306	Article 306	
<p>...</p> <p>The Bank shall prepare an annual financial report within four (4) months after the end of each accounting year and submit it to the relevant regulatory authorities in accordance with the relevant laws.</p> <p>...</p>	<p>...</p> <p>The Bank shall prepare an annual financial accounting report within four (4) months after the end of each accounting year, a semi-annual financial accounting report within two (2) months after the end of the first six (6) months of each accounting year and a quarterly financial accounting report within one (1) month after the end of the first three (3) months and first nine (9) months of each accounting year, respectively, and submit them to the relevant regulatory authorities according to law.</p> <p>...</p>	<p>Addition made in accordance with Article 150 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>
Article 313	Article 313	
<p>...</p> <p>Where the capital adequacy ratio of the Bank does not meet the required standards of the relevant regulatory authorities, the Bank shall not distribute profits to investors.</p>	<p>...</p> <p><i>(Deletion of the existing Paragraph 5, being “Where the capital adequacy ratio of the Bank does not meet the required standards of the relevant regulatory authorities, the Bank shall not distribute profits to investors.”)</i></p>	<p>Reason for deletion: the relevant requirement is included in Article 316 of the revised Articles of Association.</p>

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
<p>Article 316 The Bank may distribute dividends in the form of cash or shares.</p>	<p>Article 316 The profit distribution policy of the Bank is as follows:</p> <p>(I) Basic principles of profit distribution: The Bank will implement a sustainable and stable dividend distribution policy. The Bank shall emphasize reasonable investment returns to investors and take its sustainable development into account when distributing dividends. The Bank shall give priority to distribution of dividends in cash subject to compliance with the principle of continuous profitability, regulatory requirements and its normal operation and long-term development.</p> <p>(II) Particulars of the profit distribution policy are as follows:</p> <p>1. Form of profit distribution: The Bank shall distribute profits to shareholders in proportion to their respective shareholdings, and may make dividend distributions in cash, stock or a combination of both. The Bank shall give priority to cash dividends for profits distribution when there exists the conditions to do so. The Bank shall, in principle, make</p>	<p>Addition made in accordance with the <i>Notice on Further Implementing Matters Relevant to the Cash Dividend Distribution by Listed Companies</i> and the <i>Guidelines No. 3 on the Supervision and Administration of Listed Companies – Distribution of Cash Dividends of Listed Companies</i> issued by the CSRC and based on actual circumstances of the Bank.</p>

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
	<p>profits distributions once a year. Where conditions allow, the Bank may distribute interim profit dividends.</p>	
	<p>2. Specific conditions and ratio of cash dividend distribution of the Bank: In general, no cash dividend shall be paid to shareholders for any year if the Bank's capital adequacy ratio is lower than the minimum standard required by the regulatory authorities of the PRC. On the premise of ensuring that the capital adequacy ratio meets the regulatory requirements, the Bank may pay cash dividends if its profits realized in each year, after making up any losses and transfer to statutory reserves and general reserve, remain positive and distributable. Any profit to be distributed by the Bank in cash each year shall be no less than 20% of the distributable profits realized by it for that year. The specific ratio of cash dividend distribution each year will be determined by the Bank in accordance</p>	

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
	<p>with the requirements of the relevant laws, regulations, regulatory documents and the Articles of Association, and based on its business operation when such cash dividend distribution is made, and will be considered and approved at general meetings of the Bank.</p>	
	<p>3. Conditions for distribution of share dividends by the Bank: Where the operating income of the Bank grows rapidly and the Board considers that the share price of the Bank does not reflect its market capitalization, the Bank may propose and execute a share dividend distribution proposal in addition to payment of the cash dividend distribution above.</p>	
	<p>4. The Board of the Bank shall take into full account various factors, such as features of the industries where the Bank operates, the stage of its development, its own business model, profitability and</p>	

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
--	---	-----------------------------------

whether there are significant capital expenditure arrangements, to distinguish between the following situations and put forward differentiated cash dividend policies in accordance with the procedures as required by the Articles of Association.

- (1) If the Bank is at the mature stage of development and has no significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 80% when the profit distribution is made;
- (2) If the Bank is at the mature stage of development and has significant capital expenditure arrangements, the proportion of cash dividends in the profit distribution shall be at least 40% when the profit distribution is made;
- (3) If the Bank is at the growing stage and has significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 20% when the profit distribution is made;

If it is difficult to distinguish the Bank's stage of development and

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
	<p>the Bank has significant capital expenditure arrangement, the profit distribution may be dealt with pursuant to the preceding provisions.</p>	
	<p>(III) Decision-making procedures for profit distribution:</p>	
	<p>1. When determining a profit distribution plan, the Board of the Bank shall seriously study and discuss, among other factors, the timing, conditions and minimum ratio of cash dividend distribution, its conditions for adjustments and the requirements of the procedures for decision-making. The independent directors shall give specific opinions in respect thereof. The independent directors may collect the opinion of the minority shareholders, devise a dividend distribution proposal accordingly and submit the same directly to the Board for consideration. Prior to the consideration of the specific cash dividend distribution plan by the shareholders at a general meeting, the Bank shall communicate and exchange ideas through</p>	

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
	<p>multiple channels with shareholders (in particular, the minority shareholders), attentively obtain the opinions and requests of the minority shareholders and give timely response to the issues that concern them. The Board of Supervisors of the Bank shall supervise the formulation and decision-making by the Board of the profit distribution plan of the Bank.</p>	
	<p>2. Where the Bank satisfies criteria for cash dividend distribution but has not prepared any cash dividend plan, or the profit distributed by the Bank in cash is less than 20% of the distributable profits realized by it for that year, the Board shall explain the specific reasons for not distributing cash dividends, the exact purpose for the retained profits and the estimated investment return, and submit such to the shareholders' general meeting for consideration after independent directors have given their opinions thereon, and</p>	

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
	disclose the same in the designated media by the Bank. The Bank shall provide access to online voting for shareholders for voting purpose.	
	(IV) Explanation of the reasons for not making profit distribution in cash: A profit distribution plan shall be disclosed in the annual report for the year. If the Bank generated profits during the reporting period but the Board of the Bank has not made any cash profit distribution plan, the reasons therefor and the use of proceeds retained by the Bank not used for distribution shall be explained in detail in its periodic reports and the independent directors shall give an independent opinion in this regard.	
	(V) Adjustments to the profit distribution policy: If the production and operation of the Bank are materially affected as a result of war, natural disasters and other force majeure, or any change in its external operating environment, or there are any significant changes in its own operating conditions, the Bank may adjust its profit distribution policy. When the Bank makes such adjustment, the Board shall prepare a written	

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
	<p>report on specific topics containing detailed discussion and verification of the reasons for adjustment, which, after being considered by the independent directors, shall be submitted to the shareholders' general meeting for approval by shareholders representing over 2/3 of the voting rights at such meeting. The Bank shall provide access to online voting for shareholders for voting purpose. In considering such adjustments at a shareholders' general meeting, the opinions of minority shareholders shall be sufficiently considered.</p>	
	<p>(VI) If there is any shareholder illegally taking up the Bank's capital, the Bank shall deduct the cash dividends allocated to such shareholder to repay the amount of capital taken.</p>	
	<p>(VII) The Bank shall disclose in detail the formulation and implementation of cash dividends distribution policy in its annual reports, and state whether the policy is in compliance with these Articles of Association or the resolutions passed at shareholders' general meeting, whether the benchmark and ratio of dividend distribution are definite and clear, whether</p>	

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
	<p>independent directors perform their duties diligently and exercise their functions as required, whether the minority shareholders have the opportunities to fully express their opinions and appeals, and whether the legitimate rights and interests of the minority shareholders have been fully protected. Where the Bank revises or changes its cash dividend distribution policy, it shall explain in detail as to whether the revised or changed plans and procedures are in compliance with regulations and transparent.</p>	
	<p>Article 317 After a resolution is adopted by a shareholders' general meeting of the Bank in respect of the profit distribution plan, the Board of Directors of the Bank shall complete the dividend (or shares) distribution within two months after the shareholders' general meeting.</p>	<p>Addition made in accordance with Article 154 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>

Existing provisions in the Articles of Association	Amended provisions in the Articles of Association	Reasons for or basis of amendment
CHAPTER 14 NOTICES AND ANNOUNCEMENTS	CHAPTER 14 NOTICES AND ANNOUNCEMENTS	
<p>Article 334 The Bank shall send announcements and disclose information to the shareholders of domestic shares in the newspapers and websites for information disclosure specified by the laws, administrative regulations or relevant domestic regulatory authorities. Where announcements are to be sent to the shareholders of H-shares in accordance with the Articles, then relevant announcements shall, at the same time, be published in the methods specified by the Hong Kong Listing Rules.</p>	<p>Article 335 The Bank shall make announcements and disclose information to the shareholders of domestically listed shares in the newspapers and on the websites for information disclosure as specified by laws, administrative regulations or the relevant regulatory authorities of the PRC. Where announcements shall be made to the shareholders of H shares in accordance with these Articles of Association, then the relevant announcements shall be published simultaneously in the manner as specified by the Hong Kong Listing Rules.</p>	<p>Amendment made in accordance with the actual circumstances of the A Share Offering.</p>
CHAPTER 18 SUPPLEMENTAL PROVISIONS	CHAPTER 18 SUPPLEMENTAL PROVISIONS	
<p>Article 363 After approval by the banking regulatory authority and after consideration and approval by the shareholders' general meeting, the Articles shall become effective from the date of public offering of the H-shares of the Bank on the Hong Kong Stock Exchange.</p>	<p>Article 364 Upon consideration and approval by the shareholders' general meeting and approval by the banking regulatory authority, these Articles of Association shall become effective from the date on which the domestically listed shares issued by the Bank under the public offering are listed and traded.</p>	<p>Amendment made in accordance with the actual circumstances of the listing of A Shares</p>

Note: Correspondent adjustments have been made to the article numbers and cross references of the existing Articles of Association due to the addition or deletion of the articles.

According to the relevant requirements of the *Notice on Further Implementing Matters Relevant to the Cash Dividend Distribution by Listed Companies* and the *Guideline No. 3 on Supervision and Administration of Listed Companies – Cash Dividends of Listed Companies* issued by the CSRC, and the *Guidelines on Distribution of Cash Dividends by Companies Listed on the Shanghai Stock Exchange* issued by the Shanghai Stock Exchange, and in order to further increase Shareholders' return, optimize and implement the cash dividend policy, clarify the Bank's plan for providing reasonable investment returns to Shareholders, improve the transparency and operability of decision-making on profit distribution and to facilitate supervision of the Bank's operations and profit distribution by the Shareholder, the Board of the Bank has formulated the *Three-year Dividend Return Plan After the Initial Public Offering and Listing of the A Shares of Huishang Bank Corporation Limited* (the "Plan"), the detailed contents of which are set out below:

1. PRINCIPLES FOR FORMULATION OF THE PLAN

According to the provisions of the *Company Law* and the *Articles of Association*, all of Shares of the Bank are ordinary Shares. The Bank will distribute dividends to Shareholders in proportion to their shareholdings under the "pari passu" principle.

The Bank will implement a continuous and stable dividend distribution policy. The Bank shall emphasize on reasonable investment return to investors and ensure sustainable development of the Bank when distributing dividends.

The Bank shall prioritize the distribution of dividends in cash based on the principle of continuous profitability, regulatory requirements and its normal operation and long-term development.

2. FACTORS CONSIDERED IN DEVELOPING THE PROFIT DISTRIBUTION PLAN

In developing the dividend distribution policy, the Bank focuses on its existing operations and sustainable development at the current stage, conducts comprehensive analysis and takes into full consideration the following material factors:

(a) Safeguarding Shareholders' legal interests in a practical manner and implementing regulatory requirements

The Bank shall perform its social and legal responsibilities, safeguard Shareholders' legal interests in a practical manner and provide reasonable investment returns to investors.

The Bank shall implement the regulatory requirements of the CSRC on profit distribution and cash dividend policy for listed companies. The *Guideline No. 3 on Supervision and Administration of Listed Companies – Cash Dividends of Listed Companies* issued by the CSRC provides specific requirements on further improving profit distribution decision-making process, perfecting cash distribution system, enhancing transparency in cash dividend distribution, and maintaining the consistency, reasonableness and stability of cash dividend policy.

(b) Actual business development of the Bank

The Bank maintains satisfactory operating results and strong profitability. Upon this initial public offering and listing of its A Shares, the Bank will formulate a continuous and stable dividend distribution policy based on its actual operations of the current year.

(c) Development stage of the Bank

The Bank is currently in a fast-growing stage, during which each of its business lines maintains a good development momentum with huge development potentials. Therefore, the Bank needs sufficient capital to guarantee its future development. Taking into full consideration the impact of various factors, the Bank will formulate a dividend distribution policy that is able to meet the requirements of its normal operation and sustainable development.

(d) Demands and wishes of the Shareholders

The Bank's dividend distribution policy, which attaches high importance to providing reasonable investment returns to investors while considering the expectation of investors for the rapid development of the Bank on an ongoing basis, will fully take into consideration the demands and wishes of the Shareholders. The specific dividend distribution plan, including the ratio of cash dividend and whether distributing dividends in form of shares, will be determined, considered and approved at a general meeting according to the actual operations of the Bank of the relevant year and the future development of its normal operation.

(e) Cost of social capital and external financing environment

The Bank may currently increase its capital scale by means of issuing ordinary shares, debts instruments and profit retention. Among them, profit retention is one of the important means of the Bank to increase its capital funds. When formulating a dividend policy, the Bank will take into consideration various factors comprehensively, including the reasonable capital structure, capital cost and external financing environment of the Bank.

(f) Cash flow

The cash flow of the Bank from operating activities is mainly impacted by various factors, including the macro-economic development, monetary policy and scale of deposits and loans of China. While taking into consideration the impact of its financing and investment activities on cash flow and ensuring its normal operation, the Bank will make appropriate adjustments to the cash dividend policy according to its actual cash flow of the current year.

(g) Capital requirements

The Bank is required to satisfy the regulatory requirements of the CBRC on capital adequacy ratio of commercial banks. The *Administrative Measures for the Capital of Commercial Banks (for Trial Implementation)* (the “Capital Administrative Measures”) issued by the CBRC with effect from January 1, 2013, further strengthened the capital restrictive mechanism and provided more stringent capital regulatory requirements for commercial banks. The Bank is required to take into full consideration its capital adequacy ratio when formulating the profit distribution policy. The Bank may implement a positive dividend distribution plan on the basis that its capital adequacy ratio meets regulatory requirements and its sustainable development. However, when its capital adequacy ratio decreases continuously, the Bank’s dividend policy shall take into full consideration various factors, including the banking regulatory requirements, requirements for meeting the demands of Shareholders for dividends, and the ability of the Bank to deal with operational and financial uncertainties.

