
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this 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 **Chongqing Rural Commercial Bank Co., Ltd.***, you should at once hand this circular, together with the relevant proxy form, 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(s) or the transferee(s).

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重慶農村商業銀行

CHONGQING RURAL COMMERCIAL BANK

重慶農村商業銀行股份有限公司*

Chongqing Rural Commercial Bank Co., Ltd.*

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

(Stock Code: 3618)

CIRCULAR OF 2023 AGM AND NOTICE OF 2023 AGM

The 2023 AGM of Chongqing Rural Commercial Bank Co., Ltd. 重慶農村商業銀行股份有限公司* (the “Bank”) will be held at the Conference Center, Building of Chongqing Rural Commercial Bank Co., Ltd. (at No. 36 Jinshamen Road, Jiangbei District, Chongqing, the PRC) on Tuesday, 28 May 2024 at 10:00 a.m. The notice of the 2023 AGM is set out on pages 15 to 21 of this circular. The letter from the Board is set out on pages 3 to 14 of this circular.

The proxy form for use at the 2023 AGM was published on the websites of the Stock Exchange (www.hkexnews.hk) and the Bank (www.cqrcb.com) and dispatched to H Shareholders by means selected by H Shareholders to receive the corporate communications. Whether or not you intend to attend the 2023 AGM, you are requested to complete and return the proxy form in accordance with the instructions stated thereon 24 hours before the time appointed for holding the 2023 AGM or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting at the 2023 AGM in person if you so wish. In such event, the instrument appointing a proxy shall be deemed to be revoked.

7 May 2024

* The Bank holds a financial licence number B0335H250000001 approved by the regulatory authority of the banking industry of the PRC and was authorised by the Administration for Market Regulation of Chongqing to obtain a corporate legal person business licence with a unified social credit code 91500000676129728J. The Bank is not an authorised institution in accordance with the Hong Kong Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorised to carry on banking/deposit-taking business in Hong Kong.

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DEFINITIONS

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

“2023 AGM”	the 2023 annual general meeting of the Bank to be held at the Conference Center, Building of Chongqing Rural Commercial Bank Co., Ltd. (at No. 36 Jinshamen Road, Jiangbei District, Chongqing, the PRC) on Tuesday, 28 May 2024 at 10:00 a.m. (or any adjournment thereof) to consider and, if thought fit, to approve the resolutions contained in the notice of the 2023 AGM which are set out on pages 15 to 21 of this circular
“2023 Annual Report”	the annual report of the Bank for the year ended 31 December 2023, which can be found on the website of the Stock Exchange (www.hkexnews.hk) and the Bank’s website (www.cqrcb.com)
“A Share(s)”	ordinary share(s) of the Bank with a nominal value of RMB1.00 each, which are listed on the main board of the Shanghai Stock Exchange (stock code: 601077)
“Articles of Association”	the articles of association of the Bank currently in force, as amended from time to time
“Bank”	Chongqing Rural Commercial Bank Co., Ltd. 重慶農村商業銀行股份有限公司*, a joint stock limited company incorporated in the PRC with limited liability, the H Shares of which are listed on the main board of the Stock Exchange (stock code: 3618) and the A Shares of which are listed on the main board of the Shanghai Stock Exchange (stock code: 601077)
“Board”	the board of directors of the Bank
“Board of Supervisors”	the board of supervisors of the Bank
“Director(s)”	the director(s) of the Bank
“Group”	the Bank and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“H Share(s)”	the overseas-listed foreign share(s) of the Bank with a nominal value of RMB1.00 each, which are listed on the main board of the Stock Exchange

DEFINITIONS

“Latest Practicable Date”	30 April 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“PRC”	the People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Rules of Procedures for the Board”	the rules of procedures for the Board of the Bank currently in effect, as amended from time to time
“Rules of Procedures for the General Meeting”	the rules of procedures for the general meeting of the Bank currently in effect, as amended from time to time
“Shareholder(s)”	holder(s) of the Shares
“Share(s)”	the A Share(s) and/or the H Share(s)
“Shanghai Stock Exchange”	Shanghai Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD



重慶農村商業銀行

CHONGQING RURAL COMMERCIAL BANK

重慶農村商業銀行股份有限公司*

Chongqing Rural Commercial Bank Co., Ltd.*

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

(Stock Code: 3618)

Executive Directors:

Mr. Xie Wenhui (*Chairman*)

Mr. Sui Jun (*President*)

Mr. Zhang Peizong (*Vice President*)

Non-executive Directors:

Ms. Hu Chun

Mr. Yin Xianglin

Independent non-executive Directors:

Mr. Zhang Qiaoyun

Mr. Lee Ming Hau

Mr. Li Jiaming

Ms. Bi Qian

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

No. 36 Jinshamen Road,

Jiangbei District,

Chongqing,

the PRC

400023

Principal place of business in Hong Kong:

5/F, Manulife Place,

348 Kwun Tong Road,

Kowloon,

Hong Kong

7 May 2024

To the Shareholders

Dear Sir or Madam,

CIRCULAR OF 2023 AGM

1. INTRODUCTION

The purposes of this circular are to give you the notice of the 2023 AGM and to provide you with all reasonable and necessary information to enable you to make informed decisions on whether to vote for or against or abstain from voting on those resolutions proposed at the 2023 AGM.

