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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
INSIDE INFORMATION
PROPOSED PLAN TO SELL DOWN SHARES BY A SHAREHOLDER**

This announcement is published by Bank of Communications Co., Ltd. (the “**Bank**”) pursuant to the inside information provisions under Rule 13.09 (2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance.

Reference is made to the announcements of the Bank dated 2 April 2019, 24 July 2019 and 24 October 2019, in relation to the plan to sell down shares not exceeding 2% of the total current issued ordinary shares of the Bank within a six-month period by the Bank’s third largest shareholder, National Council for Social Security Fund (the “**SSF**”), which is not implemented at the end of the valid time period. The Bank has recently received notice from the SSF, the SSF plans to sell down A shares of the Bank (the “**Sell Down Plan**”). The Sell Down Plan is a normal continuation of the previous plan. However, not exceeding 1% of the total current issued ordinary shares of the Bank will be sold down within the six months of valid period of the Sell Down Plan.

As at the end of March 2020, the SSF held a total number of 12,909,301,166 shares of A shares and H shares of the Bank, representing 17.38% of the total issued ordinary shares of the Bank in aggregate.

The Bank introduced the SSF as a domestic strategic investor in 2004, who subscribed for 5,555,555,556 shares of the Bank. After the listing of the Bank, the SSF increased its shareholding by 7,353,745,610 shares accumulatively by participating in the Bank’s rights issue, non-public offering, acquisitions through the secondary market, the Bank’s bonus shares and transfer of part of state-owned capital from Ministry of Finance of the People’s Republic of China.

The principal terms of the Sell Down Plan are set out as follows: the SSF plans to sell down not exceeding 742,627,266 A shares (representing not exceeding 1% of total current issued ordinary share of the Bank) by way of call auction or block trade transfer within a six-month period commencing from 15 trading days after the date of this announcement (the “**Relevant Period**”), based on its need for asset allocation and investment business. The price of the sell down shall be determined with reference to the prevailing market price in the secondary market. The shares that the SSF plans to sell down are derived from the A shares that it subscribed through the non-public offering of the Bank in 2012. The number of shares involved in the Sell Down Plan will be adjusted for any ex-right event occurred during the Relevant Period such as bonus share issue, rights issue or increase of share capital by way of transfer from capital reserves.

The Sell Down Plan is the SSF’s regular investment plan, which will not affect market operational collaboration between the SSF and the Bank. The Sell Down Plan and transfer of state-owned capital are two independent tasks, not relating with each other.

In May 2019, the SSF has transferred 742,627,266 A shares of the Bank to entrusted securities company for implementation of the Sell Down Plan. The Sell Down Plan will be implemented by way of call auction or block trade transfer and the price of the sell down shall be determined with reference to the prevailing market price in the secondary market. There remains uncertainty in respect of implementation of the Sell Down Plan. The Bank will comply with the regulatory requirements and fulfill the relevant disclosure obligations subsequently. Shareholders of the Bank and potential investors are reminded to exercise caution when dealing in the securities of the Bank.

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

Shanghai, the PRC
5 June 2020

As at the date of this announcement, the directors of the Bank are Mr. Ren Deqi, Mr. He Zhaobin, Mr. Song Guobin*, Mr. Li Longcheng*, 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