3. SPECIFIC DIVIDEND RETURN PLAN**(a) Sequence of profit distribution**

When the Bank distributes after-tax profits, it shall allocate 10% of its profits to the statutory reserve. The Bank can no longer allocate to such statutory reserve when the accumulative amount of the statutory reserve of the Bank amounts to more than 50% of the registered capital of the Bank. If the statutory reserve is insufficient to make up for the losses of the preceding years, the profits of the current year shall first be used to make up for such losses before any allocation is made to the statutory reserve.

The Bank shall make allocation to its general reserve, the proportion of which shall meet the requirements set out by the competent regulatory authorities. Otherwise, no subsequent allocation shall be made.

After an allocation is made out of the after-tax profits to the statutory reserve, the Bank may make allocations out of the after-tax profits to the discretionary reserve after a relevant resolution has been passed at a general meeting.

The after-tax profits of the Bank, after being used for making up losses and making allocations to the statutory and discretionary reserves, as well as the general reserve, may be distributed as dividends to the Shareholders in proportion to their shareholdings.

(b) Form of profit distribution and its interval

The Bank may distribute profits in proportion to the shareholdings of Shareholders, and may make dividend distributions either in cash or in shares or a combination of both. If the Bank satisfies the conditions for cash dividends, it shall give priority to make profit distribution in the form of cash dividends. The Bank shall, in principle, distribute profits once a year. Where conditions allow, the Bank may distribute an interim dividend.

(c) Conditions and ratio of cash dividend distribution

In general, no cash dividend shall be paid to Shareholders for any year if the Bank's capital adequacy ratio is lower than the minimum standard required by the regulatory authorities of the PRC. On the premises of ensuring that the capital adequacy ratio meets the regulatory requirements, the Bank may pay cash dividends if its profits realized in each year, after making up any losses and transfer to statutory reserves and general reserve according to law, remain positive and distributable. Any profit to be distributed by the Bank in cash each year shall be no less than 20% of the distributable profits realized by it for that year. The specific ratio of cash dividend distribution each year will be determined by the Bank in accordance with the requirements of the relevant laws, regulations, regulatory documents and the Articles of Association, and based on its business operation, and will be considered and approved at general meetings of the Bank.

The Board of the Bank shall take into full account various factors, such as features of the industries where the Bank operates, stage of development, its own business model, profitability and whether there is significant capital expenditure arrangement, to distinguish the following situations and put forward differentiated policies of cash dividend policy in accordance with the procedures as required by the Articles of Association:

- (i) If the Bank is at the mature stage of development and has no significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 80% when the profit distribution is made;
- (ii) If the Bank is at the mature stage of development and has significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 40% when the profit distribution is made;
- (iii) If the Bank is at the growing stage and has significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 20% when the profit distribution is made.

If it is difficult to distinguish the Bank's stage of development and the Bank has significant capital expenditure arrangement, the profit distribution may be dealt with pursuant to the preceding provisions.

Where the operating income of the Bank grows rapidly and the Board considers that the share price of the Bank does not reflect its market capitalization, the Bank may propose and execute a share dividend distribution proposal in addition to payment of the cash dividend distribution above.

4. DECISION-MAKING AND SUPERVISION MECHANISM OF THE RETURN PLAN

When determining a profit distribution plan, the Board shall consider, among other things, the timing, conditions and minimum ratio for cash dividend distribution, its conditions for adjustments and the requirements of the procedures for decision-making. The independent

Directors shall give specific opinion in respect thereof. The independent Directors may seek the opinion of the minority Shareholders, devise a dividend distribution proposal accordingly and submit the same directly to the Board for consideration. Prior to the consideration of the plan by the Shareholders at a general meeting, the Bank shall communicate and exchange ideas through multiple channels with Shareholders (in particular, the minority Shareholders), consider the opinions and requests of the minority Shareholders and give timely responses to the issues that concern them. The board of supervisors of the Bank shall supervise the formulation and decision-making by the Board of the profit distribution plan of the Bank.

Where the Bank has satisfied conditions for cash dividend distribution but has not prepared any cash dividend plan, or the profit distributed by the Bank in cash is less than 20% of the distributable profits realized by it for that year, the Board shall set out the specific reasons for not distributing cash dividends, the exact purpose for the retained profits and the estimated investment return, and submit to the general meeting for consideration after the independent non-executive Directors have expressed their opinions, and make disclosure in the designated media by the Bank. The Bank shall provide access to online voting platforms for Shareholders.

A profit distribution plan shall be disclosed in the annual report for the year. If the Bank generated profits during the reporting period but the Board of the Bank has not made any cash profit distribution plan, the reasons thereof and the use of proceeds retained by the Bank not used for distribution shall be explained in detail in its periodic reports and independent Directors shall give an independent opinion in this regard.

5. IMPLEMENTATION OF PROFIT DISTRIBUTION PLAN

After a resolution is adopted by the Bank's general meeting in respect of the profit distribution plan, the Board must complete the dividend (or Share) distribution within two months after the general meeting.

6. FORMULATION PERIOD AND ADJUSTMENT MECHANISM OF THE RETURN PLAN

- (a) The Bank shall formulate the plan for Shareholders' return based on the profit distribution policy set out in the *Articles of Association*, and ensure that the plan of Shareholders' return is prepared every three years as well as the plan for the dividend distribution policy for next three years. When formulating the plan of Shareholders' return, the Board of the Bank shall fully listen to and take advices and suggestions from Shareholders (especially the minority Shareholders), independent Directors, and external Supervisors through various channels. The dividend distribution policy and the plan of Shareholders' return for three years as made by the Board of the Bank shall not be implemented until they are approved by a general meeting upon submission.

- (b) If the production and operation of the Bank are materially affected as a result of war, natural disasters and other events of force majeure, or any change in its external operating environment, or any significant changes in its own operating conditions, the Bank may adjust its profit distribution policy. When the Bank makes such adjustment, the Board shall prepare a written report on special topics containing detailed discussion and verification of the reasons for adjustment, which, after being considered by the independent Directors, shall be submitted to the general meeting for approval by Shareholders representing over $2/3$ voting rights at such meeting. The Bank shall provide access to online voting platforms for Shareholders for voting purpose. In considering such adjustments at a general meeting, the opinions of minority Shareholders must sufficiently considered.
7. Matters which are not covered under this Plan shall be implemented in accordance with the relevant laws and regulations, regulatory documents and the *Articles of Association*. The Plan shall be interpreted by the Board and shall effective upon approval at a general meeting from the date of the A Share Offering.

According to the requirements of the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Opinions of the CSRC on Further Promoting the IPO System Reform* and other relevant laws and regulations, and the listing rules of the jurisdictions where shares of the Bank are listed, this plan is hereby formulated to strengthen the fiduciary duties of the Bank, Directors and senior management and protect the interests of minority Shareholders.

1. CONDITIONS FOR INITIATING MEASURES FOR STABILIZING SHARE PRICES

If, within three years after the A Share Offering, the closing prices of the A Shares for 20 consecutive trading days are lower than its latest audited net asset per share (if, after the date of the audit for the latest period, net assets or the total number of shares of the Bank has changed due to profit distribution, conversion of capital reserve into share capital, additional offering, placing of shares, the net asset per share shall be adjusted accordingly. For the avoidance of doubt, such adjustment shall apply in all instances where the term “latest audited net asset per share” appears in Appendix IV.) which is not attributable to any event of force majeure, the Bank and related parties will take the positive measures below to stabilize share prices pursuant to the specific share price stabilization plan as considered and approved after going through the internal review and approval procedures of the Bank according to law.

2. SPECIFIC MEASURES FOR STABILIZING SHARE PRICES

(a) Specific measures for stabilizing share prices of the Bank

- (i) If the closing prices of the A Shares for 20 consecutive trading days are lower than its latest audited net asset per share, the Bank is obligated to stabilize share prices. The Board shall formulate and announce the share price stabilization plan of the Bank within 10 trading days from the date on which such obligation arises. The share price stabilization plan of the Bank includes but not limited to the plan on repurchase of the shares of the Bank or other plans that meet the requirements of laws, regulations and other regulatory documents (including the listing rules of the jurisdictions in which the shares of the Bank are listed). The specific plan will be subject to internal and applicable external approval procedures of the Bank in accordance with the requirements of applicable laws, regulations and regulatory documents and the *Articles of Association* of the Bank.
- (ii) If the Bank adopts the share repurchase plan, such plan will include but not limited to the number of shares to be repurchased, price range, source of capital and the impact of such repurchase on the share price and operation of the Bank. The share repurchase plan shall be implemented by the Bank after going through the internal approval procedures of the Bank in accordance with applicable laws, regulations, regulatory documents and provisions under the *Articles of Association* of the Bank and after handling other relevant procedures and obtaining necessary approvals as

required by relevant laws, regulations and other regulatory documents. The Bank shall repurchase its shares on stock exchanges through centralized competitive bidding, offer and/or other legal methods. The total amount of capital to be used by the Bank for repurchase shall be no less than 5% of the net profits attributable to Shareholders of the Bank for the previous year, and shall be no more than the net proceeds raised from the A Share Offering.

- (iii) If the Bank adopts other share price stabilization plans that meet the requirements of the relevant laws, regulations and other regulatory documents (including the listing rules of the places where shares of the Bank are listed), such plans shall be implemented after going through relevant approval and/or filing procedures in accordance with the requirements of applicable laws, regulations and regulatory documents (including the listing rules of the jurisdictions in which the shares of the Bank are listed) and the Articles of Association.
 - (iv) During the course of implementing the share price stabilization plan, if the closing prices of the A Shares of the Bank for 10 consecutive trading days are higher than its latest audited net asset per share, the Bank may terminate such share price stabilization plan. If, upon termination of such plan by the Bank, the closing prices of the A Shares for 20 consecutive trading days are once again lower than its latest audited net asset per share within 12 months from the date of triggering the obligation to stabilize share prices, the Bank shall continue to implement such share price stabilization plan.
- (b) Additional share acquisition by the Directors (excluding, for the purposes of this paragraph, independent Directors and any Directors not entitled to remunerations of the Bank) or senior management**
- (i) If the closing prices of the A Shares for 20 consecutive trading days are lower than its latest audited net asset per share, and the Board of the Bank fails to make an announcement on the above share price stabilization plan as scheduled or such plan fails to be approved by the relevant approval authorities or departments, the Directors and senior management of the Bank shall be obligated to acquire additional shares of the Bank. Subject to compliance with relevant laws, regulations and regulatory documents (including the listing rules of the jurisdictions in which the shares of the Bank are listed), the Directors and senior management of the Bank shall notify the Bank in writing of their specific plans for acquisition of the Bank's additional shares within 10 trading days after the date on which the obligation to acquire additional shares has arisen, including but not limited to the number of additional shares to be acquired, the price range and time of completion, and a relevant announcement shall be made by the Bank.
 - (ii) The monetary funds used by the Directors and senior management of the Bank for acquisition of the Bank's additional shares shall be no less than 20% of the total remunerations (after-tax) received by such Directors and senior management from the Bank for the previous year.

- (iii) During the course of implementing the above-mentioned additional share acquisition plan, if the closing prices of the A Shares for 10 consecutive trading days are higher than its latest audited net asset per share, the Directors and senior management may terminate such additional share acquisition plan. If, upon termination of such plan, the closing prices of the A Shares for 20 consecutive trading days are once again lower than its latest audited net asset per share within 12 months from the date on which the obligation to acquire additional shares has arisen, the Directors and senior management shall continue to implement such additional share acquisition plan.
 - (iv) Directors and senior management will not sell any shares acquired by them within six months after the completion of such acquisition plan, and upon share acquisition by the Directors and senior management, the shareholding distribution of the Bank shall comply with listing requirements, and the additional share acquisition shall be conducted in accordance with the requirements of relevant laws, regulations and regulatory documents.
- (c) Restrictive measures on failing to fulfill obligations to acquire additional shares or repurchase shares**
- (i) If the Bank fails to formulate and make an announcement on share price stabilization plan within 10 trading days from the date on which the obligation to stabilize share prices as described in the share stabilization plan has arisen or fails to implement such plan as announced, the Bank will automatically freeze monetary funds that are equivalent to 10% of the net profits attributable to Shareholders for the previous year within 5 trading days, which will be used for performing the above undertakings for stabilizing share prices. If investors suffer losses due to the failure of the Bank to perform its obligation to stabilize share prices, the Bank will compensate such losses to the investors according to law.
 - (ii) If Directors and senior management of the Bank fail to put forward a specific additional share acquisition plan within 10 trading days from the date of triggering the obligation to acquire additional shares or fails to implement such plan as disclosed, the Bank shall, from the month when such Directors and senior management fail to perform the agreed obligations, deduct 20% of the monthly remuneration of relevant parties concerned, together with cash dividends (if any), until the accumulated amount of deductions reach 20% of the total amount of remuneration (after-tax) received from the Bank in the fiscal year preceding to the year when the obligation to acquire additional shares shall be performed, and such deductions shall belong to the Bank. If the Bank and investors suffer losses due to the failure of Directors and senior management to perform their obligations to acquire additional shares, such Directors and senior management will compensate such losses to the Bank and investors according to law.

- (d) When performing the above-mentioned obligations, the Bank, Directors and senior management shall fulfill relevant information disclosure obligations in accordance with the listing rules of the places where shares of the Bank are listed and other applicable regulatory requirements, and shall also meet the relevant requirements on regulation of commercial banks.

3. MISCELLANEOUS

- (a) During the effective period of the Plan, the newly appointed Directors and senior management of the Bank shall carry out the obligations of Directors and senior management required by the Plan and perform other undertakings and obligations made by Directors and senior management according to the same standards for the public offering of the A Shares of the Bank. For Directors and senior management of the Bank proposed to be appointed, they should provide written consent agreeing to carry out the aforementioned undertakings and obligations prior to receiving nomination.
- (b) The Plan will automatically become effective with a term of three years upon completion of the initial public offering and listing of the A Shares of the Bank, subject to consideration and approval by Shareholders at general meetings of the Bank.
- (c) When implementing the Plan, unless otherwise required by the relevant laws, regulations and regulatory documents (including the listing rules of the places where shares of the Bank are listed), the Bank shall comply with the relevant requirements.
- (d) During the effective period of the Plan, when the Plan is required to be amended in accordance with the relevant new rules issued by regulatory authorities such as the CSRC and the Shanghai Stock Exchange, the Board shall be authorized by a general meeting of the Bank to amend the Plan accordingly.