2. MATTERS TO BE RESOLVED AT THE 2023 AGM

At the 2023 AGM, ordinary resolutions set out in items (1) to (8) below and a special resolution set out in item (9) will be considered and, if thought fit, be passed, and the reports set out in items (10) to (12) below will be heard:

LETTER FROM THE BOARD

As Ordinary Resolutions:

- (1) the work report of the Board of the Bank for 2023;
- (2) the work report of the Board of Supervisors of the Bank for 2023;
- (3) the financial final proposal of the Bank for 2023;
- (4) the profit distribution plan of the Bank for 2023;
- (5) the financial budget proposal of the Bank for 2024;
- (6) the annual report of the Bank for 2023;
- (7) the appointment of the accounting firms of the Bank for 2024; and
- (8) proposed election of Mr. Peng Yulong as a non-executive Director of the Bank;

As a Special Resolution:

- (9) proposed issuance of financial bonds by the Bank;

Matters to be reported at the 2023 AGM:

- (10) the report of the independent non-executive Directors of the Bank for 2023;
- (11) the report of the rural revitalization financial services by the Bank for 2023; and
- (12) the report of the related party transactions of the Bank for 2023.

3. DETAILS OF THE MATTERS TO BE RESOLVED AT THE 2023 AGM

(1) The work report of the Board of the Bank for 2023

Please refer to the report of the Board in the 2023 Annual Report.

(2) The work report of the Board of Supervisors of the Bank for 2023

Please refer to the report of the Board of Supervisors in the 2023 Annual Report.

(3) The financial final proposal of the Bank for 2023

Please refer to the audited consolidated financial statements in the 2023 Annual Report.

LETTER FROM THE BOARD

(4) The profit distribution plan of the Bank for 2023

The recommendations for the profit distribution plan of the Bank for 2023 are as follows:

- i. On the basis of the audited profit after tax of the Bank for 2023 (being RMB9.804 billion), 10% of such profit (being RMB0.98 billion) be provided for the statutory reserve.
- ii. On the basis of a margin of 1.5% of the remaining amount of risk assets, RMB1.073 billion be provided for the general risk reserve, pursuant to the relevant requirements of the Ministry of Finance of the PRC.
- iii. A cash dividend of RMB0.2885 per Share (tax inclusive), totaling RMB3.276 billion (tax inclusive) (being 30.05% of the net profit attributable to the Shareholders of the Bank for 2023), will be distributed to all the Shareholders. If the total share capital of the Bank changes before the record date for the implementation of equity distribution, the Bank plans to maintain the distribution amount per Share unchanged and adjust the total distribution accordingly.
- iv. The remaining profits after tax be retained as the undistributed profits.

Provided the profit distribution plan of the Bank for 2023 is approved at the 2023 AGM, the dividend will be distributed to holders of H Shares whose names appear on the register of members of H Shares of the Bank on Thursday, 6 June 2024. Such proposed dividends will be denominated in RMB. Dividend payable to holders of A Shares shall be paid in RMB, whereas dividend payable to holders of H Shares shall be paid in HKD. The applicable exchange rate for dividends payable in HKD shall be the average of the central parity rates of RMB to HKD of the five business days preceding the date of declaration of such dividend at the 2023 AGM of the Bank (28 May 2024, including the date thereof) as announced by the People's Bank of China.

(1) *Holders of H Shares*

The register of members in respect of the H Shares of the Bank will be closed from Saturday, 1 June 2024 to Thursday, 6 June 2024 (both days inclusive). In order to determine the entitlement of the proposed cash dividend, holders of H Shares of the Bank shall deliver their transfer documents accompanied by the relevant share certificates with the H Share Registrar of the Bank, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, prior to 4:30 p.m. on Friday, 31 May 2024.

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

LETTER FROM THE BOARD

Non-resident Enterprise Shareholders

Pursuant to the Enterprise Income Tax Law of the People's Republic of China and related implementation rules and relevant requirements of the "Notice of the State Administration of Taxation on the Issues concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H-share Holders Which Are Overseas Non-resident Enterprises" (Guo Shui Han [2008] No. 897), the Bank withholds the enterprise income tax at the rate of 10% for non-resident enterprise shareholders whose name appear on the register of members in respect of H shares of the Bank on Thursday, 6 June 2024.

Non-resident Individual Shareholders

According to Guo Shui Han [2011] No. 348 documents issued by the State Administration of Taxation, PRC, the Bank is required to withhold individual income tax for non-resident individual holders of H Shares, who are entitled to relevant preferential tax arrangement pursuant to the taxation agreements between the countries where they are residing with China and the regulation on taxation arrangement between the Mainland and Hong Kong (Macau).

