Rules of Procedure of the Audit Committee under the Board of Directors of Weihai Bank

(December 2025)

Table of Contents

Chapter 1 General Provisions 1

Chapter 2 Composition 1

Chapter 3 Duties and Authorities 2

Chapter 4 Rules of Procedure 5

Chapter 5 Supplementary Provisions 6

Chapter 1 General Provisions

Article 1 To further establish a sound supervision mechanism centered on the Board of Directors of Weihai Bank Co., Ltd. (hereinafter referred to as the "Bank"), strengthen internal control management, improve the corporate governance structure of the Bank and promote more scientific and accurate decision-making and more lawful and standard operation of the Bank, the Bank has set up the Audit Committee of the Board (hereinafter referred to as the "Committee") and formulated the Rules of Procedure in accordance with the Company Law of the People's Republic of China, the Corporate Governance Guidelines for Banking and Insurance Institutions, the Guidelines on Internal Control of Commercial Banks, the Guidelines on Internal Audit for Commercial Banks, regulatory provisions of the place where the Bank's securities are listed, the Articles of Association of Weihai Bank Co., Ltd. (hereinafter referred to as the "Articles of Association") and other relevant provisions.

Article 2 As the standing body of the Board, the Committee is responsible for reviewing the Bank's financial information and its disclosure, supervising and evaluating the internal and external auditing work as well as internal control, exercising the functions and powers of the Board of Supervisors as stipulated in the Company Law as well as the functions and powers granted by other laws and regulations, regulatory requirement and the Articles of Association of the Bank.

Article 3 The members of the Committee shall make sure to devote sufficient time to performing their duties. Before taking office, the members of the Committee shall make statements to the Board on whether they have enough time and energy to perform their duties. The Bank provides adequate resources for the Committee to perform its duties.

Chapter 2 Composition

Article 4 All the members of the Committee shall be non-executive Directors, of whom the majority shall be independent Directors that have professional knowledge and work experience in any field of financial affairs, audit, accounting or law. At least one independent Director shall have appropriate professional qualifications or shall have accounting or related financial expertise required in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "Hong Kong Listing Rules") and the Code of Corporate Governance for Listed Companies. The Committee shall have one chairperson and one vice-chairperson, who shall be nominated by the chairman of the Board and elected by more than half of all the Directors. The chairperson of the Committee shall be a professional accountant among the independent Directors. Each Director shall have one vote for election.

A former partner of the accounting firm responsible for auditing of the Bank's accounts at present shall not serve as member of the Committee within two years after any of the following dates (whichever is later):

(1) date on which it ceases to be a partner of the said accounting firm; or

(2) date on which it ceases to enjoy the financial interests of the said accounting firm.

Article 5 The term of office of the members shall be the same as that of Directors. A member may serve consecutive terms if re-elected upon expiry of his/her term of office. Any member who no longer serves as Director of the Bank during the term or any member who is an independent Director and no longer meets relevant independence requirements as specified in the laws and regulations and the Articles of Association shall automatically be disqualified as a member, and the Committee shall fill the vacancy in accordance with Article 4 above.

Article 6 The Committee has set up an office in the Audit Department of the Bank. The office of the Committee shall be responsible for organization and coordination of meetings of the Committee, including arrangement of meeting agenda, preparation of meeting documents, organization and arrangement of convening of meetings, taking of meeting minutes and drafting of reports to be submitted by the Committee to the Board.