The *Opinions of the General Office of the State Council on Further Strengthening Protection of the Lawful Rights and Interests of Medium and Small Investors in Capital Markets* (Guo Ban Fa [2013] No. 110) issued by the General Office of the State Council on December 25, 2013 provides that “in case of dilution of current returns as a result of the initial public offering of shares of a company or re-finance, merger or reorganization of a listed company, such company shall undertake and take relevant remedial measures”. Relevant analysis in respect of the impact of the A Share Offering on the dilution of current returns and relevant remedial measures by the Bank is set out below:

Upon the receipt of proceeds, the Bank will, in a timely manner, use the proceeds effectively through proper capital allocation, thereby achieving reasonable capital returns. However, in view of the nature of the business of commercial banks, the revenue contribution from the proceeds cannot be measured in isolation. In the event that current operating capital efficiency cannot be maintained through the proceeds from the offering, and upon the increase in share capital and net asset of the Bank, the basic earnings per share and average weighted rate of return on common stockholders’ equity will decrease.

In view of the possible decline in current returns of existing shareholders upon the offering, the Bank will adhere to and implement the following principles and measures so as to utilize the proceeds effectively, further enhance the operating efficiency of the Bank, protect the interest of the Bank’s Shareholders, especially minority Shareholders, and focus on medium-to-long-term value and returns of its Shareholders.

1. PUTTING GREATER EFFORTS ON ASSET STRUCTURE ADJUSTMENT, AND ENHANCING THE EFFICIENCY OF CAPITAL ALLOCATION

The Bank will place greater efforts on asset structure adjustment and optimization. It will emphasize the development of capital-saving business, thereby enhancing efficient capital use. Specifically, the Bank will reasonably allocate its credit resources, aiming to enhance customers’ comprehensive income. The Bank will also optimize its operating model, strengthen financial innovation, greatly expand low-capital consumption business, and aim to achieve transformation in asset structure, revenue structure and profitability model. When expanding our business, the Bank will raise the standard of risk mitigation and reduce capital utilization. The Bank will provide guidance to business departments and institutions in respect of business structure and customer base adjustment, and restrict the growth of risky assets through economic capital, thereby achieving reasonable balance between capital and risk level, hence enhancing capital use.

**2. STRENGTHENING INTERNAL CAPITAL ADEQUACY ASSESSMENT
PROCEDURES, AND ENHANCING RISK MANAGEMENT STANDARDS**

The Bank will establish internal capital adequacy assessment procedures to ensure that major risks can be identified, measured, detected and reported, that the capital standards meet the management standards for major risk and risk exposures, and that the capital plans are in line with operating condition, risk changes and long-term development strategies. The Bank will continue to enhance the standards of risk management, to strengthen our capability in effective prevention and measurement of risk exposure, and to optimize the comprehensive risk management system which integrate the front, middle and back offices so as to provide a good foundation for stable and healthy development of our business.

3. REGULATING THE MANAGEMENT AND USE OF PROCEEDS

Due to the nature of commercial banks, proceeds raised will be used for capital replenishment instead of project investment. Therefore, its use and effectiveness cannot be measured in isolation. The Bank will strengthen the management of, and the reasonable use of, proceeds raised, and proactively increase the capital return level.

4. MAINTAINING STABLE SHAREHOLDER RETURN POLICY

The Bank has amended the profit distribution clauses under the Articles of Association, which further refines the policies relating to cash dividends and cash dividend appropriation, and stipulate the minimum cash distribution of the Bank under normal circumstances in order to provide stable return expectation for investors. The Bank highly values the protection of shareholders' interests. It will continue to maintain the sustainability and stability of its profit distribution policy, and strive to create long-term value for its Shareholders.

1. INFORMATION ON THE PREVIOUSLY RAISED FUNDS

Pursuant to the *Reply on Approval of the Issuance of Overseas-listed Foreign Shares by Huishang Bank Corporation Limited* (Zheng Jian Xu Ke [2013] No. 1295) issued by the CSRC dated October 11, 2013, the Bank was permitted to issue not more than 2,875,000,000 overseas-listed foreign shares (H Shares) at the issue price of HK\$3.53 per share, and HK\$10,148,750,000 (equivalent to RMB8,028,142,213) was paid up in Hong Kong dollars. After deducting the Hong Kong Stock Exchange trading fee, Securities and Futures Commission transaction levy and Computershare Hong Kong Investor Services Limited settlement fees of RMB1,401,567, the actual proceeds amounted to RMB8,026,740,646 (hereinafter referred to the “Previously Raised Funds”). In addition, after deducting the issue expenses of RMB208,801,202 incurred by the Bank itself, the net proceeds amounted to RMB7,819,341,011. The above proceeds were received on November 12, 2013 and December 10, 2013, respectively, and verified by PricewaterhouseCoopers Zhong Tian LLP (Special General Partnership) in its capital verification report (PWC Zhong Tian Yan Zi (2013) No. 899).

2. ACTUAL USE OF THE PREVIOUSLY RAISED FUNDS

According to the prospectus in relation to the issue of the overseas-listed foreign shares issued by the Bank in 2013, it was planned that the Previously Raised Funds in the amount of RMB8,026,740,646, net of the Hong Kong Stock Exchange trading fee, Securities and Futures Commission transaction levy and Computershare Hong Kong Investor Services Limited settlement fees amounting to RMB1,401,567, were all to be used to consolidate the core capital foundation of the Bank, promoting its sustainable business development. As at December 31, 2014, the Previously Raised Funds were all used to replenish capital of the Bank and put into operation with other capital of the Bank.

The Use of the Previously Raised Funds of the Bank as at December 31, 2014 is set out below:

								Unit: RMB
Total proceeds:		8,026,740,646		Total cumulative proceeds used:		8,026,740,646		
Change in use of proceeds:		Nil		Proceeds used each year:				
Proportion of change in use of proceeds:		Nil		2013:		8,026,740,646		
Investment project		Total investment of proceeds		Total cumulative investment by using the proceeds as at December 31, 2014		Difference between actual investment amount and committed investment amount		Total efficiency/whether the expected efficiency achieved
Committed investment project	Actual investment project	Committed investment amount	Actual investment amount	Committed investment amount	Actual investment amount	committed investment amount	Time until usable	
Capital replenishment	Capital replenishment	8,026,740,646	8,026,740,646	8,026,740,646	8,026,740,646	-	N/A	N/A

APPENDIX VI STATUS REPORT ON THE USE OF PREVIOUSLY RAISED FUNDS

As at December 31, 2014, the committed projects set out in the prospectus were completed with their actual total investment amounts as disclosed therein.

The actual use of proceeds above has been compared, item by item, by the Bank with the relevant disclosures made in its annual reports, interim reports for the year ended December 31, 2013 to 2014 and other disclosure documents of the Bank. The actual use of proceeds was in line with the relevant disclosures.

Existing Provisions of the Rules of Procedure	Amended Provisions of the Rules for Procedure	Reasons for or Basis of Amendment
CHAPTER 1 GENERAL PROVISIONS	CHAPTER 1 GENERAL PROVISIONS	
<p>Article 1 These Rules are formulated in accordance with the relevant requirements of laws, administrative regulations, departmental rules and regulatory documents such as the <i>Company Law of the People's Republic of China</i> (the "Company Law"), the <i>Commercial Banking Law of the People's Republic of China</i>, the <i>Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies</i>, the <i>Mandatory Provisions for Articles of Association of Companies to be Listed Overseas</i>, the <i>Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited</i> (the "Hong Kong Listing Rules"), the <i>Guidelines on the Corporate Governance of Commercial Banks</i> and the relevant provisions under the <i>Articles of Association of Huishang Bank Corporation Limited</i> (the "Articles of Association") and based on the actual circumstances of Huishang Bank Corporation Limited (the "Bank"), for the purpose of regulating the organisation and activities of general meetings of the Bank, enhancing the efficiency and resolution standard of general meetings, protecting the legitimate rights and interests of shareholders, as well as ensuring the exercise by general meetings of powers and functions according to law and the legality and effectiveness of meeting procedures and content of resolutions.</p>	<p>Article 1 These Rules are formulated in accordance with the relevant requirements of laws, administrative regulations, departmental rules and regulatory documents such as the <i>Company Law of the People's Republic of China</i> (the "Company Law"), the <i>Securities Law of the People's Republic of China</i>, the <i>Commercial Banking Law of the People's Republic of China</i>, the <i>Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies</i>, the <i>Mandatory Provisions for Articles of Association of Companies to be Listed Overseas</i>, the <i>Guidance for the Articles of Association of Listed Companies</i>, the <i>Rules for the General Meetings of Shareholders of Listed Companies</i>, the <i>Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited</i> (the "Hong Kong Listing Rules"), the <i>Guidelines on the Corporate Governance of Commercial Banks</i> and the relevant provisions under the <i>Articles of Association of Huishang Bank Corporation Limited</i> (the "Articles of Association") and based on the actual circumstances of Huishang Bank Corporation Limited (the "Bank"), for the purpose of regulating the organisation and activities of general meetings of the Bank, enhancing the efficiency and resolution standard of general meetings, protecting the legitimate rights and interests of shareholders, as well as ensuring the exercise by general meetings of powers and functions in accordance with the law and the legality and effectiveness of meeting procedures and content of resolutions.</p>	<p>Addition made in accordance with the actual circumstances of the A Shares.</p>

Existing Provisions of the Rules of Procedure	Amended Provisions of the Rules for Procedure	Reasons for or Basis of Amendment
<p>Article 4 When a shareholders' general meeting is being held, the Bank shall engage lawyers to observe the meeting, give legal opinions as to the matters set out below, and make announcements as to the matters set out below as required by the rules of the jurisdiction in which the shares of the Bank are listed:</p>	<p>Article 4 When a shareholders' general meeting is being held, the Bank shall engage lawyers to observe the meeting, give legal opinions as to the matters set out below, and make announcements as to the matters set out below as required by the rules of the jurisdiction in which the shares of the Bank are listed:</p>	<p>Amendment made in accordance with Article 45 of the <i>Guidance for the Articles of Association of Listed Companies</i> and Article 5 of the <i>Rules for General Meetings of Shareholders of Listed Companies</i>.</p>
<p>(1) whether the procedures for convening and holding the shareholders' general meeting are in compliance with the requirements of laws, administrative regulations and the Articles of Association of the Bank;</p>	<p>(1) whether the procedures for convening and holding the shareholders' general meeting are in compliance with the requirements of laws, administrative regulations and the Articles of Association of the Bank;</p>	
<p>(2) whether the qualifications of attendees and convener are legal and valid;</p>	<p>(2) whether the qualifications of attendees and convener are legal and valid;</p>	
<p>(3) verify the qualifications of shareholders who have put forward new proposals at the shareholders' general meeting;</p>	<p>(3) whether the voting procedures and voting outcome of the shareholders' general meeting are legal and valid;</p>	
<p>(4) whether the voting procedures and voting outcome of the shareholders' general meeting are legal and valid;</p>	<p>(4) issue legal opinions on other relevant issues at the request of the Bank.</p>	
<p>(5) issue legal opinions on other relevant issues at the request of the Bank.</p>		
<p>CHAPTER 2 GENERAL PROVISIONS ON SHAREHOLDERS' GENERAL MEETINGS</p>	<p>CHAPTER 2 GENERAL PROVISIONS ON SHAREHOLDERS' GENERAL MEETINGS</p>	
	<p>Article 5 The shareholders' general meeting shall exercise its powers and functions to the extent prescribed by the Company Law and the Articles of Association.</p>	<p>Addition made in accordance with Article 3 of the <i>Rules for the General Meetings of Shareholders of Listed Companies</i>.</p>

Existing Provisions of the Rules of Procedure	Amended Provisions of the Rules for Procedure	Reasons for or Basis of Amendment
<p>Article 9 Shareholders' general meetings shall be divided into annual general meetings and extraordinary general meetings. The annual general meeting shall be held once a year within six (6) months after the end of the previous financial year. If the meeting is postponed due to special circumstances, the Bank shall report it to the banking regulatory authority in a timely manner, stating the reasons for such postponement and making an announcement in respect thereof.</p>	<p>Article 10 Shareholders' general meetings shall be divided into annual general meetings and extraordinary general meetings. The annual general meeting shall be held once a year within six (6) months after the end of the previous financial year. If the meeting is postponed due to special circumstances, the Bank shall report it to the banking regulatory authority, the local office of the CSRC in the place where the Bank operates, and the stock exchanges where the Bank's shares are listed for trading in a timely manner, stating the reasons for such postponement and making an announcement in respect thereof.</p>	<p>Addition made in accordance with Article 4 of the <i>Rules for the General Meetings of Listed Companies</i>.</p>
<p>Article 11 The Bank shall convene shareholders' general meetings either at the place of its domicile or at any other place specified in the notice of shareholders' general meeting. The Bank shall arrange for the venue such that a physical meeting can be held.</p>	<p>Article 12 The Bank shall convene shareholders' general meetings either at the place of its domicile or at any other place specified in the notice of shareholders' general meeting. The Bank shall arrange for the venue such that a physical meeting can be held, and shall also facilitate its shareholders to attend shareholders' general meetings through various means and channels, including the means of modern information technology such as the voting platforms via video, telephone and internet, pursuant to laws, administrative regulations and the requirements of the CSRC or the Articles of Association. Shareholders attending any shareholders' general meeting by the above means shall be considered as present at the meeting.</p>	<p>Addition made in accordance with Clause 2, Article 44 and Article 80 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>

Existing Provisions of the Rules of Procedure	Amended Provisions of the Rules for Procedure	Reasons for or Basis of Amendment
<p>CHAPTER 3 PROCEDURES FOR CONVENING OF SHAREHOLDERS' GENERAL MEETINGS</p>	<p>CHAPTER 3 PROCEDURES FOR CONVENING OF SHAREHOLDERS' GENERAL MEETINGS</p>	
<p>Section 1 The Convening of Shareholders' General Meetings</p>	<p>Section 1 The Convening of Shareholders' General Meetings</p>	
<p>Article 12 Shareholders' general meetings shall be convened by the Board of Directors. The Board of Directors shall determine the time and venue of shareholders' general meetings, matters to be considered thereat and the content of proposals by way of resolution. If the Board of Directors is unable or fails to perform its duty in convening a shareholders' general meeting, the Board of Supervisors shall promptly convene the meeting. If the Board of Supervisors does not convene the meeting, the shareholders who individually or jointly hold 10% or more of the Bank's shares for over ninety (90) consecutive days (the "Convening Shareholders") may convene such meeting on their own initiative.</p>	<p>Article 13 Shareholders' general meetings shall be convened by the Board of Directors. The Board of Directors shall determine the time and venue of the shareholders' general meetings, matters to be considered thereat and the content of proposals by way of resolution. The Board of Directors shall convene a shareholders' general meeting within the timeframe stipulated in Article 10 of these Rules. If the Board of Directors is unable or fails to perform its duty in convening a shareholders' general meeting, the Board of Supervisors shall promptly convene the meeting. If the Board of Supervisors does not convene the meeting, the shareholders who individually or jointly hold 10% or more of the Bank's shares for over ninety (90) consecutive days (the "Convening Shareholders") may convene such meeting on their own initiative.</p>	<p>Addition made in accordance with Article 6 of the <i>Rules for the General Meetings of Listed Companies</i>.</p>
<p>Section 3 Notice of Shareholders' General Meetings</p>	<p>Section 3 Notice of Shareholders' General Meetings</p>	
	<p>Article 24 The notice of shareholders' general meeting shall specify the time and venue of the meeting, and determine the record date for registration of shareholding.</p>	<p>Addition made in accordance with Article 18 of the <i>Rules for the General Meetings of Listed Companies</i>.</p>