1. As for non-resident individual holders of H shares in countries which have entered into an agreement with China in respect of a tax rate lower than 10%, the Bank temporarily withholds individual income tax at the rate of 10%. Where non-resident individual holders of H shares need to enjoy the treatment under tax agreements (arrangements), it may file an application with the competent tax authority of the Bank in accordance with the requirements of the Measures for the Administration of Non-resident Taxpayers Enjoying the Treatment under Agreements (SAT Announcement [2019] No. 35).
2. As for non-resident individual holders of H shares in countries and regions which have entered into an agreement with China in respect of a 10% tax rate, the Bank withholds individual income tax at the rate of 10%.
3. As for non-resident individual holders of H shares in countries which have entered into an agreement with China in respect of a tax rate between 10% and 20%, the Bank withholds individual income tax at the actual rate agreed thereunder.
4. As for non-resident individual holders of H shares in countries which have no tax agreement with China or are under any other circumstances, the Bank withholds individual income tax at the tax rate of 20%.

The Bank will, based on the registered address of individual holders of H Shares recorded in the register of members in respect of H Shares of the Bank on Thursday, 6 June 2024, determine their residency. Where the residency of any individual holders of

LETTER FROM THE BOARD

H Shares is inconsistent with the registered address, they shall notify, and submit the relevant proof to, the H Share Registrar of the Bank, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, before 4:30 p.m. on Friday, 31 May 2024. The Bank disclaims any responsibility arising from any claims due to holders of H Shares of the Bank whose residency are not confirmed timely or accurately or any disputes with regards to the tax withholding systems.

(2) *Investors of Southbound Trading*

Individual shareholders in the Mainland of Southbound Trading

Shanghai-Hong Kong
Stock Connect:

Pursuant to the Notice on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets (Cai Shui [2014] No. 81), for the distribution of final dividends to mainland individual shareholders who invest in the H shares of the Bank through Shanghai-Hong Kong Stock Connect (these H shares are registered in the name of Hong Kong Securities Clearing Co., Ltd. (agent) and is held by China Securities Depository and Clearing Co., Ltd. as the nominal holder), the Bank will withhold the payment of personal income tax at the rate of 20%. For the distribution of final dividends to shareholders of mainland securities investment funds investing in the H shares of the Bank through Shanghai-Hong Kong Stock Connect (these H shares are registered in the name of Hong Kong Securities Clearing Company Limited and is held by China Securities Depository and Clearing Co., Ltd. as the nominal holder), the Bank will withhold the payment of personal income tax at the rate of 20%.

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Shenzhen-Hong Kong
Stock Connect:

Pursuant to the Circular on Taxation Policies concerning the Pilot Program of the Shenzhen-Hong Kong Stock Exchange Trading Interconnection Mechanism (Cai Shui [2016] No. 127), for the distribution of final dividends to mainland individual shareholders who invest in the H shares of the Bank through Shenzhen-Hong Kong Stock Connect (these H shares are registered in the name of Hong Kong Securities Clearing Co., Ltd. (agent) and is held by China Securities Depository and Clearing Co., Ltd. as the nominal holder), the Bank will withhold the payment of personal income tax at the rate of 20%. For the distribution of final dividends to shareholders of mainland securities investment funds investing in the H shares of the Bank through Shenzhen-Hong Kong Stock Connect (these H shares are registered in the name of Hong Kong Securities Clearing Company Limited and is held by China Securities Depository and Clearing Co., Ltd. as the nominal holder), the Bank will withhold the payment of personal income tax at the rate of 20%.

Shareholders of mainland enterprises of Southbound Trading

Shanghai-Hong Kong
Stock Connect:

Pursuant to the Notice on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets (Cai Shui [2014] No. 81), for the distribution of final dividends by mainland corporate shareholders investing in the H shares of the Bank through Shanghai-Hong Kong Stock Connect (these H shares are registered in the name of Hong Kong Securities Clearing Co., Ltd. (agent) and is held by China Securities Depository and Clearing Co., Ltd. as the nominal holder), the Bank will not withhold corporate income tax, and the tax payable shall be submitted and paid by the shareholders of the mainland enterprises themselves. Among them, dividends obtained by shareholders of mainland enterprises who hold H shares of the Bank for 12 consecutive months are exempt from corporate income tax.

LETTER FROM THE BOARD

Shenzhen-Hong Kong
Stock Connect:

Pursuant to the Circular on Taxation Policies concerning the Pilot Program of the Shenzhen-Hong Kong Stock Exchange Trading Interconnection Mechanism (Cai Shui [2016] No. 127), for the distribution of final dividends by mainland corporate shareholders investing in the H shares of the Bank through Shenzhen-Hong Kong Stock Connect (these H shares are registered in the name of Hong Kong Securities Clearing Company Limited and is held by China Securities Depository and Clearing Co., Ltd. as the nominal holder) the Bank will not withhold corporate income tax, and the tax payable shall be submitted and paid by the shareholders of the mainland enterprises themselves. Among them, dividends obtained by shareholders of mainland enterprises who hold H shares of the Bank for 12 consecutive months are exempt from corporate income tax.

