

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.*



交通銀行股份有限公司  
**Bank of Communications Co., Ltd.**

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

**(Stock Code: 03328, 4605 (Preference Share))**

**ANNOUNCEMENT  
DISTRIBUTION OF DIVIDENDS  
FOR OFFSHORE PREFERENCE SHARES  
AND  
DOMESTIC PREFERENCE SHARES**

**I. THE MEETING OF THE BOARD OF DIRECTORS APPROVING THE DIVIDEND DISTRIBUTION PLAN OF OFFSHORE PREFERENCE SHARES AND DOMESTIC PREFERENCE SHARES**

Reference is made to the announcements of Bank of Communications Co., Ltd. (the “**Bank**”) dated 29 July 2015 and 13 September 2016. The Bank issued USD2.45 billion 5.00% Non-Cumulative Perpetual Offshore Preference Shares (the “**Offshore Preference Shares**”) and RMB45 billion Non-Cumulative Perpetual Domestic Preference Shares with dividend rate adjusted at different intervals (the “**Domestic Preference Shares**”) on 29 July 2015 and on 13 September 2016, respectively. According to the terms and conditions of the Offshore Preference Shares, the Bank proposed to distribute dividends for the Offshore Preference Shares on 29 July 2020. According to the terms and conditions of the Domestic Preference Shares, the Bank proposed to distribute dividends for the Domestic Preference Shares on 7 September 2020.

The dividend distribution plan of Offshore Preference Shares and Domestic Preference Shares has been considered and approved at the 8th meeting of the 9th session of the board of directors of the Bank held on 27 March 2020.

**II. THE DIVIDEND DISTRIBUTION OF OFFSHORE PREFERENCE SHARES**

**1. The Dividend Distribution Plan of Offshore Preference Shares**

- (1) Dividend period: From and including 29 July 2019 to but excluding 29 July 2020.

- (2) Record date: 28 July 2020 (Tuesday).
- (3) Dividend payment date: 29 July 2020 (Wednesday).
- (4) Dividend rate: The terms and conditions of the Offshore Preference Shares provide that the dividend rate per annum is 5% (excluding tax, i.e. 5% is the actual dividend yield received by the holders of the Offshore Preference Shares). Meanwhile, according to relevant laws and regulations, the Bank shall withhold an income tax at a rate of 10%. According to the terms and conditions of the Offshore Preference Shares, the Bank will pay such income tax.
- (5) Recipients: The holders of the Offshore Preference Shares who are registered on the register of members of the Bank after close of business on 28 July 2020 (Tuesday).
- (6) Amount to be paid: The issue size of the Bank's Offshore Preference Shares was USD2.45 billion. According to the 5% post-tax dividend rate per annum and the 10% withholding tax rate, the total amount of dividends to be distributed will be USD136,111,111.11, comprising of USD122,500,000 which will be paid to the holders of the Offshore Preference Shares, and USD13,611,111.11 which will be the withholding tax.

## **2. Measures for the Implication of the Dividend Distribution Plan of Offshore Preference Shares**

The Bank will pay dividends for the Offshore Preference Shares to the holders of the Offshore Preference Shares who are registered on the register of members of the Bank on the record date. The Offshore Preference Shares of the Bank are held through the clearing systems of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"). As of the date of this announcement, DB Nominees (Hong Kong) Limited, in its capacity as common depositary for Euroclear and Clearstream, Luxembourg, is the only holder of Offshore Preference Shares registered on the register of members of the Bank. The Bank's dividend payment obligations under the terms of the Offshore Preference Shares are deemed to be fulfilled once it procures payment of the dividends to the common depositary for Euroclear and Clearstream, Luxembourg and the ultimate investors should consult their respective custodians or intermediaries in relation to any queries on the subsequent transmission of the dividends through the clearing systems to the ultimate investor.

### **III. THE DIVIDEND DISTRIBUTION OF DOMESTIC PREFERENCE SHARES**

#### **1. The Dividend Distribution Plan of Domestic Preference Shares**

- (1) Amount to be paid: Cash dividend payable to each preference share shall be RMB3.90 (tax inclusive), calculated at a dividend coupon rate of 3.90% for Domestic Preference Shares, and the Bank will distribute cash dividends of RMB1,755 million in total (tax inclusive).
- (2) Recipients: All holders of Domestic Preference Shares whose names appear on the register of members of the Bank, as maintained by China Securities Depository and Clearing Corporation Limited, Shanghai Branch, after close of business of the Shanghai Stock Exchange on 4 September 2020.
- (3) Tax withholding: The Bank will pay a cash dividend of RMB3.90 (tax inclusive) per preference share subject to the relevant regulations:
  - (i) Shareholders who are domestic resident enterprises (including institutional investors) as stipulated in the Enterprise Income Tax Law of the People's Republic of China shall file their respective tax return in respect of dividend income and pay dividend income tax (if applicable) by themselves, and the Bank will pay a cash dividend of RMB3.90 per preference share to these shareholders.
  - (ii) Other shareholders of Domestic Preference Shares shall pay dividend income tax in accordance with relevant regulations.

#### **2. Dates for Implication of the Dividend Distribution Plan of Domestic Preference Shares**

- (1) Last trading date: 3 September 2020 (Thursday).
- (2) Share record date: 4 September 2020 (Friday).
- (3) Ex-dividend date: 4 September 2020 (Friday).
- (4) Dividend payment date: 7 September 2020 (Monday).

#### **3. Measures for the Implication of the Dividend Distribution Plan of Domestic Preference Shares**

The Bank will distribute cash dividends to holders of Domestic Preference Shares of the Bank by itself directly.

#### IV. CONTACT INFORMATION

Contact department: Board Office of the Bank

Tel: 86-21-5876 6688

Fax: 86-21-5879 8398

Email: investor@bankcomm.com

By order of the Board of  
**Bank of Communications Co., Ltd.**  
**Gu Sheng**  
*Company Secretary*

Shanghai, the PRC

27 March 2020

*As at the date of this announcement, the directors of the Bank are Mr. Ren Deqi, Mr. Hou Weidong, Mr. Wang Taiyin\*, Mr. Song Guobin\*, Mr. He Zhaobin\*, Mr. Chan Siu Chung\*, Mr. Song Hongjun\*, Mr. Chen Junkui\*, Mr. Liu Haoyang\*, Ms. Li Jian#, Mr. Liu Li#, Mr. Yeung Chi Wai, Jason#, Mr. Woo Chin Wan, Raymond#, Mr. Cai Haoyi# and Mr. Shi Lei#.*

\* *Non-executive directors*

# *Independent non-executive directors*