Existing Provisions of the Rules of Procedure	Amended Provisions of the Rules for Procedure	Reasons for or Basis of Amendment
<p>Article 25 Notice of shareholders' general meeting shall meet the following requirements:</p>	<p>Article 25 Details of all proposals, as well as all information or explanations necessary for shareholders to make reasonable judgment on the matters to be discussed shall be fully and completely disclosed in the notice and supplemental notice of shareholders' general meeting. Where opinions on any matters to be discussed are required from independent Directors, such opinions and the reasons therefor shall be disclosed when serving the notice or supplemental notice of shareholders' general meeting.</p>	<p>Addition made in accordance with Article 16 of the <i>Rules for the General Meetings of Shareholders of Listed Companies</i>.</p>
<p>Article 25 Notice of shareholders' general meeting shall meet the following requirements:</p>	<p>Article 28 Notice of shareholders' general meeting shall meet the following requirements:</p> <p><i>(A new item (11) shall be added prior to the existing item (11))</i></p> <p>(11) In the event that a shareholders' general meeting is held through network or by other means, the notice of shareholders' general meeting shall explicitly state the time and procedures for voting through network or by other means;</p>	<p>Addition made in accordance with Article 21 of the <i>Rules for the General Meetings of Shareholders of Listed Companies</i>.</p>
<p>Article 26 The notice of a shareholders' general meeting shall be delivered by hand or prepaid mail to all 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 register of shareholders. For holders of domestic shares, the notice of a shareholders' general meeting may be in form of an announcement.</p>	<p>Article 29 The notice of a shareholders' general meeting shall be delivered by hand or prepaid mail to all 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 register of shareholders. For holders of domestically listed shares, the notice of a shareholders' general meeting may be in form of an announcement.</p>	<p>Amendment made in accordance with the actual circumstances of the A Shares.</p>

Existing Provisions of the Rules of Procedure	Amended Provisions of the Rules for Procedure	Reasons for or Basis of Amendment
<p>The aforesaid announcement shall be published in one or more newspapers specified by the securities regulatory authority of the State Council between the forty-five (45) to fifty (50) day interval prior to the date the meeting is to be convened. All holders of domestic shares shall be deemed as having been notified of the forthcoming shareholders' general meeting once the announcement is published.</p> <p>.....</p>	<p>The aforesaid announcement shall be published in one or more newspapers specified by the securities regulatory authority of the State Council between the forty-five (45) to fifty (50) day interval prior to the date on which the meeting is to be convened. All holders of domestically listed shares shall be deemed as having been notified of the forthcoming shareholders' general meeting once the announcement is published.</p> <p>.....</p>	
<p>Section 4 Attendance and Registration of Shareholders' General Meetings</p>	<p>Section 4 Attendance and Registration of Shareholders' General Meetings</p>	<p>Addition made in accordance with Article 23 of the <i>Rules for the General Meetings of Shareholders of Listed Companies</i> and Article 59 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>
<p>Article 29 Shareholders who wish to attend any shareholders' general meeting shall complete registration for the shareholders' general meeting at the place specified by the Bank within the given time in accordance with the requirements stipulated in an announcement for the notice of shareholders' general meeting. The registration for shareholders' general meeting shall be conducted by way of on-site registration or fax, etc. Any shareholder entitled to attend and vote at a shareholders' general meeting shall be entitled to appoint one or more persons (these persons need not be shareholders) as proxies to attend and vote on his/her/its behalf. A proxy may exercise the following rights under the authorization of such shareholder at a shareholders' general meeting:</p> <p>.....</p>	<p>Article 32 All shareholders recorded in the register of shareholders on the record date or their proxies shall have the right to attend shareholders' general meetings and exercise voting rights in accordance with the relevant laws, regulations and the Articles of Association, which the Bank and the convener of the meeting shall not reject for any reason. Shareholders who wish to attend any shareholders' general meeting shall complete registration for the shareholders' general meeting at the place specified by the Bank within the given time in accordance with the requirements stipulated in an announcement for the notice of shareholders' general meeting. The registration for shareholders' general meeting shall be conducted by way of on-site registration or fax, etc. Any shareholder entitled to attend and vote at a shareholders' general meeting shall be entitled to appoint one or more persons (these persons need not be shareholders) as proxies to attend and vote on his/her/its behalf. A proxy may exercise the following rights under the authorization of such shareholder at a shareholders' general meeting:</p> <p>.....</p>	

Existing Provisions of the Rules of Procedure	Amended Provisions of the Rules for Procedure	Reasons for or Basis of Amendment
Section 5 The Holding of Shareholders' General Meetings	Section 5 The Holding of Shareholders' General Meetings	Addition made in accordance with Article 21 of the <i>Rules for the General Meetings of Shareholders of Listed Companies</i> .
Section 6 The Voting Procedures and Resolutions of Shareholders' General Meetings	Section 6 The Voting Procedures and Resolutions of Shareholders' General Meetings	Addition made in accordance with Article 86 of the <i>Guidance for the Articles of Association of Listed Companies</i> and the amendments to the Articles of Association.
Article 45 Apart from proposals regarding the procedure or administration of the shareholders' general meeting for which resolutions may be made by a show of hands and counted by the chairman of the meeting acting in good faith, all other matters shall be decided on by a poll.	Article 49 Apart from proposals regarding the procedure or administration of the shareholders' general meeting for which resolutions may be made by a show of hands and counted by the chairman of the meeting acting in good faith, all other matters shall be voted on by open ballot at the shareholders' general meeting.	Addition made in accordance with Article 78 of the <i>Guidance for the Articles of Association of Listed Companies</i> and Article 31 of the <i>Rules for the General Meetings of Shareholders of Listed Companies</i> .
Article 46 A shareholder (including his/her proxy) shall exercise his/her voting rights based on the number of shares with voting rights held. Each share shall have one (1) vote, but the shares held by the Bank have no voting rights and that part of the shareholding is not counted towards the total number of shares with voting rights held by shareholders attending the meeting.	Article 50 A shareholder (including his/her/its proxy) shall exercise his/her/its voting rights based on the number of shares with voting rights held. Each share shall have one (1) vote, but the shares held by the Bank have no voting rights and that part of the shares is not counted towards the total number of shares with voting rights held by shareholders attending the meeting.	When material issues affecting the interests of minority investors are considered at shareholders' general meeting, the votes of minority investors shall be counted separately. The results of the separate vote count shall be disclosed publicly in a timely manner.

Existing Provisions of the Rules of Procedure	Amended Provisions of the Rules for Procedure	Reasons for or Basis of Amendment
<p>Article 55 The special voting procedure at a shareholders' general meeting for class shareholders shall not apply for the following cases:</p>	<p>The Board of Directors, the majority of independent Directors and shareholders satisfying the relevant requirements and conditions may collect voting rights from shareholders publicly. Information including specific voting preferences shall be fully provided to the shareholders for whom voting rights are being solicited. Soliciting shareholders' voting rights with consideration or any consideration in disguised form is prohibited. The Bank shall not impose any minimum shareholding limitation for soliciting voting rights.</p>	<p>Amendment made in accordance with the actual circumstances of the A Shares.</p>
<p>(1) upon the approval by way of a special resolution passed by a shareholders' general meeting, the Bank independently or simultaneously issues domestic shares and/or overseas-listed shares every twelve (12) months, provided that the amount of each class of shares intended to be issued is not more than 20% of the issued and outstanding shares of the respective class; and</p> <p>(2) the Bank's plan on issuing domestic shares and overseas-listed shares at the time of incorporation, which is completed within fifteen (15) months upon the date of approval from the securities regulatory authority of the State Council.</p>	<p>Article 59 The special voting procedure at a shareholders' general meeting for class shareholders shall not apply in the following cases:</p> <p>(1) upon the approval by way of a special resolution passed by a shareholders' general meeting, the Bank independently or simultaneously issues domestically listed shares and/or overseas-listed shares every twelve (12) months, and the number of domestically listed shares and/or overseas-listed shares proposed to be issued shall not be more than 20% of the outstanding shares in issue of their own class; and</p> <p>(2) the Bank's plan on issuing domestically listed shares and overseas-listed shares at the time of incorporation is completed within fifteen (15) months upon the date of approval from the securities regulatory authority of the State Council.</p>	

Existing Provisions of the Rules of Procedure	Amended Provisions of the Rules for Procedure	Reasons for or Basis of Amendment
<p>Article 56 Connected shareholders shall not participate in voting when matters concerning connected party transactions are considered at a shareholders' general meeting, and the shares with voting rights represented by the connected shareholders shall not count towards the total number of valid votes.</p>	<p>Article 60 Connected shareholders shall not participate in voting when matters concerning related party transactions are considered at a shareholders' general meeting, and the shares with voting rights represented by the connected shareholders shall not count towards the total number of valid votes. The voting of the non-connected shareholders shall be fully disclosed in the announcement of the resolutions passed at the shareholders' general meeting.</p>	<p>Addition made in accordance with Article 79 of the <i>Guidance for the Articles of Association of Listed Company</i>.</p>
<p>Where any shareholder is required to abstain from voting on any particular resolution or is restricted in how he votes (only for or against a particular resolution), in accordance with the requirements of the Hong Kong Listing Rules or due to agreed arrangements that have either been publicly announced or authorized by the shareholder to the Bank, any vote cast by such shareholder or their proxy in contravention of the requirements or restrictions shall not be counted towards the voting results.</p>	<p>Where any shareholder is required to abstain from voting on any particular resolution or is restricted in how he votes (only for or against a particular resolution), in accordance with the requirements of the Listing Rules of the Hong Kong Stock Exchange or due to agreed arrangements that have either been publicly announced or authorized by the shareholder to the Bank, any vote cast by such shareholder or their proxy in contravention of the requirements or restrictions shall not be counted towards the voting results.</p>	<p>Addition made in accordance with Article 31 of the <i>Rules for the General Meetings of Listed Companies</i>.</p>
	<p>The shares held by the Bank have no voting rights and that part of the shares is not counted towards the total number of shares with voting rights held by shareholders attending the general meeting.</p>	

Existing Provisions of the Rules of Procedure	Amended Provisions of the Rules for Procedure	Reasons for or Basis of Amendment
<p>Article 57</p> <p>Cumulative polling may be used for the election of directors and supervisors in a shareholders' general meeting, where it is in accordance with the provisions of the Articles of Association or a resolution passed in a shareholder's general meeting.</p> <p>.....</p> <p>The general procedures for nomination and election of directors or supervisors shall be carried out in accordance with the Articles of Association.</p> <p>.....</p>	<p>Article 61</p> <p>Cumulative polling may be used for the election of directors and supervisors in a shareholders' general meeting, where it is in accordance with the provisions of the Articles of Association or a resolution passed in a shareholder's general meeting.</p> <p>Cumulative polling mentioned above means a polling whereby each ordinary share carries the number of voting rights equivalent to the number of directors or supervisors to be elected when such directors or supervisors are elected at a shareholders' general meeting, and a shareholder may concentrate his/her/its voting rights.</p> <p>.....</p> <p>The general procedures for nomination and election of directors or supervisors shall be carried out in accordance with the Articles of Association. If the proposal regarding the election of directors or supervisors is approved at the shareholders' general meeting, the newly elected directors or supervisors shall be appointed in accordance with the Articles of Association.</p> <p>.....</p>	<p>Addition made in accordance with Article 32 of the <i>Rules for the General Meetings of Listed Companies</i>.</p> <p>Addition made in accordance with Article 43 of the <i>Rules for the General Meetings of Listed Companies</i>.</p>

Existing Provisions of the Rules of Procedure	Amended Provisions of the Rules for Procedure	Reasons for or Basis of Amendment
<p>Article 58 Unless there is cumulative polling, all proposals shall be voted on separately at the shareholders' general meeting. If there are a number of proposals related to the same matter, votes shall be cast in the order of which the proposals were presented. Except where there is <i>force majeure</i> or other special circumstances resulting in the adjournment of the shareholders' general meeting or the failure to pass resolutions, no resolutions proposed in the shareholders' general meeting shall be set aside or skipped.</p>	<p>Article 62 Unless there is cumulative polling, all proposals shall be voted on separately at the shareholders' general meeting. If there are a number of proposals related to the same matter, votes shall be cast in the order of which the proposals were presented. When reviewing any proposal at a shareholders' general meeting, no amendment shall be made to the proposal. Otherwise, such change shall be deemed as a new proposal and cannot be voted at the current shareholders' general meeting. Except where there is <i>force majeure</i> or other special circumstances resulting in the adjournment of the shareholders' general meeting or the failure to pass resolutions, no proposals shall be set aside or voted at the shareholders' general meeting.</p>	<p>Amendment made in accordance with Article 84 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>
<p>Article 59</p> <p>During the voting process of the shareholders' general meeting, the vote count and examination of the poll shall be conducted together by lawyers, representatives of shareholders and representatives of supervisors. At the same time, the auditors of the Bank, the H Share Registrar or external accountants (who are qualified as auditors) shall be appointed as the scrutineer. The chairman of the meeting shall announce the voting outcome at the meeting and shall declare, according to the voting outcome, whether the resolution has been passed. The voting outcome for each resolution shall be recorded in the meeting minutes.</p>	<p>Article 63</p> <p>When a proposal is voted on at a shareholders' general meeting, the vote count and examination of the poll shall be conducted together by lawyers, representatives of shareholders and representatives of supervisors. At the same time, the auditors of the Bank, the H Share Registrar or external accountants (who are qualified as auditors) shall be appointed as the scrutineer.</p> <p>Shareholders or their proxies who vote through network or by any other means shall be entitled to check their own voting results via the relevant voting system.</p>	<p>Part of this Article has been combined with Article 66 and addition made in accordance with Paragraph 3, Article 87 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>