It is proposed that the shareholders of the Bank's H Shares consult with their tax advisors on the tax implications of the ownership and disposal of H Shares of the Company in China, Hong Kong and other countries (regions).

The time arrangement of the Hong Kong Stock Exchange investor equity registration day, the cash dividend distribution day and the date of suspension of the transfer of Shares are equal to those of the Bank's H Shares holders.

Details of final dividends payable to holders of A Shares and relevant matters will be announced when appropriate.

The above resolution was considered and approved by the Board on 28 March 2024, and is now being submitted to the 2023 AGM for consideration as an ordinary resolution.

(5) The financial budget proposal of the Bank for 2024

To cope with the requirements of the development strategies and the business expansion of the Bank, the Group set a budget of RMB0.85 billion for capital expenditure for 2024.

The above resolution was considered and approved by the Board on 28 March 2024, and is now being submitted to the 2023 AGM for consideration as an ordinary resolution.

(6) The annual report of the Bank for 2023

Please refer to the 2023 Annual Report.

LETTER FROM THE BOARD

(7) The appointment of the accounting firms of the Bank for 2024

The Board recommends the re-appointment of KPMG Huazhen LLP and KPMG as the accounting firms of the Bank for 2024 which will be responsible for providing related services in relation to PRC and international accounting standards, respectively. Their services mainly include the annual audit, the interim review, the quarterly agreed-upon procedures, the internal control audit and the assurance of occupation of the Bank's funds by its related parties, with a term from the date of approval at the 2023 AGM until the date of the 2024 annual general meeting of the Bank, and the service fees will be RMB5.769 million, including internal control audit fee of RMB0.65 million.

The above resolution was considered and approved by the Board on 28 March 2024 and is now being submitted to the 2023 AGM for consideration as an ordinary resolution.

(8) Proposed election of Mr. Peng Yulong as a non-executive Director of the Bank

Reference is made to the announcement of the Bank dated 3 April 2024 in relation to (among others) the nomination of the non-executive Director.

Pursuant to relevant laws and regulations and the Articles of Association, the Board proposed to nominate Mr. Peng Yulong as a candidate for the non-executive Director of the Bank. Mr. Peng Yulong has confirmed that he has no disagreement on the nomination.

Biographical details of Mr. Peng Yulong are set out as follows:

Mr. Peng Yulong (aged 45)

Mr. Peng Yulong, born in October 1978. Mr. Peng Yulong obtained a master's degree in accounting from Hunan University in December 2003 and a doctoral degree in accounting from Shanghai University of Finance and Economics in January 2007. Mr. Peng Yulong is qualified as a Chinese certified public accountant (CPA). Mr. Peng Yulong currently serves as the global partner, the senior assistant to president, the co-president of the banking and insurance industry operation committee of Shanghai Fosun Hi-tech (Group) Co., Ltd., the president of Fosun Financial Services Group, the co-president of insurance division in Fosun, the director of Yong An Property Insurance Company Limited, the chairman of the board of supervisors of Pramerica Fosun Life Insurance Co., Ltd. and the executive director of Foster Insurance Agency Co., Ltd. Mr. Peng Yulong served as an analyst in the research institute of Guotai Junan Securities Co., Ltd., executive general manager, managing director, vice president, executive president and other roles in the insurance division of Shanghai Fosun Hi-tech (Group) Co., Ltd. and a non-executive director of New China Life Insurance Company Ltd. (a company listed in the main board of the Stock Exchange, stock code: 1336; a company listed on the main board of Shanghai Stock Exchange, stock code: 601336).

Save as disclosed herein, as at the date of the Latest Practicable Date, Mr. Peng Yulong did not hold any directorships or supervisory positions in any other listed companies other than the Bank or take up any posts in any affiliated companies of the Bank in the past three years. Mr. Peng Yulong does not have any relationship with any other Directors, supervisors, senior

LETTER FROM THE BOARD

management, substantial Shareholders or controlling Shareholders of the Bank, nor has any interest in the Shares of the Bank within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed herein, as at the date of the Latest Practicable Date, there are no matters relating to the appointment of Mr. Peng Yulong that are required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders.

Mr. Peng Yulong's term of office as a Director shall be effective from the date of approval of his qualification by the National Financial Regulatory Administration Chongqing Office to the expiry of the term of office of the current session of the Board. If Mr. Peng Yulong is elected as a Director of the Bank at the 2023 AGM, the Bank will enter into a service contract with him. During the term of office, Mr. Peng Yulong will receive remuneration or allowances according to "The Remuneration Plan of Directors of Chongqing Rural Commercial Bank Co., Ltd." and "The Performance Evaluation Methods for the Board of Directors, Senior Management and its Members of Chongqing Rural Commercial Bank Co., Ltd.". The Bank will disclose Directors' remuneration or allowances in the annual report each year.