Chapter 3 Duties and Authorities

Article 7 The Committee shall carry out work under the leadership of the Board and according to the authorization of the Board and report its work to the Board. The main duties of the Audit Committee include:

(I) supervising and evaluating the internal auditing work, reviewing the Bank's medium-and-long-term audit plan and annual audit work plan, supervising the establishment and implementation of the Bank's internal audit system;

(II) supervising and promoting the implementation of the internal audit plan of the Bank; guiding the internal auditing work, listening to work report of the internal auditing department and evaluating and supervising its audit work;

(III) reviewing the implementation of internal audit work and reporting to the Board on the audit work;

(IV) recommending independent external audit agencies (accounting firm) to the Board of the Bank, approving the remuneration and terms of engagement of the external audit agencies, and dealing with any questions of resignation or dismissal of that external audit agencies; examining and supervising whether the external audit agencies are independent and objective and whether the audit procedures are effective as per applicable standards; and examining and supervising the audit on the Bank's operation and management conducted by the external audit agencies, and providing proposals for their re-engagement or removal;

(V) Discussing with the external audit agencies (on the nature, scope, procedures and methods of the audit work and relevant reporting obligations) before commencement of the audit work, and examining the opinions and suggestions of the external audit agencies when the audit ends, including examining letters regarding matters involved in the audit provided by the external audit agencies to the management, any material queries raised by the auditors to the management in respect of the accounting records, financial accounts or monitoring systems and the management's response; and ensuring that the Board makes a timely response to the matters proposed in the letters regarding matters involved in the audit provided by the external audit agencies to the management;

(VI) formulating and implementing policies on the engagement of the external audit agencies to supply non-audit services; and reporting and making recommendations to the Board on any matters where action or improvement is needed;

(VII) coordinating the communication and work between internal and external audits; ensuring that the internal audit department is adequately resourced and has appropriate standing within the Bank; and examining and supervising its effectiveness;

(VIII) reviewing the Bank's financial information and its disclosure, ensuring the truthfulness, accuracy, completeness and timeliness of the accounting and financial reports; and supervising the completeness of the Bank's financial statements, annual reports and accounts, semi-annual reports and (if to be published) quarterly reports, and reviewing major opinions on financial reporting in the statements and reports. The Committee shall specifically review the following matters before it submits relevant statements and reports to the Board:

1. any changes in accounting policies and practices;

2. matters involving important judgment;

3. material adjustments arising from audit;

4. assumptions and any reservation about continuing operation of the Bank;

5. compliance with accounting standards; and

6. compliance with the provisions of the Hong Kong Listing Rules and laws on financial reporting.

For the purpose of the above matters, members of the Committee shall have contact with the Board and senior management personnel. The Committee shall hold at least two meetings with the Bank's external audit agencies every year; and shall consider any significant or unusual items that are, or may need to be, reflected in such reports and accounts, and give due consideration to any matters proposed by the Bank's staff responsible for accounting and financial reporting functions, officers-in-charge of the compliance department or external audit agencies;

(IX) reviewing the Bank's financial control and examining the Bank's internal control system, including discussing risk management and internal control system with the management to ensure that the management have fulfilled their duties and established effective systems. The contents subject to discussion shall include the adequacy of resources for fulfilling the Bank's accounting and financial reporting functions, qualifications and experience of the Bank's staff and training courses and relevant budgets for such staff;

(X) as delegated by the Board or on its own initiative, considering any major findings of investigations on matters concerning risk management and internal control and relevant responses of the management;

(XI) timely understanding, mastering and supervising the changes in and conducting relevant works based on the Bank's material financial affairs and accounting policies and practices;

(XII) making recommendations to the Board on the staffing and composition of the audit agencies based on the operating activities, asset scale and shareholding structure of the Bank;

(XIII) the staff of the Bank may raise concerns about possible improprieties in financial reporting, internal control or other matters. The Committee shall ensure proper arrangements for such matters, and the Bank may carry out fair and independent investigation on and take proper actions for such matters;

(XIV) supervising the performance by the Directors and senior management members in the performance of their duties and proposing to remove the Directors and senior management members who violate the laws, administrative regulations, the Articles of Association of the Bank or the resolutions of the Shareholders' meetings;

(XV) demanding rectification from the Directors and senior management members where their conduct is detrimental to the interests of the Bank;