Existing Provisions of the Rules of Procedure	Amended Provisions of the Rules for Procedure	Reasons for or Basis of Amendment
<p>Article 60 In the event that the same voting rights have been exercised twice, the result of the first vote shall prevail.</p>	<p>Article 64 The same voting rights may be exercised through only one means: on-site, through network or by other means. In the event that the same voting rights have been exercised twice, the result of the first vote shall prevail.</p>	<p>Addition made in accordance with Article 85 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>
<p>Article 62 For every resolution, the chairman of the shareholders' general meeting shall announce the voting circumstances, the voting outcome, and whether the resolution has been passed based on the voting outcome.</p>	<p>Article 66 Any on-site shareholders' general meeting shall not end earlier than the time of the meeting held through network or by other means. For every proposal, the chairman of the shareholders' general meeting shall announce the voting circumstances, the voting outcome, and whether the proposal has been passed based on the voting outcome. The voting outcome of any resolution shall be recorded in the meeting minutes.</p>	<p>Amendment made in accordance with Article 88 of the <i>Guidance for the Articles of Association of Listed Companies</i> and Article 38 of the <i>Rules for the General Meetings of Shareholders of Listed Companies</i>.</p>
<p>Prior to formally announcing the voting outcome, all interested parties attending the meeting in person, including the Bank, the vote counter, the scrutineer and substantial shareholders, etc., have an obligation to keep the voting results confidential.</p>	<p>Prior to formally announcing the voting outcome, all interested parties attending the meeting in person, through internet or other means, including the Bank, vote counter, scrutineer, substantial shareholders, and the network service provider, etc., shall have an obligation to keep the voting results confidential.</p>	<p>Moved from Article 63 (the existing Article 59).</p>

Existing Provisions of the Rules of Procedure	Amended Provisions of the Rules for Procedure	Reasons for or Basis of Amendment
<p>Article 64 Resolutions adopted at the shareholders' general meeting shall be announced in a timely manner in accordance with the relevant requirements of the regulatory authority. The announcement shall specify the number of shareholders and proxies attending the meeting, the total number of shares with voting rights held by them and the proportion relative to the total number of shares with voting rights of the Bank, the voting method, the voting outcome of each proposal and the details of each adopted resolution.</p>	<p>Article 68 Resolutions adopted at the shareholders' general meeting shall be announced in a timely manner in accordance with the requirements of the relevant regulatory authorities. The announcement shall specify the number of shareholders and proxies attending the meeting, the total number of shares with voting rights held by them and the percentage of the total number of shares with voting rights of the Bank, the voting method, the voting outcome of each proposal and the details of each adopted resolution.</p>	<p>Addition made in accordance with Article 92 of the <i>Guidance for the Articles of Association of Listed Companies</i>.</p>
	<p>If any proposal is not passed, or if the resolution passed at the preceding shareholders' general meeting is amended at the current shareholders' general meeting, a special note shall be made in the announcement relating to the resolutions of the shareholders' general meeting.</p>	
	<p>Article 69 Any resolution of a shareholders' general meeting of the Bank that violates the laws or administrative regulations shall be invalid.</p>	<p>Article 46 of the <i>Rules for the General Meetings of Listed Companies</i>.</p>
	<p>If the procedures for convening a shareholders' general meeting or the means of voting violates the laws, administrative regulations or the Articles of Association, or the content of a resolution violates the Articles of Association, shareholders may request a people's court to rescind the resolution within sixty (60) days from the date on which the resolution is adopted.</p>	

Existing Provisions of the Rules of Procedure	Amended Provisions of the Rules for Procedure	Reasons for or Basis of Amendment
Section 7 Minutes of the Shareholders' General Meetings	Section 7 Minutes of the Shareholders' General Meetings	
<p>Article 66 The convener shall ensure that the minutes are truthful, accurate and complete. The attending directors, supervisors, secretary to the Board of Directors, convener or their representatives and the chairman of the meeting shall sign on the minutes. The minutes, list of signatures by shareholders in attendance, powers of attorney, and valid information regarding alternative voting methods shall be filed and shall form part of the Bank's files. The secretary to the Board of Directors shall preserve the files in accordance with the Bank's record management guidelines for at least ten (10) years.</p>	<p>Article 71 The attending directors, supervisors, secretary to the Board of Directors, convener or their representatives and the chairman of the meeting shall sign on the minutes, and ensure that the minutes are true, accurate and complete. The minutes, together with the list of signatures by shareholders in attendance, powers of attorney, and valid information regarding network and alternative voting methods shall be filed and shall form part of the Bank's files. The secretary to the Board of Directors shall preserve the files in accordance with the files management rules of the Bank for at least ten (10) years.</p>	<p>Amendment made in accordance with Article 73 of the <i>Guidance for the Articles of Association of Listed Companies</i> and Article 41 of the <i>Rules for the General Meetings of Listed Companies</i>.</p>
Chapter 5 Matters Subsequent to Shareholders' General Meetings	Chapter 5 Matters Subsequent to Shareholders' General Meetings	
<p>Article 71 If the proposal regarding the election of the directors or supervisors is approved at the shareholders' general meeting, the newly elected director or supervisor's term of service shall commence on the date on which the resolution is passed.</p>		<p>Amended and moved to Article 61.</p>

Existing Provisions of the Rules of Procedure	Amended Provisions of the Rules for Procedure	Reasons for or Basis of Amendment
CHAPTER 6 SUPPLEMENTAL PROVISIONS	CHAPTER 6 SUPPLEMENTAL PROVISIONS	
<p>Article 78 Upon approval at a shareholders' general meeting by way of ordinary resolution, these Rules shall become effective from the date on which the H shares publicly offered by the Bank are listed on The Stock Exchange of Hong Kong Limited for trading. The existing Rules of Procedure for General Meetings of the Bank shall automatically cease to have any force from the effective date of these Rules. Any amendments to these Rules shall be implemented upon approval at the shareholders' general meeting by way of ordinary resolution.</p>	<p>Article 82 Upon approval at a shareholders' general meeting by way of ordinary resolution, these Rules shall become effective from the date on which the domestically listed shares publicly offered by the Bank are listed for trading. The existing Rules of Procedure for General Meetings of the Bank shall automatically cease to have any force from the effective date of these Rules. Any amendments to these Rules shall be implemented upon approval at the shareholders' general meeting by way of ordinary resolution.</p>	<p>Amendment made in accordance with the actual circumstances of the A Shares.</p>

Note: Correspondent adjustments will be made to the rule numbers and cross references of the existing Procedure for General Meetings due to the addition or deletion of rule provisions.

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
<p>Chapter 1 General Provisions</p> <p>Article 1 In order to further strengthen the management of related party transactions of Huishang Bank Corporation Limited (hereinafter referred to as the “Bank”), control the risks associated with related party transactions, and promote the Bank’s security and stable operation, these Measures are formulated in accordance with the <i>Administrative Measures for the Related Party Transactions between the Commercial Banks and their Insiders and Shareholders</i> (hereinafter referred to as the “Administrative Measures for Related Party Transactions”) issued by the China Banking Regulatory Commission (hereinafter referred to as the “CBRC”), the <i>Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited</i> (hereinafter referred to as the “Listing Rules”) issued by The Stock Exchange of Hong Kong Limited (hereinafter referred to as “Hong Kong Stock Exchange”), the <i>Enterprises Accounting Standards</i>, the <i>International Financial Reporting Standards</i>, and other laws, administrative regulations, departmental rules and regulations, regulatory documents, and the <i>Articles of Association of Huishang Bank Corporation Limited</i> (hereinafter referred to as the “Articles”), and based on the Bank’s actual circumstance.</p>	<p>Chapter 1 General Provisions</p> <p>Article 1 In order to further strengthen the management of related party transactions of Huishang Bank Corporation Limited (hereinafter referred to as the “Bank”), control the risks associated with related party transactions, and promote the Bank’s security and stable operation, these Measures are formulated in accordance with the <i>Administrative Measures for the Related Party Transactions between the Commercial Banks and their Insiders and Shareholders</i> (hereinafter referred to as the “Administrative Measures for Related Party Transactions”) issued by the China Banking Regulatory Commission (hereinafter referred to as the “CBRC”), the <i>Administration Measures for Information Disclosure of Listed Companies</i> issued by the China Securities Regulatory Commission (hereinafter referred to as the “CSRC”), the <i>Implementation Guidance Relating to the Related Party Transactions of the Companies Listed on the Shanghai Stock Exchange</i> (hereinafter referred to as the “Implementation Guidance of Related Party Transactions”) and the <i>Listing Rules of the Shanghai Stock Exchange</i> (hereinafter referred to as the “Listing Rules of Shanghai Stock Exchange”) issued by the Shanghai Stock Exchange (hereinafter referred to as the “Shanghai Stock Exchange”), the <i>Information Disclosure Requirements of the</i></p>	<p>Amendment made pursuant to the actual circumstance of the A+H Listing of the Bank.</p>

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
	<p><i>Companies Offering Securities to Public No. 26 – Special Information Disclosure Requirements for Commercial Bank, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited</i> (hereinafter referred to as the “Listing Rules of the Hong Kong Stock Exchange”) issued by The Stock Exchange of Hong Kong Limited (hereinafter referred to as “Hong Kong Stock Exchange”), the <i>Enterprises Accounting Standards, the International Financial Reporting Standards</i>, and other laws, administrative regulations, departmental rules and regulations, regulatory documents, and the <i>Articles of Association of Huishang Bank Corporation Limited</i> (hereinafter referred to as the “Articles”), and based on the Bank’s actual circumstance.</p>	
<p>Article 2 The Bank shall follow the following general principles in relation to its related party transactions:</p> <p>(1) Fair pricing, compliance with decision-making procedures and standards of information disclosure;</p> <p>(2) compliance with applicable laws, administrative regulations, the Listing Rules, the national unified accounting standards and relevant regulatory requirements;</p> <p>(3) in accordance with commercial principles, whereby the terms should be no more favorable than similar non-related party transactions.</p>	<p>Article 2 The Bank shall follow the following general principles in relation to its related party transactions:</p> <p>(1) Fair pricing, compliance with decision-making procedures and standards of information disclosure;</p> <p>(2) compliance with applicable laws, administrative regulations, the Listing Rules of the Shanghai Stock Exchange, the Implementation Guidance of Related Party Transactions, the Listing Rules of the Hong Kong Stock Exchange, the national unified accounting standards and relevant regulatory requirements;</p> <p>(3) in accordance with commercial principles, whereby the terms should be no more favorable than similar non-related party transactions.</p>	<p>Amendment made pursuant to the actual circumstance of the A+H Listing of the Bank.</p>

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
	<p>Article 4 In respect of the disclosure of related parties and related party transactions in the non-financial sections of the interim and periodic reports, the Bank shall comply with the Listing Rules of the Shanghai Stock Exchange, the <i>Contents and Format of the Information Disclosure of the Companies Offering Securities to Public No. 2 – the Contents and Format of Annual Report</i>, the Implementation Guidance of Related Party Transactions and the Listing Rules of the Hong Kong Stock Exchange.</p> <p>In respect of the disclosure of related parties and related parties transactions in the financial sections of the periodic report, the Bank shall comply with the <i>Enterprise Accounting Standard No. 36 – Disclosure of Related Party</i> and the <i>International Financial Reporting Standards</i>.</p>	<p>Addition made pursuant to Article 4 of the <i>Implementation Guidance of Related Party Transactions</i> and based on the fact that the Bank has already issued H Shares.</p>
<p>Chapter 2 Identification and Classification of Related Parties</p> <p>Article 5 The Bank’s related parties include those defined by the CBRC, the Hong Kong Stock Exchange, the <i>Enterprise Accounting Standards</i> and the <i>International Financial Accounting Standards</i>.</p> <p>The term “Related Party” as defined by CBRC refers to the definition used in the Administrative Measures for Related Party Transactions.</p>	<p>Chapter 2 Identification and Classification of Related Parties</p> <p>Article 6 The Bank’s related parties include those defined by the CBRC, the CSRC, the Shanghai Stock Exchange, the Hong Kong Stock Exchange, the <i>Enterprise Accounting Standards</i> and the <i>International Financial Accounting Standards</i>.</p> <p>The term “Related Party” as defined by CBRC refers to the definition used in the Administrative Measures for Related Party Transactions.</p>	<p>Amendment made pursuant to the actual circumstance of the A+H Listing of the Bank.</p>

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
<p>The term “Related Party” as defined by The Hong Kong Stock Exchange refers to the definition used in the Listing Rules of the Hong Kong Stock Exchange.</p> <p>Please refer to Appendix 1 of these Measures for the definition of the above-mentioned Related Party.</p>	<p>The term “Related Party” as defined by the CSRC refers to the definition used in the <i>Administration Measures for Information Disclosure of Listed Companies</i>.</p> <p>The term “Related Party” as defined by the Shanghai Stock Exchange refers to definition used in the Listing Rules of the Shanghai Stock Exchange and the Implementation Guidance of Related Party Transactions.</p> <p>The term “Related Party” as defined by the Hong Kong Stock Exchange refers to the definition used in the Listing Rules of the Hong Kong Stock Exchange.</p> <p>Please refer to Appendix 1 of the <i>Measures</i> for the above-defined Related Party.</p>	
<p>Chapter 3 Reporting and Management of Information Relating to Related Party</p>	<p>Chapter 3 Reporting and Management of Information Relating to Related Party</p>	
	<p>Article 13 The Bank shall promptly complete and update online the list of the Bank’s related parties and relevant information through the “Listed Companies’ Zone” on the website of the Shanghai Stock Exchange.</p>	<p>Addition made pursuant to Article 15 of the Implementation Guidance of Related Party Transactions.</p>
<p>Article 15 The business department or the customers management department shall collect and verify the information relating to the management of related party transactions such as shareholders of the counterparties of transactions, actual controllers, equity investments etc.</p>		<p>Deleted as it is overlapped with Article 14 (existing Article 12).</p>

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
<p>Chapter 4 Definition and Classification of Related Party Transactions</p> <p>Article 17 The related party transactions of the Bank refer to those transactions between the Bank and its related parties. The Bank divides related party transactions into the following categories: related party transactions with related parties defined by the CBRC, related party transactions defined by the Hong Kong Stock Exchange, and related party transactions with related parties defined by the <i>Enterprises Accounting Standards</i> and the <i>International Financial Reporting Standards</i>, and carries out classification management of the related party transactions.</p> <p>Definitions of the above-mentioned related party transactions are set on in Appendix 2 of these Measures.</p>	<p>Chapter 4 Definition and Classification of Related Party Transactions</p> <p>Article 18 The related party transactions of the Bank refer to those transactions between the Bank and its related parties. The Bank divides related party transactions into the following categories: related party transactions with related parties defined by the CBRC, related party transactions defined by the CSRC and the Shanghai Stock Exchange, related party transactions defined by the Hong Kong Stock Exchange, and the related party transactions with the related parties defined by the <i>Enterprises Accounting Standards</i> and the <i>International Financial Reporting Standards</i>, and carries out classification management of the related party transactions.</p> <p>Definitions of the above-mentioned related party transactions are set on in Appendix 2 of these Measures.</p> <p>Article 20 The related party transactions of the Bank as defined by CSRC and Shanghai Stock Exchange are classified into the following categories: those should be disclosed; those should be submitted to the board of directors and shareholders' general meeting for consideration and approval and disclosed, and other types of related party transactions.</p>	<p>Addition made pursuant to Articles 19 and 20 of the Implementation Guidance of Related Party Transactions.</p>