The resolution was considered and approved by the Board, and is now being submitted to the 2023 AGM for consideration as an ordinary resolution.

(9) Proposed issuance of financial bonds by the Bank

In order to further optimize the Bank's balance sheet structure, diversify the stable loan sources for long-and-medium term and facilitate the steady development of various businesses, the Bank proposes to issue the financial bonds with a total scale of no more than RMB30.0 billion during the period from 2025 to 2027. Details of the plan are set out below:

i. Nature of bonds to be issued

The repayment ranking of the principal and interest of financial bonds issued by commercial banks will be the same as the general liabilities of commercial banks, and will be senior to tier-2 capital instruments, other tier-1 capital instruments, core tier-1 capital instruments of commercial banks.

ii. Total issuance size

No more than RMB30.0 billion (including RMB30.0 billion) aggregately, excluding capital supplementary instruments.

iii. Maturity of bonds

Each tranche of bonds will have a term of not exceeding 5 years in principle.

LETTER FROM THE BOARD

iv. Coupon rate

The coupon rate of each tranche of bonds can adopt a fixed rate or a variable rate or a combination of the two.

v. Target subscribers

Members of National Interbank Bond Market.

vi. Method of issue

Each tranche of bonds can adopt the method of public offering or private placing. The specific method of issuance would be determined based on the Bank's actual demand and market conditions.

vii. Use of proceeds

The proceeds will be used to optimize the long-and-medium term balance sheet structure, diversify the stable loan sources and fund the asset business for long-and-medium term, including granting loans to small and micro-businesses, agricultural sectors, green industry and other loans.

viii. Authorization

The general meeting will authorize the Board, and the Board will delegate senior management to consider and approve specific matters relating to the issue of financial bonds, including but not limited to types of issuance, issuance size, maturity of bonds, interest rates of issuance, arrangement for payment of the bond principal and interest, redemption and signing of all necessary legal documents.

ix. Validity period

Upon the approval at the 2023 AGM, the authorization will be valid from 1 January 2025 to 31 December 2027.

The resolution was considered and approved by the Board on 28 March 2024, and is now being submitted to the 2023 AGM for consideration as a special resolution.

4. THE 2023 AGM

The notice convening the 2023 AGM, to be held at Conference Center, Building of Chongqing Rural Commercial Bank Co., Ltd. (at No. 36 Jinshamen Road, Jiangbei District, Chongqing, the PRC) on Tuesday, 28 May 2024 at 10:00 a.m. is set out on pages 15 to 21 of this circular.

LETTER FROM THE BOARD

The proxy form for use at the 2023 AGM was published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Bank (www.cqrcb.com) and dispatched to H Shareholders by means selected by H Shareholders to receive the corporate communications. Whether or not you intend to be present at the 2023 AGM, you are requested to complete and return the proxy form in accordance with the instructions stated thereon not later than 24 hours before the time appointed for holding the 2023 AGM or any adjourned meeting thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting at the 2023 AGM in person if you so wish. In such event, the instrument appointing a proxy shall be deemed to be revoked.

In accordance with the relevant requirements of the Rules of Procedures for the Board, when a Shareholder fails to repay their credit facilities with the Bank on time, or when the number of Shares pledged by a Shareholder reaches or exceeds 50% of the total Shares of the Bank held by such Shareholder, the Directors nominated by such Shareholder shall not exercise the voting rights regarding matters to be considered by the Board, and shall abstain from voting when the Board considers and approves matters relating to the filing of application for pledge over Shares. After the Directors have made all reasonable enquiries, to the best of their knowledge, information and belief, no Director is required to be restricted from voting on the resolutions considered at the Board meetings.

In accordance with the relevant requirements of the Articles of Association and the Rules of Procedures for the General Meeting, when a Shareholder fails to repay their credit facilities with the Bank on time, or when the number of Shares pledged by a Shareholder reaches or exceeds 50% of the total Shares of the Bank held by such Shareholder, the voting rights of such Shareholder regarding matters to be considered at the general meeting shall be restricted. After the Directors have made all reasonable enquiries, to the best of their knowledge, information and belief, as at the Latest Practicable Date, there has been no Shareholder having material interests in the resolutions proposed at the 2023 AGM, and no Shareholder is required to abstain from voting on any of the resolutions proposed at the 2023 AGM.

5. VOTING PROCEDURES OF THE 2023 AGM

Pursuant to the requirements under the Listing Rules, all votes of resolutions at the 2023 AGM will be taken by poll except where the chairman, in good faith, 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 the Stock Exchange (www.hkexnews.hk) and the Bank (www.cqrcb.com) in accordance with the requirements under the Listing Rules.

