

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



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 and 4608 (Preference Shares))

NOTICE OF THE 2019 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2019 annual general meeting (the “AGM”) of Huishang Bank Corporation Limited* (the “Bank”) will be held at 9:00 a.m. on Tuesday, June 30, 2020 at the Anhui Hall, 4/F, Anhui Hotel, No. 18 Meishan Road, Hefei, Anhui Province, the PRC. Details are as follows:

RESOLUTIONS

- (1) To consider and approve the final financial accounts for 2019 of the Bank;
- (2) To consider and approve the financial budget for 2020 of the Bank;
- (3) To consider and approve the profit distribution plan for 2019 of the Bank;
- (4) To consider and approve the appointment of external auditors of the Bank for 2020;
- (5) To consider and approve the Work Report of the Board of Directors of the Bank for 2019;
- (6) To consider and approve the Work Report of the Board of Supervisors of the Bank for 2019;
- (7) To determine the remuneration standard for executive Directors of the Bank for 2018;
- (8) To determine the remuneration standard for the former chairman of the Board of Supervisors of the Bank for 2018;
- (9) To consider and approve the election of Mr. Zhai Shengbao as an external Supervisor of the fourth session of the Board of Supervisors of the Bank;
- (10) To consider and approve the election of Mr. Zhou Zejiang as an external Supervisor of the fourth session of the Board of Supervisors of the Bank;

- (11) To consider and approve the resolution on the general mandate for the issuance of Shares;
- (12) To consider and approve the resolution on the extension of the validity period of the plan on the initial public offering and listing of A Shares (“**A Share Offering**”) of the Bank;
- (13) To consider and approve the resolution on the extension of the validity period of the authorization of the Board to deal with specific matters in respect of the A Share Offering;

For the above resolutions, the resolutions numbered from (1) to (10) are ordinary resolutions and the resolutions numbered from (11) to (13) are special resolutions.

Other Matters

- (14) To receive the Report on Related Party Transactions for 2019 of the Bank;
- (15) To receive the Duty Report by the Independent Non-executive Directors for 2019 of the Bank;
- (16) To receive the Appraisal Report by the Board of Supervisors on the Performance of Duties by the Board of Directors and Directors for 2019;
- (17) To receive the Appraisal Report by the Board of Supervisors on the Performance of Duties by the Supervisors for 2019; and
- (18) To receive the Appraisal Report by the Board of Supervisors on the Performance of Duties by the senior management and its members for 2019.

By order of the Board
Huishang Bank Corporation Limited*
Wu Xuemin
Chairman

Hefei, Anhui Province, the PRC
May 15, 2020

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 at the AGM will be taken by poll except where the chairman decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on 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. **Closure of register of members and eligibility for attending and voting at the AGM**

H Shareholders of the Bank are advised that the register of members of the Bank will be closed from Sunday, May 31, 2020 to Tuesday, June 30, 2020 (both days inclusive), during which time no transfer of H Shares of the Bank will be effected and registered. In order to qualify for attending and voting at the AGM, relevant transfer documents must be lodged with the Bank’s H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, by 4:30 p.m. on Friday, May 29, 2020.

Shareholders of the Bank whose names appear on the register of members of the Bank at the close of business on Friday, May 29, 2020 are entitled to attend and vote at the AGM.

3. **Cash dividend payment arrangement**

According to the Bank’s profit distribution plan for the year ended December 31, 2019, the Board of Directors recommends a cash dividend of RMB1.57 (tax inclusive) for every 10 shares based on the total share capital of 12,154,801,211 shares of the Bank at the end of 2019 in an aggregate amount of cash dividend of RMB1,908.304 million (tax inclusive), accounting for approximately 20% of the audited net profit of the Bank for 2019. When the total share capital has changed on the equity register date of dividend payment as a result of that there is increased share issuance prior to this date, the corresponding adjustments shall be made to dividend per share assuming the aggregate dividend declaration remains unchanged. Subject to approval by the AGM, the cash dividend will be paid to Domestic Shareholders and H Shareholders whose names appear on the register of members on Sunday, July 12, 2020. The proposed cash dividends payable are denominated in Renminbi, and will be paid to Domestic Shareholders in Renminbi and H Shareholders in Hong Kong dollars. Calculation of the exchange rate for dividends payable in Hong Kong dollars will be based on the central parity rate of the average exchange rate of Renminbi to Hong Kong dollars as announced by the People’s Bank of China on the five working days preceding the date of declaration of the dividend at the AGM (June 23, 2020 inclusive). The cash dividends are expected to be distributed by the end of August 2020. The Bank will make further announcements after convening of the AGM in relation to details of the cash dividend distribution arrangements, including closure of share register and expected payment date.

(1) Domestic Shareholders

According to the relevant requirements of the Individual Income Tax Law of the People’s Republic of China, the Bank will withhold an individual income tax at the rate of 20% for natural person Shareholders whose names appear on the register of members for Domestic Shareholders on Sunday, July 12, 2020.

The dividend for Domestic Shareholders without affirmed ownership will be kept temporarily by the Bank and distributed upon the confirmation of the ownership.