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
	<p>The related party transactions that should be disclosed include: transactions of a value of more than RMB300,000 with related natural person; and transactions of a value of more than RMB3 million with related legal person and such value represents more than 0.5% of the absolute value of the last audited net assets of the Bank.</p> <p>The related party transactions that should be promptly disclosed and submitted to the shareholders' general meeting for approval include: transactions with a value (other than donated cash assets and debt relief) of more than RMB30 million where such value represents more than 5% of the absolute value of the last audited net assets of the Bank; and provisions of non-commercial banking guarantees (regardless of the monetary amount) to related parties.</p>	
<p>Article 19 The Hong Kong Stock Exchange classifies the related party transactions by percentage ratios and nature into fully exempt related party transactions, partially exempt related party transactions and non-exempt related party transactions. Calculation of the percentage ratios are set out in paragraph (5) of this Article.</p> <p><i>Fully exempt related party transactions</i></p> <p>Provision of financial assistance for the interest of related parties or related companies described in Article 2(3)(1)(A)(ii) of Appendix 2 conducted on normal commercial terms or better in the Bank's ordinary and usual course of business;</p>	<p>Article 21 The Hong Kong Stock Exchange classifies the related party transactions by percentage ratios and nature into the following categories: transactions fully exempt from shareholders' approval, annual review and all relevant disclosure requirements (hereinafter referred to as "fully exempt related party transactions"); related party transactions exempt from shareholders' approval (hereinafter referred to as "partially exempt related party transactions") and related party transactions that should comply with shareholders' approval, annual review and all relevant disclosure requirements (hereinafter referred to as "non-exempt related party transactions"). Calculation of the percentage ratios are set out in paragraph (5) of this Article.</p>	<p>Simplified, supplemented and optimized the original expressions pursuant to Chapter 14A of the Listing Rules of the Hong Kong Stock Exchange.</p>

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
<p>Provision of financial assistance for the interest of related parties conducted not on commercial terms in the Bank's ordinary and usual course of business or on commercial terms not in the Bank's ordinary and usual course of business, where:</p> <p>(A) all the percentage ratios of the financial assistance are less than 0.1% (other than the profits ratio); or</p> <p>(B) all the percentage ratios (other than the profits ratio) of the financial assistance are equal to, or above 0.1%, but less than 5%, and the total value of the financial assistance plus any preferential interest given advantage to the related person is less than HK\$1,000,000.</p>	<p><i>Fully exempt related party transactions</i></p> <p>(1) related party transactions (other than an issue of new securities by the listed issuer) between the Bank and a related party conducted on normal commercial terms or better will be fully exempt if all the percentage ratios (other than the profits ratio) meet one of the following requirements:</p> <p>(a) less than 0.1%</p> <p>(b) less than 1% and the transaction is a related party transaction only because it involves related person(s) at the subsidiary level; or</p> <p>(c) less than 5% and the total consideration (or in the case of any financial assistance, the total value of the financial assistance plus any monetary advantage to the related persons or commonly held entity) is less than HK\$3,000,000.</p>	
<p>Provision of financial assistance for the interest of related companies described in Article 2 (3)(1)(A)(ii) of Appendix 2 conducted not on commercial terms in the Bank's ordinary and usual course of business, where:</p> <p>(A) all the percentage ratios of the financial assistance are less than 0.1% (other than the profits ratio);</p> <p>(B) all the percentage ratios (other than the profits ratio) of the financial assistance are equal to, or above 0.1%, but less than 5%, and the total value of the financial assistance plus any preferential interest given to the related person is less than HK\$1,000,000.</p>	<p>(2) Fully exempt financial assistances, which include:</p> <p>(A) provision of financial assistance for the interest of the related persons or related companies described in Article 4(3) of Appendix 2 conducted on normal commercial terms or better in the Bank's ordinary and usual course of business;</p>	

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
<p>Provision of financial assistance to the related companies described in Article 2(3)(1)(A)(ii) of Appendix 2 conducted on normal commercial terms or better not in the Bank's ordinary and usual course of business, where:</p> <p>(A) the financial assistance is in proportion to the equity interest held by the Bank and any guarantee given by the Bank must be on a several (and not a joint and several) basis;</p> <p>(B) Although the financial assistance is not in proportion to the equity interest held by the Bank or the guarantee provided by the Bank is not on a several basis (no matter whether it is a joint and several basis or other types of guarantee), all the percentage ratios of such financial assistance (other than the profits ratio) are less than 0.1%; or all the percentage ratios (other than the profits ratio) of such financial assistance are equal to or above 0.1% but less than 5%, and the total value of the financial assistance plus any preferential interest given to the related person is less than HK\$1,000,000; and</p> <p>Provision of financial assistance by related parties or related companies for the interest of the Bank conducted on commercial terms or better without taking out a mortgage on the Bank's assets.</p>	<p>(B) provision of financial assistance for the interest of related parties not conducted on normal commercial terms or provision of financial assistance for the interest of related parties on normal commercial terms not in the Bank's ordinary and usual course of business and meet the following requirements:</p> <p>(i) all the percentage ratios of the financial assistance are less than 0.1% (other than the profits ratio); or</p> <p>(ii) all the percentage ratios of the financial assistance are less than 1% (other than the profits ratio), and the transaction is a related party transaction only because it involves related person(s) at the subsidiary level; or</p> <p>(iii) all the percentage ratios (other than the profits ratio) are equal to or above 0.1% but less than 5% and the total value of the financial assistance plus any monetary advantage to the related person is less than HK\$3,000,000.</p>	

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
<p>Fully exempted financial assistance, which include:</p> <p>(A) provisional of financial assistance for the interest of related parties or related companies described in Article 2(3)(1)(A)(ii) of Appendix 2 conducted on normal commercial terms in the Bank's ordinary and usual course of business;</p> <p>(B) provision of financial assistance for the interest of related parties not conducted on normal commercial terms or provision of financial assistance for the interest of related parties on normal commercial terms not in the Bank's ordinary and usual course of business and meet the following requirements:</p> <p>(i) all the percentage ratios of the financial assistance are less than 0.1% (other than the profits ratio); or</p> <p>(ii) all the percentage ratios (other than the profits ratio) of the financial assistance are equal to or more than 0.1% but less than 5%, and the total value of the financial assistance plus any preferential interest given to the related person is less than HK\$1,000,000.</p>	<p>(C) provision of financial assistance to the related companies described in Article 4(3) of Appendix 2 conducted not on normal commercial terms described in the Bank's ordinary and usual course of business and meet the following requirements:</p> <p>(i) all the percentage ratios of the financial assistance are less than 0.1% (other than the profits ratio);</p> <p>(ii) all the percentage ratios (other than the profits ratio) of the financial assistance are equal to or above 0.1%, but less than 5%, and the total value of the financial assistance plus any monetary advantage to the related person is less than HK\$3,000,000.</p> <p>(D) provision of financial assistance to the related companies described in Article 4(3) of Appendix 2 on normal commercial terms or better not in the Bank's ordinary and usual course of business and meet the following requirements:</p> <p>(i) the financial assistance is in proportion to the equity interest held by the Bank and any guarantee given by the Bank must be on a several (and not a joint and several) basis;</p>	

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
<p>(C) provision of financial assistance for the interest of related companies described in Article 2(3)(1)(A)(ii) of Appendix 2 conducted not on normal commercial terms in the Bank's ordinary and usual course of business, where:</p> <p>(i) all the percentage ratios of the financial assistance are less than 0.1% (other than the profits ratio);</p> <p>(ii) all the percentage ratios (other than the profits ratio) of the financial assistance are equal to or above 0.1%, but less than 5%, and the total value of the financial assistance plus any preferential interest given to the related person is less than HK\$1,000,000.</p>	<p>(ii) Although the financial assistance is not in proportion to the equity interest held by the Bank or the guarantee provided by the Bank is not on a several basis (no matter whether it is a joint and several basis or other types of guarantee), all the percentage ratios of such financial assistance (other than the profits ratio) are less than 0.1%; or all the percentage ratios (other than the profits ratio) of such financial assistance are equal to or above 0.1% but less than 5%, and the total value of the financial assistance plus any monetary advantage to the related person is less than HK\$3,000,000; and</p>	
<p>(D) provision of financial assistance to the related companies described in Article 2(3)(1)(A)(ii) of Appendix 2 conducted on normal commercial terms or better not in the Bank's ordinary and usual course of business, where:</p> <p>(i) the financial assistance is in proportion to the equity interest held by the Bank and any guarantee given by the Bank must be on a several (and not a joint and several) basis;</p>	<p>(E) provision of financial assistance by related parties or related companies for the interest of the Bank on normal commercial terms or better without taking out a mortgage on the Bank's assets.</p> <p>(3) Other instances of fully exempt transactions under Chapter 14A of the Listing Rules of the Hong Kong Stock Exchange, including but not limited to:</p> <p>(A) issuance of new securities to related parties by the Bank or its subsidiaries pursuant to Rule 14A.92 of the Listing Rules of the Hong Kong Stock Exchange.</p> <p>(B) dealing in securities of the target company via a stock exchange by the Bank pursuant to Rule 14A.93 of the Listing Rules of the Hong Kong Stock Exchange.</p>	

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
<p>(ii) Although the financial assistance is not in proportion to the equity interest held by the Bank or the guarantee provided by the Bank is not on a several basis (no matter whether it is a joint and several basis or other types of guarantee), all the percentage ratios of such financial assistance (other than the profits ratio) are less than 0.1%; or all the percentage ratios (other than the profits ratio) of such financial assistance are equal to or above 0.1% but less than 5%, and the total value of the financial assistance plus any preferential interest given to the related person is less than HK\$1,000,000; and</p>	<p>(C) repurchase of securities from related parties by the Bank and its subsidiaries pursuant to Rule 14A.94 of the Listing Rules of the Hong Kong Stock Exchange.</p>	
<p>(E) provision of financial assistance by related parties or related companies for the interest of the Bank on normal commercial terms or better without taking out a mortgage on the Bank's assets.</p>	<p>(D) entering into service contracts with the Bank's directors or related parties, or purchase of insurance and arrangement of renewal by the Bank or its subsidiaries pursuant to Rules 14A.95 and 14A.96 of the Listing Rules of the Hong Kong Stock Exchange.</p> <p>(E) buying or selling of consumer goods or services by the Bank or its subsidiaries as a customer from or to the related persons pursuant to Rule 14A.97 of the Listing Rules of the Hong Kong Stock Exchange.</p>	
<p>.....</p>	<p>(F) sharing of administrative services by the Bank and its subsidiaries with the related persons pursuant to Rule 14A.98 of the Listing Rules of the Hong Kong Stock Exchange.</p> <p>(G) conducting transactions with associates of passive investors by the Bank and its subsidiaries pursuant to Rules 14A.99 and 14A.100 of the Listing Rules of the Hong Kong Stock Exchange.</p> <p>(H) entering into transactions with the related persons at a subsidiary level by the Bank and its subsidiaries pursuant to Rule 14A.101 of the Listing Rules of the Hong Kong Stock Exchange.</p> <p>.....</p>	

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
Chapter 5 Approval of Related Party Transactions and Disclosure Standards	Chapter 5 Approval of Related Party Transactions and Disclosure Standards	
	<p>Article 23 If a transaction constitutes a related party transaction under different rules and standards simultaneously that provide different approval standards pertaining to such transaction, the strictest standard shall apply to the transaction.</p>	
	<p>Article 25 In relation to related party transactions with the related party defined by the CBRC and the Shanghai Stock Exchange:</p>	Addition made pursuant to Articles 19 to 25 of the Implementation Guidance of Related Party Transactions.
	<p>(1) The Bank shall promptly disclose those proposed related party transactions of a value of more than RMB300,000 (other than guarantees provided by the Bank) between the Bank and the related natural persons.</p>	
	<p>(2) The Bank shall promptly disclose those transactions of a value of more than RMB3 million (other than guarantees provided by the Bank) between the Bank and related legal person, and where the value of the transaction accounts for more than 0.5% of the absolute value of the Bank's last audited net assets.</p>	

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
	<p>(3) If a proposed related party transaction between the Bank and the related person meets one of the following criteria, in addition to making timely disclosure, the proposed transaction shall be submitted to the board of directors and the shareholders' general meeting for consideration and approval:</p> <p>(i) transactions (other than guarantees provided by the Bank, donated cash assets, and debt relief) of a value of more than RMB3 million, and accounting for more than 5% of the absolute value of the Bank's last audited net assets. For proposed significant related party transactions, the Bank shall provide audit or evaluation reports issued by qualified securities and futures service institutions. However, it is not necessary to proceed with audit or evaluation for related party transactions relating to the Bank's daily operation as specified under Chapter VII of the Measures;</p> <p>(ii) provision of guarantee to the related parties of the Bank.</p>	
	<p>(4) For a joint venture set up by the Bank and its related party, the Bank's capital contribution shall be taken as the transaction value, and paragraphs (1), (2) and (3)-1 of this Article shall apply.</p>	

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
	<p>(5) If the Bank intends to abandon the right of capital increase proportionate to its equity interest and pre-emptive rights in a joint venture set up by the Bank and its related party, the amount equivalent to the right of capital increase or pre-emptive rights that the Bank intends to abandon shall be taken as the transaction value, and paragraphs (1), (2) and (3)-1 of this Article shall apply.</p> <p>If there are any changes in the scope of consolidated statements due to the Bank's abandoning of the right of capital increase or pre-emptive rights, the amount equivalent to the right of capital increase or pre-emptive rights corresponding to the latest total net assets of the Bank shall be taken as the transaction amount, and paragraph (1), (2), (3)-1 of this Article shall apply.</p>	
	<p>(6) If a related party transaction involves the "provision of financial assistance" or "entrusting of asset management" by the Bank, the amount transacted shall be taken as the transaction amount and paragraphs (1), (2) and (3)-1 of this Article shall apply.</p>	
	<p>(7) If the Bank carries out the following related party transactions, the calculation of the transaction amount shall be based on the cumulative value of the transactions occurred within the consecutive 12 months, and paragraph (1), (2), and (3)-1 of this Article shall respectively apply:</p> <ul style="list-style-type: none">(i) transaction with the same related person;(ii) transaction with different related persons involving the same transaction subject.	