(XVI) filing lawsuits in accordance with the law against the Directors and senior management members who violate the laws, administrative regulations, the Articles of Association in the performance of their duties and cause losses to the Bank;

(XVII) submitting proposals to the Shareholders' meetings; proposing the convening of extraordinary shareholders' meetings, convening and presiding over the Shareholders' meetings in case that the Board of Directors does not perform the obligations to convene and preside over the Shareholders' meetings in accordance with the Articles of Association;

(XVIII) reporting to the Board on matters related to the code provisions set out in the Corporate Governance Code and Corporate Governance Report under Appendix C1 of the Hong Kong Listing Rules;

(XIX) The following matters shall be submitted to the Board of Directors for consideration only after being approved by more than half of all members of the Audit Committee:

1. disclosure of financial information in financial reports and periodic reports, and internal control evaluation reports;

2. engagement or dismissal of the accounting firm responsible for auditing the Bank;

3. appointment or dismissal of the chief financial officer of the Bank;

4. changes in accounting policies, changes to accounting estimates or correction of material accounting errors made for reasons other than changes in accounting standards;

5. other matters as stipulated by laws and regulations, administrative regulations and the Articles of Association.

(XX) other duties required in laws and regulations, other regulatory provisions of the place where the Bank's securities are listed and Articles of Association and conferred by the Board.

Chapter 4 Rules of Procedure

Article 8 The Committee shall convene at least one meeting in every quarter and shall notify all the members five days before the meeting is convened and deliver to all the members the meeting agenda and relevant meeting documents at least three days before the meeting is convened. The meeting shall be presided over by the chairperson of the Committee, who may appoint the vice-chairperson of the Committee to preside over the meeting if he/she is unable to attend the meeting.

The Committee may convene an interim meeting where necessary.

Article 9 The meetings of the Committee shall be held only with the presence of more than two thirds of the members. Each member shall be entitled to one vote. The resolutions made at the meetings shall be approved by more than half of all the members.

Article 10 Voting at a meeting of the Committee shall be made by show of hands or by poll. An interim meeting may be convened through communication voting.

Article 11 If necessary, Directors, senior management personnel and external audit agencies of the Bank and other relevant personnel may be invited to attend the meetings of the Committee.

Article 12 If necessary, the Committee may appoint intermediaries to provide professional advice for its decision-making at the expense of the Bank.

Article 13 Where an agenda item relating to a member is to be discussed at the meeting of the Committee, such related member shall abstain from the meeting.

Article 14 Information of the meetings of the Committee shall be recorded as minutes, which shall set out the discussion process and results. The meeting minutes shall contain the following information:

1. the date, venue and name of the convener of the meeting;

2. names of members present at the meeting and members in attendance;

3. the agenda of the meeting;

4. key points of members' speeches.

Article 15 Written reports shall be prepared for suggestions and opinions agreed, programs discussed, and proposals and voting results passed at the meetings of the Committee, which shall be submitted to the Board for study and decision after signing by the chairperson or the vice-chairperson of the Committee.

Article 16 Members present at the meetings shall keep confidential all matters discussed at the meetings and shall not disclose relevant information without authorization.

Chapter 5 Supplementary Provisions

Article 17 The Rules of Procedure shall take effect as from the day when adopted by resolution of the Board.

Article 18 Matters not covered in the Rules of Procedure shall be subject to the relevant national laws and regulations, regulatory provisions of the place where the Bank's securities are listed and the Articles of Association; in case of any conflict between the Rules of Procedure and the national laws and regulations promulgated in the future, the regulatory provisions of the place where the Bank's securities are listed or the Articles of Association amended according to legal procedures, the relevant national laws and regulations, the regulatory provisions of the place where the Bank's securities are listed and the Articles of Association shall prevail, which shall be revised in time and submitted to the Board for deliberation and approval.

Article 19 The Rules of Procedure shall be subject to the interpretation of the Board of the Bank.