(2) H Shareholders

The register of members in respect of the H Shares of the Bank will be closed from Tuesday, July 7, 2020 to Sunday, July 12, 2020 (both days inclusive). In order to be entitled to the final dividend, H Shareholders of the Bank who have not registered the relevant transfer documents are required to lodge the transfer documents, together with the relevant share certificates, with the Bank’s H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, July 6, 2020.

Matters in relation to the proposed final dividend and income tax withheld in respect of dividends to be received by overseas non-resident individual/enterprise Shareholders as follows:

Pursuant to the Notice on Issues Concerning Individual Income Tax Collection and Management after the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348) (《關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》) (國稅函[2011]348號)) of the State Administration of Taxation dated June 28, 2011, the dividends received by overseas resident individual Shareholders from the shares issued by domestic non-foreign invested enterprises in Hong Kong is subject to the payment of individual income tax, which shall be withheld and paid by the withholding agents according to the relevant laws. However, the overseas resident individual Shareholders of the shares issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax agreements signed between the countries where they are residents and China as well as the tax arrangements between Mainland China and Hong Kong (Macau).

Based on the above regulation, the Bank will withhold an individual income tax at tax rate of 10% for the individual H Shareholders. However, when other relevant tax regulations and tax arrangements have different requirements, the Bank will follow the requirement of the tax bureau.

The Bank will withhold an enterprise income tax at a tax rate of 10% for those non-resident corporate H Shareholders pursuant to the Law of the People's Republic of China on Enterprise Income Tax and relevant implementation rules which took effect from January 1, 2008.

For the purpose of payment of the dividend, “non-resident corporate Shareholders” refers to any Shareholders holding the Shares of the Bank in the name of non-individual Shareholders, which include but are not limited to the H Shareholders whose Shares are registered in the name of HKSCC Nominees Limited, other nominees or trustees, or other groups and organizations. Shareholders should read the above information carefully. If anyone would like to change the identity of the Shareholder, please enquire about the relevant procedures with the nominees or trustees. The Bank is neither obligated nor responsible for ascertaining the identity of the Shareholders. In addition, the Bank will withhold the enterprise income tax and the individual income tax in strict compliance with the relevant laws or regulations and the registered information on the H Shares register of members of the Bank as of the record date. The Bank will not entertain, or take any responsibilities for, any requests or claims in relation to any delay or inaccuracies in ascertaining the identity of the Shareholders or any disputes over the mechanism of withholding of the enterprise income tax and the individual income tax.

4. Reply slip

Shareholders intending to attend and vote at the AGM in person or by proxy should complete and lodge the accompanying reply slip and return it to the Bank's H share registrar (for H Shareholders) or the address of the registered office and principal place of business in the PRC (for Domestic Shareholders) of the Bank on or before Wednesday, June 10, 2020. The reply slip may be delivered by hand, by post or by fax to the Bank's H share registrar, Computershare Hong Kong Investor Services Limited (for H Shareholders) or the address of the registered office and principal place of business in the PRC (for Domestic Shareholders) of the Bank. Completion and return of the reply slip will not preclude the Shareholders from attending and voting at the AGM.

However, the failure to return the reply slip may result in an adjournment of the AGM, if the number of Shares carrying voting rights represented by the Shareholders proposing to attend the AGM by reply slip does not reach more than half of the total number of shares of the Bank carrying voting rights at the AGM.

5. Proxy

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 H Shareholders) or the registered office and principal place of business in the

PRC (for Domestic Shareholders) of the Bank no later than 24 hours before the time fixed for holding the AGM (i.e. 9:00 a.m. on Monday, June 29, 2020) or any adjourned meeting thereof. Completion and return of the proxy form will not preclude the Shareholders from attending and voting in person at the AGM or at any adjourned meeting should you so wish.

6. According to the Articles of Association of the Bank, where a shareholder pledges 50% or more of his/her equity interests in the Bank, the voting rights of such shareholder at the shareholders' general meetings shall be subject to restrictions.

7. Other businesses

- (i) The AGM is expected to last for no more than half day. Shareholders and their proxies attending the meeting shall bear their own traveling and accommodation expenses.
- (ii) The address of Computershare Hong Kong Investor Services Limited is:

17M Floor, Hopewell Centre,
183 Queen's Road East,
Wanchai, Hong Kong
Tel No.: (852) 2862 8628
Fax No.: (852) 2865 0990

The address of the registered office and principal place of business in the PRC of the Bank:

The Board Office
Block A, Tianhui Building
79 Anqing Road
Hefei
Anhui Province
the PRC
Tel No.: (86) 0551 6266 7787
Fax No.: (86) 0551 6266 7787

As of the date of this notice, the Board of Directors of the Bank comprises of Wu Xuemin, Zhang Renfu and He Jiehua as executive Directors; Zhu Yicun, Yan Chen, Wu Tian, Qian Dongsheng, Gao Yang, Wang Wenjin and Zhao Zongren as non-executive Directors; Dai Peikun, Zhou Yana, Liu Zhiqiang, Yin Jianfeng and Huang Aiming as independent non-executive Directors.

- * *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.*