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
	<p>The above-mentioned same related person includes the legal persons or other entities that are under the direct or indirect control with such related person by the same legal person, other entities or natural person; or controlled by or controlling such related person; or of which the same related natural person acts as a director or senior management.</p> <p>If the amount based on the cumulative principle has been approved in accordance with the rules of procedure for shareholders' general meeting, such amount shall no longer be included in the cumulative calculation.</p> <p>(8) If the Bank intends to carry out the major related party transactions as defined by the CSRC and the Shanghai Stock Exchange with a related party, Article 25(2) of these Measures shall apply.</p>	
<p>Article 22 In relation to related party transactions with related parties defined by the Hong Kong Stock Exchange:</p> <p>The Bank shall meet the reporting, announcement and approval requirements under the Listing Rules of the Hong Kong Stock Exchange in respect of various types of related party transactions defined by the Hong Kong Stock Exchange, namely, fully exempt related party transactions, partially exempt related party transactions or non-exempt related party transactions.</p> <p>...</p>	<p>Article 26 In relation to related party transactions with related parties defined by the Hong Kong Stock Exchange:</p> <p>The Bank shall meet the reporting, announcement and approval requirements under the Listing Rules of the Hong Kong Stock Exchange in respect of various types of related party transactions defined by the Hong Kong Stock Exchange, namely, fully exempt related party transactions, partially exempt related party transactions or non-exempt related party transactions.</p> <p>...</p>	<p>Amendment made pursuant to Rule 14A.35, Rule 14A.46 and Rule 19A.39A of the Listing Rules of the Hong Kong Stock Exchange.</p>

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
<p>(3) Non-exempt related party transactions must comply with the reporting, announcement and independent shareholders' approval requirements</p>	<p>(3) Non-exempt related party transactions must comply with the reporting, announcement and independent shareholders' approval requirements</p>	
<p>One-off non-exempt related party transactions must be reported, announced, and approved by independent shareholders, and shall be dealt with in accordance with the following principles:</p>	<p>One-off non-exempt related party transactions must be reported, announced and approved by independent shareholders, and shall be dealt with in accordance with the following principles:</p>	
<p>(A) Must be first approved by the Board of Directors and an announcement must be made on the next day after the approval is obtained from the Board of Directors.</p>	<p>(A) Must be first approved by the Board of Directors and announced as soon as possible after the terms of related party transactions are determined.</p>	
<p>...</p>	<p>...</p>	
<p>(C) Must deliver a circular to shareholders within 15 days after the publication of the announcement. Prior to the dispatch of the circular to its shareholders, the Bank must submit the final draft of the circular to the Hong Kong Stock Exchange for review, and then send the circular recognized by the Hong Kong Stock Exchange to be in line with the Listing Rules to its shareholders. The circular shall have both English and Chinese versions. Any amending or supplemental circular and/or any relevant information to be provided must be sent to the shareholders within 10 working days prior to the date of shareholders' general meeting (or such earlier period as required by the Articles of Association).</p>	<p>(C) Must deliver a circular to shareholders within the timeframe specified in the Listing Rules of the Hong Kong Stock Exchange, the Company Law of the PRC and the Articles of Association. Prior to the dispatch of the circular to its shareholders, the Bank must submit the final draft of the circular to the Hong Kong Stock Exchange for review, and then send the circular recognized by the Hong Kong Stock Exchange to be in line with the Listing Rules of the Hong Kong Stock Exchange to its shareholders. The circular shall have both English and Chinese versions. Any amending or supplemental circular and/or any relevant information to be provided must be sent to the shareholders within 10 working days prior to the date of shareholders' general meeting (or such earlier period as required by the Articles of Association).</p>	

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
<p>(D) Must submit related party transactions to shareholders' general meetings for consideration and examination. No related party transaction shall proceed unless with the approval of the shareholders' general meeting. Any related party having a material interest in such related party transactions will abstain from voting at such shareholders' general meeting. Independent shareholders' approval shall be taken by poll. The Bank shall make an announcement to publish the results of voting in newspapers on the first business day following the shareholders' general meeting. For those related party transactions that are exempted from holding any shareholders' general meeting, independent shareholders may give their approval in writing.</p> <p>...</p>	<p>(D) Must submit the related party transactions to shareholders' general meetings for consideration and examination. No related party transaction shall proceed unless with the approval of the shareholders' general meeting. Any related party having a material interest in such related party transactions will abstain from voting at the shareholders' general meeting. Independent shareholders' approval shall be taken by poll. The Bank shall make an announcement to publish the results of voting within the timeframe stipulated by the Listing Rules of the Hong Kong Stock Exchange. For those related party transactions that are exempted from holding any shareholders' general meeting, independent shareholders may give approval in writing.</p> <p>...</p>	
<p>Article 32 The Bank shall determine the content of related party transactions for disclosure pursuant to the relevant regulatory requirements and the requirements of the <i>Enterprises Accounting Standards</i> and the <i>International Financial Reporting Standards</i>, and shall provide the relevant materials to regulatory authorities in a timely manner as required.</p>		<p>Deleted as it is overlapped with the existing Article 26 (the revised Article 30).</p>

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
Chapter 6 Pricing of Related Party Transactions	Chapter 6 Pricing of Related Party Transactions	
Article 33	Article 36	
...	...	Amendment made pursuant to Article 30 of the Implementation Guidance of Related Party Transactions.
The “Market Price” described in this Article shall mean the transaction target price not deviating from the price determined by an independent third party in the market on normal commercial terms; the “Cost-plus Price” shall mean the price that a reasonable profit is added on top of the transaction target cost; the “Agreed Price” shall mean the price determined by the Bank and related parties through negotiation.	The “Market Price” described in this Article shall mean the transaction target price not deviating from the price determined by an independent third party in the market on normal commercial terms; the “Cost-plus Price” shall mean the price that a reasonable profit is added on top of the transaction target cost; the “Agreed Price” shall mean the price determined by the Bank and related parties through negotiation. If, during the implementation of related party transactions, there is any significant change in the key terms of agreements, such as the transaction price, the Bank shall carry out the examination and approval procedures again in respect of the revised transaction amounts.	
Chapter 7 Supervision and Reporting of Related Party Transactions	Chapter 7 Supervision and Reporting of Related Party Transactions	
Article 42 The Bank shall submit a report on related party transactions to the CBRC on a quarterly basis in accordance with the requirements of the CBRC.	Article 45 The Bank shall submit a report on related party transactions to the CBRC on a quarterly basis in accordance with the requirements of the CBRC.	Amendment made pursuant to the circumstances of A+H Listing of the Bank.
The Bank will make disclosure on related party transactions in accordance with the information disclosure requirements of the regulatory authority in the place where shares of the Bank are listed.	The Bank will make disclosure on related party transactions in accordance with the information disclosure requirements of the regulatory authority in the place where shares of the Bank are listed, the Shanghai Stock Exchange and the Hong Kong Stock Exchange.	

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
Chapter 9 Supplementary Provisions	Chapter 9 Supplementary Provisions	
<p>Article 49 These Measures shall become effective from the date of passing at a shareholders' general meeting. In particular, the content formulated pursuant to the Listing Rules of the Hong Kong Stock Exchange shall become effective from the date on which the H shares publicly offered by the Bank are listed on The Stock Exchange of Hong Kong Limited for trading. The <i>Administrative Measures for the Control of Related Party Transactions of Huishang Bank Co Ltd. (Revised Draft)</i> issued and promulgated by the Bank on November 28, 2011 will cease to have any effect from the effective date of these Measures.</p>	<p>Article 52 These Measures shall become effective from the date on which the domestically listed shares publicly offered by the Bank are listed for trading. The <i>Administrative Measures for the Control of Related Party Transactions of Huishang Bank Co Ltd.</i> promulgated by the Bank on November 12, 2013 will cease to have any effect from the effective date of these Measures.</p>	<p>Amendment made in accordance with the actual circumstances of the A Shares.</p>
Appendix 1	Appendix 1	
<p>II. Definition of "Related Party" under the Listing Rules of the Hong Kong Stock Exchange</p> <p>(I) Subject to item (II), related parties defined by the Hong Kong Stock Exchange include the following:</p> <p>(1) directors (including persons who were directors of the Bank in the past 12 months), supervisors, the chief executive and substantial shareholders of the Bank or/and its subsidiaries. The aforementioned substantial shareholders are those shareholders who own 10% or above of the Bank's shares;</p> <p>(2) an associate of any of the persons set out in (1) above. An "associate" refers to any individuals defined herein;</p>	<p>IV. Definition of "Related Party" under the Listing Rules of the Hong Kong Stock Exchange:</p> <p>(I) Subject to item (II), related parties defined under the Hong Kong Listing Rules (in which the term "connected person" is used) include the following:</p> <p>(1) directors (including persons who were directors of the Bank in the past 12 months), supervisors, the chief executive and substantial shareholders of the Bank or/and its subsidiaries. The aforementioned substantial shareholders are those shareholders who own 10% or above of the Bank's shares;</p> <p>(2) an associate of any of the persons set out in (1) above;</p>	<p>Improvement made pursuant to the requirements under Chapter 14A of the Listing Rules.</p>

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
<p>(3) a non-wholly owned subsidiary of the Bank, where any related party of the Bank (except for those at subsidiary company level), individually or together, can exercise (or control the exercise) of ten per cent (10%) or more of the voting rights at any general meeting of the non-wholly owned subsidiary;</p>	<p>(3) a non-wholly owned subsidiary of the Bank, where any related party of the Bank (except for those at subsidiary company level), individually or together, can exercise (or control the exercise) of ten per cent (10%) or more of the voting rights at any general meeting of the non-wholly owned subsidiary;</p>	
<p>(4) any subsidiary company of a non-wholly owned subsidiary company referred to in (3) above;</p>	<p>(4) any subsidiary company of a non-wholly owned subsidiary referred to in (3) above;</p>	
<p>(5) any person or entity who has entered into or proposes to enter into an agreement, arrangement, understanding or undertaking (whether formal or informal, and whether express or implied) with the directors (including those who were a director of the member company of the Group in the past 12 months), chief executives, substantial shareholders or supervisors of the Bank or its subsidiaries, and who in the opinion of the Hong Kong Stock Exchange, should be considered a connected person in relation to such transaction;</p>	<p>(5) a deemed connected person considered by the Hong Kong Stock Exchange, for example, any person or entity who has entered into or proposes to enter into an agreement, arrangement, understanding or undertaking (whether formal or informal, and whether express or implied) with the directors (including those who were a director of the member company of the Group in the past 12 months), chief executives, substantial shareholders or supervisors of the Bank or its subsidiaries, and who in the opinion of the Hong Kong Stock Exchange, should be considered a connected person in relation to such transaction;</p>	
<p>(6) any person cohabiting as a spouse with a director (including a person who has served as a director of a member company of the Group in the past 12 months), chief executive, substantial shareholder or supervisor of a member company of the Group;</p>	<p>(II) A company will not be considered a connected person if it becomes an associate of a director, chief executive, substantial shareholder or supervisor of a group company of the Bank merely due to the indirect interests in such company owned by such a director, chief executive, substantial shareholder through their interests in the Bank.</p>	

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
<p>(7) any child, step-child, parent, step-parent, brother, sister, step-brother and step-sister of the director (including a person who has served as a director of a member company of the Bank in the past 12 months), chief executive, substantial shareholder or supervisor of a member company of the Bank;</p> <p>(8) the following relatives of a director (including a person who has served as a director of a member company of the Bank in the past 12 months), chief executive, substantial shareholder or supervisor of a member company of the Bank: the parents-in-law, son-in-law, daughter-in-law, grandparents, grandchildren, sibling of parents, spouse of parents' brothers and sisters, cousin and his/her spouse, brothers and sisters of spouse and children of brothers and sisters, whose association with that director, chief executive, substantial shareholder or supervisor is such that, in the opinion of the Hong Kong Stock Exchange, the proposed transaction should be subject to the provisions of Chapter 14A; and</p>	<p>(III) In this Section, "associate" refers to:</p> <p>(1) If he/she is an individual:</p> <p>(A) his/her spouse;</p> <p>(B) his/her or his/her spouse's (natural or adopted) children or step children under 18 years ((A) and (B), collectively called "immediate family members");</p> <p>(C) the trustees, acting in their capacity as trustee of any trust of which the individual or his immediate family member is a beneficiary (or in the case of a discretionary trust, is to his knowledge a discretionary object) (such trust does not include employee share scheme or occupational retirement schemes established for a wide scope of participants and the connected person's aggregate interests in such scheme(s) are less than 30% ("Trustee");</p>	

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
<p>(9) a company controlled by the persons referred to in (5) and (6) above whereby the person in question can exercise or control the right to exercise 50% or above of the voting rights in its shareholders' meeting, or control its majority of the board of director. The Hong Kong Stock Exchange will aggregate the interests owned by the directors (including those who had been a director of any member company of the Bank in the past 12 months), chief executive or substantial shareholders and their relatives to decide whether they jointly own the majority voting rights of such company.</p>	<p>(D) any company (including any joint ventures established under PRC law) held, directly or indirectly, by the individual, his/her immediate family members, and/or the Trustee mentioned in (1)(C) above in relation to 30% (or an amount that would trigger a mandatory general offer or establishing legal or management control over an enterprise under the applicable PRC law) or more of the voting rights at the general meetings, or a majority of board members of such company and any of its subsidiaries; and</p>	
<p>(II) A company will not be considered a connected person if it becomes an associate of a director, chief executive, substantial shareholder or supervisor of a member company of the Bank merely due to the indirect interests in such company owned by such a director, chief executive, substantial shareholder through their interests in the Bank.</p>	<p>(E) a person cohabiting with him as a spouse, or his child, step-child, parent, step-parent, brother, step-brother, sister or step-sister (each a "family member"); or</p>	
<p>(III) In this section, "associate" refers to:</p> <p>(1) in relation to an individual:</p> <p>(A) his/her spouse;</p> <p>(B) his/her or his/her spouse's (natural or adopted) children or step children under 18 years ((A) and (B), collectively called "family equity");</p>	<p>(F) a majority-controlled company held, directly or indirectly, by the family members (individually or together), or held by the family member together with the individual, his immediate family members and/or the Trustees, or any of its subsidiaries;</p>	

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
<p>(C) the trustees, acting in his capacity as trustee of any trust of which the individual or his family equity is a beneficiary (or, in the case of a discretionary trust, is (to his knowledge) a discretionary object);</p> <p>(D) any company (including any joint ventures established under the applicable PRC law) held, directly or indirectly, by the individual, his/her family equity, and/or the Trustee mentioned in (1)(C) above for 30% (or an amount that would trigger a mandatory general offer or establishing legal or management control over an enterprise under PRC law) or more of the voting rights at the general meetings, or a majority of board members of such company and any of its subsidiaries; and</p>	<p>(G) any company or individual who owns an interest in a cooperative or contractual joint venture (whether or not it is a separate legal entity) established under PRC law, where the person, his immediate family members, and/or the Trustee mentioned in (1)(C) above (in its capacity as trustee) together directly or indirectly hold 30% (or an amount that would trigger a mandatory general offer or establishing legal or management control over an enterprise under the applicable PRC law) or more in the joint venture's capital and/or assets contributions, or the contractual shares of its profits or other income;</p> <p style="text-align: center;">...</p>	

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
(E) any company or individual who owns interests in a cooperative or contractual joint venture (whether or not it is a separate legal entity) established under PRC law, where the person, his family equity, and/or the Trustee mentioned in (1)(C) above (in its capacity as trustee) together directly or indirectly hold 30% (or an amount that would trigger a mandatory general offer or establishing legal or management control over an enterprise under the applicable PRC law) or more in the joint venture's capital and/or assets contributions, or the contractual shares of its profits or other income;		
...		