For determining the entitlement of Shareholders to attend and vote at the 2023 AGM, the register of members of the Bank will be closed from Thursday, 23 May 2024 to Tuesday, 28 May 2024 (both days inclusive), during which period no transfer of Shares will be registered. The non-registered H Shareholders must lodge all transfer documents accompanied by the relevant share certificates with the H Share Registrar of the Bank, 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 Wednesday, 22 May 2024.

LETTER FROM THE BOARD

6. RECOMMENDATION

The Board (including independent non-executive Directors) believe that all the resolutions to be proposed at the 2023 AGM for Shareholders' consideration and approval are in the best interests of the Bank and the Shareholders as a whole. The Directors therefore recommend that all Shareholders should vote in favour of all the resolutions to be proposed at the 2023 AGM as set out in the notice of the 2023 AGM.

7. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Bank. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge, information and belief there are no other facts, the omission of which would make any statement herein misleading.

Yours faithfully,
For and on behalf of the Board
Chongqing Rural Commercial Bank Co., Ltd.*
重慶農村商業銀行股份有限公司*
Xie Wenhui
Chairman and Executive Director

NOTICE OF THE 2023 ANNUAL GENERAL MEETING



重慶農村商業銀行
CHONGQING RURAL COMMERCIAL BANK

重慶農村商業銀行股份有限公司*
Chongqing Rural Commercial Bank Co., Ltd.*

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

(Stock Code: 3618)

NOTICE OF THE 2023 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2023 annual general meeting of Chongqing Rural Commercial Bank Co., Ltd. 重慶農村商業銀行股份有限公司* (the “**Bank**”) (the “**2023 AGM**”) will be held at Conference Center, Building of Chongqing Rural Commercial Bank Co., Ltd. (at No. 36 Jinshamen Road, Jiangbei District, Chongqing, the People’s Republic of China (the “**PRC**”)) on Tuesday, 28 May 2024 at 10:00 a.m. Details of the 2023 AGM are as follows:

I. GENERAL INFORMATION OF THE 2023 AGM

(I) Convenor

The board of directors of the Bank (the “**Board**”)

(II) Date and Time

Tuesday, 28 May 2024 at 10:00 a.m. The meeting is expected to last for half a day

(III) Venue

Conference Center, Building of Chongqing Rural Commercial Bank Co., Ltd. (at No. 36 Jinshamen Road, Jiangbei District, Chongqing, the PRC)

(IV) Way of conducting the 2023 AGM

On-site conference and voting by poll

II. AGENDA OF THE 2023 AGM

(I) The resolutions to be considered at the 2023 AGM

Ordinary Resolutions

1. To consider and approve the work report of the Board of the Bank for 2023;
2. To consider and approve the work report of the Board of Supervisors of the Bank for 2023;

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3. To consider and approve the resolution in relation to the financial final proposal of the Bank for 2023;
4. To consider and approve the resolution in relation to the profit distribution plan of the Bank for 2023;
5. To consider and approve the resolution in relation to the financial budget proposal of the Bank for 2024;
6. To consider and approve the resolution in relation to the annual report of the Bank for 2023;
7. To consider and approve the resolution in relation to the appointment of the accounting firms of the Bank for 2024; and
8. To consider and approve the resolution in relation to the proposed election of Mr. Peng Yulong as a non-executive director of the Bank.

Special Resolution

9. To consider and approve the resolution in relation to the proposed issuance of financial bonds by the Bank.

(II) Matters to be reported at the 2023 AGM

1. To listen to the report of the independent non-executive directors of the Bank for 2023;
2. To listen to the report of the rural revitalization financial services by the Bank for 2023; and
3. To listen to the report of the related party transactions of the Bank for 2023.

For and on behalf of the Board
重慶農村商業銀行股份有限公司*
Chongqing Rural Commercial Bank Co., Ltd.*
Chairman and Executive Director
Xie Wenhui

Chongqing, the PRC, 7 May 2024

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Notes:

1. Pursuant to the the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), all votes of resolutions at the 2023 AGM will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted by show of hands. An announcement on the voting results will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Bank (www.cqrcb.com) in accordance with the Listing Rules.
2. In order to determine the entitlement of shareholders to attend and vote at the 2023 AGM, the register of members of the Bank will be closed from Thursday, 23 May 2024 to Tuesday, 28 May 2024 (both days inclusive). Non-registered holders of H shares must lodge their transfer documents accompanied by the relevant share certificates with the H Share Registrar of the Bank, 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 Wednesday, 22 May 2024. Pursuant to the requirements of the Articles of Association and the Rules of Procedures for the General Meeting of the Bank currently in effect, when the number of shares pledged by such a shareholder reaches or exceeds 50% of the total shares of the Bank held by such shareholder, the voting rights of such shareholder regarding matters to be considered at the 2023 AGM shall be restricted.
3. The Board recommends a distribution of cash dividend of RMB3.276 billion (tax inclusive) in total for 2023 to all the shareholders at RMB2.885 per 10 shares (tax inclusive). Such dividend distribution plan will be submitted to the 2023 AGM for consideration. Provided such proposal is approved at the 2023 AGM, the dividend will be distributed to holders of H Shares whose names appear on the register of members of H Shares of the Bank on Thursday, 6 June 2024. Such proposed dividends will be denominated in RMB. Dividend payable to holders of A Shares shall be paid in RMB, whereas dividend payable to holders of H Shares shall be paid in HKD. The applicable exchange rate for dividends payable in HKD shall be the average of the central parity rates of RMB to HKD of the five business days preceding the date of declaration of such dividend at the 2023 AGM of the Bank (28 May 2024, including the date thereof) as announced by the People’s Bank of China.

(1) Holders of H Shares

The register of members in respect of the H Shares of the Bank will be closed from Saturday, 1 June 2024 to Thursday, 6 June 2024 (both days inclusive). In order to determine the entitlement of the proposed cash dividend, holders of H Shares of the Bank shall deliver their transfer documents accompanied by the relevant share certificates with the H Share Registrar of the Bank, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, prior to 4:30 p.m. on Friday, 31 May 2024.

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

Non-resident Enterprise Shareholders

Pursuant to the Enterprise Income Tax Law of the People’s Republic of China and related implementation rules and relevant requirements of the “Notice of the State Administration of Taxation on the Issues concerning Withholding the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H-share Holders Which Are Overseas Non-resident Enterprises” (Guo Shui Han [2008] No. 897), the Bank withholds the enterprise income tax at the rate of 10% for non-resident enterprise shareholders whose name appear on the register of members in respect of H shares of the Bank on Thursday, 6 June 2024.

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Non-resident Individual Shareholders

According to Guo Shui Han [2011] No. 348 documents issued by the State Administration of Taxation, PRC, the Bank is required to withhold individual income tax for non-resident individual holders of H Shares, who are entitled to relevant preferential tax arrangement pursuant to the taxation agreements between the countries where they are residing with China and the regulation on taxation arrangement between the Mainland and Hong Kong (Macau).

1. As for non-resident individual holders of H shares in countries which have entered into an agreement with China in respect of a tax rate lower than 10%, the Bank temporarily withholds individual income tax at the rate of 10%. Where non-resident individual holders of H shares need to enjoy the treatment under tax agreements (arrangements), it may file an application with the competent tax authority of the Bank in accordance with the requirements of the Measures for the Administration of Non-resident Taxpayers Enjoying the Treatment under Agreements (SAT Announcement [2019] No. 35).
2. As for non-resident individual holders of H shares in countries and regions which have entered into an agreement with China in respect of a 10% tax rate, the Bank withholds individual income tax at the rate of 10%.
3. As for non-resident individual holders of H shares in countries which have entered into an agreement with China in respect of a tax rate between 10% and 20%, the Bank withholds individual income tax at the actual rate agreed thereunder.
4. As for non-resident individual holders of H shares in countries which have no tax agreement with China or are under any other circumstances, the Bank withholds individual income tax at the tax rate of 20%.

The Bank will, based on the registered address of individual holders of H Shares recorded in the register of members in respect of H Shares of the Bank on Thursday, 6 June 2024, determine their residency. Where the residency of any individual holders of H Shares is inconsistent with the registered address, they shall notify, and submit the relevant proof to, the H Share Registrar of the Bank, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, before 4:30 p.m. on Friday, 31 May 2024. The Bank disclaims any responsibility arising from any claims due to holders of H Shares of the Bank whose residency are not confirmed timely or accurately or any disputes with regards to the tax withholding systems.

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(2) **Investors of Southbound Trading**

Individual shareholders in the Mainland of Southbound Trading

Shanghai-Hong Kong Stock
Connect:

Pursuant to the Notice on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets (Cai Shui [2014] No. 81), for the distribution of final dividends to mainland individual shareholders who invest in the H shares of the Bank through Shanghai-Hong Kong Stock Connect (these H shares are registered in the name of Hong Kong Securities Clearing Co., Ltd. (agent) and is held by China Securities Depository and Clearing Co., Ltd. as the nominal holder), the Bank will withhold the payment of personal income tax at the rate of 20%. For the distribution of final dividends to shareholders of mainland securities investment funds investing in the H shares of the Bank through Shanghai-Hong Kong Stock Connect (these H shares are registered in the name of Hong Kong Securities Clearing Company Limited and is held by China Securities Depository and Clearing Co., Ltd. as the nominal holder), the Bank will withhold the payment of personal income tax at the rate of 20%.