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
<p>Appendix II</p> <p>II. Definition of Related Party Transactions under the Listing Rules of the Hong Kong Stock Exchange</p> <p>(I) Any transactions between the Bank’s member companies and their connected persons (including one-off connected transactions and continuous connected transactions). In this section, continuous connected transactions are usually transactions in the ordinary and usual course of business of the Bank’s member companies involving the provision of goods and services, which are carried out on a continuing or recurring basis and are expected to extend over a period of time;</p> <p>(II) The following transactions with the non-connected person:</p> <p>(1) any acquisition or disposal of interest in a company</p> <p>(A) any transaction between a member company of the Bank and a person who is not a connected person where the transaction involves the member company of the Bank acquiring or disposing of an interest in a company where a substantial shareholder of that company is, or is proposed to be, a controller or (or will become as a result of the transaction) an associate of a controller; or</p>	<p>Appendix II</p> <p>IV. Definition of Related Party Transactions under the Listing Rules of the Hong Kong Stock Exchange (defined as “Connected Transaction” in the Listing Rules of the Hong Kong Stock Exchange)</p> <p>1. “Connected Transactions” are transactions between the listed issuer or its subsidiaries (namely, listed group company) and the connected parties transactions with connected persons, and specified categories of transactions with third parties that may confer benefits on connected persons through their interests in the entities involved in the transactions. They may be one-off transactions or continuing transactions.</p> <p>2. “Transaction” includes both capital and revenue nature transactions, whether or not conducted in the ordinary and usual course of business of the listed issuer’s group. This includes the following types of transactions:</p> <p>(a) any acquisition or disposal of assets by a listed issuer’s group including a deemed disposal;</p> <p>(b) (i) a listed issuer’s group granting, accepting, exercising, transferring or terminating an option to acquire or dispose of assets or to subscribe for securities; or</p> <p><i>Note:</i> Terminating an option is not a transaction if it is made under the terms of the original agreement and the listed issuer’s group has no discretion over the termination</p>	<p>Amendment made pursuant to Rules 14A.23, 14A.24, 14A.28 and 14A.30 of the Listing Rules of the Hong Kong Stock Exchange.</p>

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
<p>(B) any transaction between a member company of the Bank and a person who is not a connected person and the transaction involves the member company of the Bank acquiring an interest in a company (or an option to acquire such interest) of which a controller (or an associate of a controller) is, or will become, a shareholder where the interest being acquired is:</p> <p>(i) of fixed income nature;</p> <p>(ii) shares to be acquired on less favourable terms than those granted to the controller or its associate; or</p> <p>(iii) shares which are of a different class from those held by, or to be granted to, the controller or its associate;</p> <p>(2) Subscription on favourable terms</p> <p>Any transactions between a member company of the Bank and a person who is not a connected person where the transaction involves a controller (or an associate of a controller) subscribing on especially favourable terms shares in a company in which the member company of the Bank is a shareholder;</p>	<p>(ii) a listed issuer's group deciding not to exercise an option to acquire or dispose of assets or to subscribe for securities;</p> <p>(c) entering into or terminating finance leases or operating leases or sub-leases;</p> <p>(d) granting an indemnity or providing or receiving financial assistance. "Financial assistance" includes granting credit, lending money, or providing an indemnity against obligations under a loan, or guaranteeing or providing security for a loan;</p> <p>(e) entering into an agreement or arrangement to set up a joint venture in any form (e.g. a partnership or a company), or any other form of joint arrangement;</p> <p>(f) issuing new securities of the listed issuer;</p> <p>(g) providing, receiving or sharing services; or</p> <p>(h) acquiring or providing raw materials, intermediate products and/or finished goods.</p>	

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
<p>(3) Subscription of different class of shares</p> <p>Any transaction between a member company of the Bank and a person who is not a connected person and the transaction involves a controller (or an associate of a controller) subscribing shares in a company in which the member company of the Bank is a shareholder but which are of a different class from those held by the member company of the Bank;</p>	<p>3. The “specified categories of transactions” between the listed group company and a third party includes the following:</p> <p>(a) financial assistance provided by a listed group company to, or received by a listed group company from, a commonly held entity. A “commonly held entity” is a company whose shareholders include:</p> <p>(i) a listed group company; and</p> <p>(ii) any connected person(s) at the issuer level who, individually or together, can exercise or control the exercise of 10% or more of the voting rights at the company’s general meeting. This 10% excludes any indirect interest held by the person(s) through the listed issuer; and</p> <p>(b) a listed group company acquiring an interest in a company (the “target company”) from a person who is not a connected person if the target company’s substantial shareholder:</p> <p>(i) is, or is proposed to be, a controller; or</p>	
<p>(III) The following transactions in relation to the provision of financial assistance, options and joint venture enterprises:</p> <p>(1) the provision of financial assistance:</p> <p>(A) by a member company of the Bank to:</p> <p>(i) a connected person; or</p> <p>(ii) a company in which both a member company of the Bank and a connected person are shareholders and where any connected person(s) (other than at the level of its subsidiaries) is/are (individually or together) entitled to exercise, or control the exercise of, 10% or more of the voting rights at any general meeting of such company;</p>		

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
<p>(B) to a member company of the Bank by:</p> <p style="margin-left: 20px;">(i) a connected person; or</p> <p style="margin-left: 20px;">(ii) a company in which both a member company of the Bank and a connected person are shareholders and where any connected person(s) (other than at the level of its subsidiaries) is/are (individually or together) entitled to exercise, or control the exercise of, 10% or more of the voting rights at any general meeting of such company;</p> <p>(C) A member company of the Bank granting an indemnity or guarantee or providing financial assistance to a connected person or any company falling under (III)(1)(A)(ii) above;</p> <p>(D) the granting of security over the assets of a member company of the Bank in respect of any financial assistance provided by a connected person or any company falling under (III)(1)(B)(ii) above;</p>	<p>(ii) is, or will, as a result of the transaction, become, an associate of a controller or proposed controller.</p> <p><i>Note:</i> Acquiring the target company's assets is also a connected transaction if these assets account for 90% or more of the target company's net assets or total assets.</p> <p>Paragraph (b) does not apply to a listed issuer's proposed acquisition if the controller or his or its associate(s) is or are together the target company's substantial shareholders only because of their indirect shareholdings in the target company held through the listed issuer's group.</p>	

**APPENDIX VIII PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES
FOR THE CONTROL OF RELATED PARTY TRANSACTIONS**

Existing Provisions of the Measures	Amended Provisions of the Measures	Reasons for or Basis of Amendment
(2) Options	The writing, acceptance, transfer, exercise or non-exercise of an option involving a member company of the Bank and a connected person; or	
(3) Joint Ventures	The entering into of any arrangement or agreement involving the formation of a joint venture entity in any form, such as a partnership or a company, or any other form of joint arrangement by a member company of the Bank and a connected person.	

Note: Due to the addition and deletion of rule provisions, the numbering of provisions in the existing *Administrative Measures for the Control of Related Party Transaction of Huishang Bank Co Ltd.* will be adjusted accordingly. In addition, as the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* have been defined as the Listing Rules of the Hong Kong Stock Exchange in Article 1 of these Measure, the defined term will be used in consistently in the subsequent provisions therein.



Huishang Bank Corporation Limited*
徽商銀行股份有限公司

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

(Stock Code: 3698)

**SUPPLEMENTAL NOTICE OF THE 2014 ANNUAL GENERAL MEETING
OF HUI SHANG BANK CORPORATION LIMITED**

Reference is made to the circular to its shareholders dated on April 14, 2015 (the “**AGM Circular**”) and the notice of annual general meeting (the “**AGM Notice**”) of Huishang Bank Corporation Limited* (the “**Bank**”), which set out the time and venue of the 2014 annual general meeting (the “**AGM**”) of the Bank and contain the resolutions proposed at the AGM for Shareholders’ consideration and approval.

Supplemental notice is hereby given that the AGM of the Bank will be held as originally scheduled at 9:00 a.m. on Friday, May 29, 2015 at the Hall, 11/F of the Bank, Block A, Tianhui Building, 79 Anqing Road, Hefei, Anhui Province, PRC. In addition to the resolutions contained in the notice of AGM dated April 14, 2015 (the “**Original Notice**”), the following resolutions, which were proposed by Anhui Guoyuan Holding (Group) Company Ltd. (being the shareholders holding approximately 5.84% shares of the Bank) in accordance with the relevant laws and the Articles of Association, will also be considered as supplemental resolutions at the same meeting:

Ordinary Resolutions

13. To consider and approve the three-year dividend plan after the initial public offering and listing of the A Shares of the Bank (the “**A Share Offering**”);
14. To consider and approve the price stabilization plan of A Shares within three years after the A Share Offering;
15. To consider and approve the undertakings on the disclosure of information in the prospectus published in connection with the A Share Offering;
16. To consider and approve the dilution of current returns as a result of the A Share Offering and remedial measures;
17. To consider and approve the status report on the use of previously raised funds;
18. To consider and approve the amendments to the *Procedures for General Meetings of Huishang Bank Corporation Limited*;
19. To consider and approve amendments to the *Administrative Measures for the Control of Related Party Transactions of Huishang Bank Corporation Limited*;

SUPPLEMENTAL NOTICE OF THE 2014 ANNUAL GENERAL MEETING

Special Resolutions

26. To consider and approve the general mandate to issue the Domestic Shares by the Bank;
27. To consider and approve the plan of the A Share Offering of the Bank as follows:
 - (a) class of shares
 - (b) nominal value per share
 - (c) proposed stock exchange for listing
 - (d) offering size
 - (e) target subscribers
 - (f) strategic placing
 - (g) mode of offering
 - (h) pricing methodology
 - (i) form of underwriting
 - (j) conversion into a joint stock company with limited liability with domestically and overseas listed shares
 - (k) term of the offering plan
28. To consider and approve the authorization to deal with matters relating to the A Share Offering;
29. To consider and approve the use of proceeds from the A Share Offering;
30. To consider and approve the accumulated profit distribution plan before the A Share Offering; and
31. To consider and approve the amendments to the Articles of Association of the Bank in connection with the A Share Offering.

SUPPLEMENTAL NOTICE OF THE 2014 ANNUAL GENERAL MEETING

The special resolutions numbered 13 to 18 set out in the notice of 2014 Annual General Meeting of the Bank dated April 14, 2015 shall be re-numbered and referred to as special resolutions numbered 20 to 25.

By order of the Board
Huishang Bank Corporation Limited*
Li Hongming
Chairman

Hefei, Anhui Province, the PRC
May 13, 2015

Notes:

1. Pursuant to the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (the “**Listing Rules**”), all votes of resolutions as set out in the supplemental notice of the AGM will be taken by poll except where the chairman decides to allow a resolution which relates 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 Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Bank (www.hsbank.com.cn) in accordance with the Listing Rules.

2. Proxy

The Bank delivered on the same day to its Shareholders the second proxy form (the “**Second Proxy Form**”) in respect of the resolutions contained in the supplemental notice of the AGM. Every Shareholder who has the right to attend and vote at the AGM is entitled to appoint one or more proxies, whether or not they are members of the Bank, to attend and vote on his/her behalf at the AGM. A proxy shall be appointed by an instrument in writing. Such instrument shall be signed by the appointer or his attorney duly authorized in writing. If the appointer is a legal person, the instrument shall be signed under a legal person’s seal or signed by its director or an attorney duly authorized in writing. In order to be valid, the instrument appointing a proxy and the power of attorney or other documents of authority (if any) under which it is signed, or a copy of such authority notarially certified, must be completed and returned to the Bank’s H Share Registrar (for holders of H Shares) or the registered office and principal place of business in the PRC (for holders of Domestic Shares) of the Bank no later than 24 hours before the time fixed for holding the AGM or any adjourned meeting thereof. Completion and return of the Second Proxy Form will not preclude the Shareholders from attending and voting in person at the AGM or at any adjourned meeting thereof should you so wish.

3. A Shareholder who has not yet lodged the proxy form (the “**First Proxy Form**”) which was sent together with the circular of the Bank dated April 14, 2015 in accordance with the instructions printed thereon is required to lodge the Second Proxy Form if he/she/it wishes to appoint proxies to attend the AGM in his/her/its stead. In this case, the First Proxy Form should not be lodged with the Bank’s H Share Registrar.

4. A Shareholder who has already lodged the First Proxy Form should note that:

(a) if no Second Proxy Form is lodged with the Bank’s H Share Registrar, the First Proxy Form will be treated as a valid proxy form lodged by him/her if correctly completed. The proxy so appointed by the Shareholder will be entitled to vote at his/her discretion or to abstain from voting on any resolution properly put to the AGM other than those referred to in the AGM Notice dated April 14, 2015 and the First Proxy Form, including resolutions set out in the supplemental circular and supplement notice of AGM of the Bank dated May 13, 2015; and

(b) if the Second Proxy Form is lodged with the Bank’s H Share Registrar not less than 24 hours before the time fixed for the AGM, the Second Proxy Form will revoke and supersede the First Proxy Form previously lodged by him/her. The Second Proxy Form will be treated as a valid proxy form lodged by the shareholder if it is duly completed.

SUPPLEMENTAL NOTICE OF THE 2014 ANNUAL GENERAL MEETING

5. Save for the supplemental resolutions set out in the supplemental notice of the AGM, all matters in connection with the AGM remain the same. For details in connection with the other resolutions to be submitted for consideration and approval at the AGM, qualification for attending, registration procedure, appointment of proxy and other related matters, please refer to the AGM Circular and AGM Notice dated April 14, 2015 which may be viewed at the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and at the website of the Bank (www.hsbank.com.cn).
6. Other matters
- (1) The AGM is expected to last for no more than half business day. Shareholders and their proxies attending the meeting shall be responsible for their own traveling and accommodation expenses.
- (2) The address of Computershare Hong Kong Investor Services Limited is:

17M Floor, Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong
Tel: (852) 2862 8628
Fax: (852) 2865 0990

The address of the registered office and principal place of business of the Bank in the PRC:
The Board Office
Block A, Tianhui Building
79 Anqing Road
Hefei
Anhui Province
PRC
Tel: (86) 0551 6266 7787
Fax: (86) 0551 6266 7787

As at the date of this notice, the executive Directors of the Bank are Li Hongming, Xu Demei, Wu Xuemin, Zhang Renfu and Ci Yaping; the non-executive Directors are Zhang Feifei, Zhu Jiusheng, Zhao Zongren and Gao Yang; and the independent non-executive Directors are Au Ngai Daniel, Dai Genyou, Wang Shihao, Zhang Shenghuai, Fung Weichang and Zhu Hongjun.

- * *Huishang Bank Corporation Limited 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.*