Shenzhen-Hong Kong Stock
Connect:

Pursuant to the Circular on Taxation Policies concerning the Pilot Program of the Shenzhen-Hong Kong Stock Exchange Trading Interconnection Mechanism (Cai Shui [2016] No. 127), for the distribution of final dividends to mainland individual shareholders who invest in the H shares of the Bank through Shenzhen-Hong Kong Stock Connect (these H shares are registered in the name of Hong Kong Securities Clearing Co., Ltd. (agent) and is held by China Securities Depository and Clearing Co., Ltd. as the nominal holder), the Bank will withhold the payment of personal income tax at the rate of 20%. For the distribution of final dividends to shareholders of mainland securities investment funds investing in the H shares of the Bank through Shenzhen-Hong Kong Stock Connect (these H shares are registered in the name of Hong Kong Securities Clearing Company Limited and is held by China Securities Depository and Clearing Co., Ltd. as the nominal holder), the Bank will withhold the payment of personal income tax at the rate of 20%.

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Shareholders of mainland enterprises of Southbound Trading

Shanghai-Hong Kong Stock
Connect:

Pursuant to the Notice on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets (Cai Shui [2014] No. 81), for the distribution of final dividends by mainland corporate shareholders investing in the H shares of the Bank through Shanghai-Hong Kong Stock Connect (these H shares are registered in the name of Hong Kong Securities Clearing Co., Ltd. (agent) and is held by China Securities Depository and Clearing Co., Ltd. as the nominal holder), the Bank will not withhold corporate income tax, and the tax payable shall be submitted and paid by the shareholders of the mainland enterprises themselves. Among them, dividends obtained by shareholders of mainland enterprises who hold H shares of the Bank for 12 consecutive months are exempt from corporate income tax.

Shenzhen-Hong Kong Stock
Connect:

Pursuant to the Circular on Taxation Policies concerning the Pilot Program of the Shenzhen-Hong Kong Stock Exchange Trading Interconnection Mechanism (Cai Shui [2016] No. 127), for the distribution of final dividends by mainland corporate shareholders investing in the H shares of the Bank through Shenzhen-Hong Kong Stock Connect (these H shares are registered in the name of Hong Kong Securities Clearing Company Limited and is held by China Securities Depository and Clearing Co., Ltd. as the nominal holder) the Bank will not withhold corporate income tax, and the tax payable shall be submitted and paid by the shareholders of the mainland enterprises themselves. Among them, dividends obtained by shareholders of mainland enterprises who hold H shares of the Bank for 12 consecutive months are exempt from corporate income tax.

It is proposed that the shareholders of the Bank's H Shares consult with their tax advisors on the tax implications of the ownership and disposal of H Shares of the Company in China, Hong Kong and other countries (regions).

The time arrangement of the Hong Kong Stock Exchange investor equity registration day, the cash dividend distribution day and the date of suspension of the transfer of Shares are equal to those of the Bank's H Shares holders.

Details of final dividends payable to holders of A Shares and relevant matters will be announced when appropriate.

4. A shareholder entitled to attend and vote at the 2023 AGM is entitled to appoint one or more proxies (if he/she holds more than one share) to attend and vote in his/her stead. A proxy need not be a shareholder. If more than one proxy is so appointed, the appointment shall specify the class and number of shares in respect of which each such proxy is so appointed.

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5. Shareholders shall appoint their proxies in writing. The proxy form must be signed by the shareholder or its attorney duly authorised in writing. If the shareholder is a legal person, the proxy form shall be affixed with the legal person's common seal or signed by its director, or its attorney duly authorised in writing. If the proxy form is signed by the attorney of the shareholder, the power of attorney or other authorisation documents shall be notarised. For holders of H Shares, the aforementioned documents must be lodged with the H Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time appointed for holding the 2023 AGM. Completion and return of the proxy form shall not preclude you from attending and voting in person at the 2023 AGM and any adjourned meeting thereof and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. The contact of the office of the Board is as follows:
- | | |
|-----------------|--|
| Address: | No. 36 Jinshamen Road, Jiangbei District, Chongqing, the PRC |
| Postal Code: | 400023 |
| Contact Person: | Ms. Li |
| Telephone: | (8623) 6111 1524 |
| Facsimile: | (8623) 6111 0844 |
7. Shareholders or their proxies shall produce their identity proof when attending the 2023 AGM.
8. The 2023 AGM is expected to last for half a day. Shareholders who attend the 2023 AGM (in person or by proxy) shall bear their own expenses.

As at the date of this notice, the executive directors of the Bank are Mr. Xie Wenhui, Mr. Sui Jun and Mr. Zhang Peizong; the non-executive directors of the Bank are Ms. Hu Chun and Mr. Yin Xianglin; and the independent non-executive directors of the Bank are Mr. Zhang Qiaoyun, Mr. Lee Ming Hau, Mr. Li Jiaming and Ms. Bi Qian.

- * *The Bank holds a financial licence number B0335H250000001 approved by the regulatory authority of the banking industry of the PRC and was authorised by the Administration for Market Regulation of Chongqing to obtain a corporate legal person business licence with a unified social credit code 91500000676129728J. The Bank is not an authorised institution in accordance with the Hong Kong Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorised to carry on banking/deposit-taking business in Hong Kong.*