Bank of Zhengzhou Co., Ltd.

Terms of Reference of the Audit Committee of the Board of Directors

(Revision)

Chapter 1 General Provisions

Article 1 In order to further improve the corporate governance structure of Bank of Zhengzhou Co., Ltd. (the "Bank"), refine the internal supervision mechanism, strengthen the scientific decision-making of the Board of Directors, and ensure the sustainable, stable and standardized development of the Bank, these Terms of Reference are formulated in accordance with the Company Law of the People's Republic of China (the "Company Law"), the Code of Corporate Governance of Banking and Insurance Institutions, the Guidelines for Internal Audit of Commercial Banks, the Articles of Association of Bank of Zhengzhou Co., Ltd. (the "Articles of the Bank") and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") as well as other relevant requirements.

Article 2 The Audit Committee is a special committee set up by the Board of Directors of the Bank in accordance with the requirements under the Articles of the Bank, which is mainly responsible for reviewing the Bank's financial information and the disclosure thereof, supervising and evaluating the internal and external audit work and internal control, and exercising the relevant powers and functions of the Board of Supervisors as stipulated in the Company Law.

Chapter 2 Composition

Article 3 Members of the Audit Committee shall be directors who possess professional knowledge and work experience in either finance, audit, accounting or law or other fields appropriate to the functions and powers of the Audit Committee and the number of members shall be no less than three (3), all of whom shall be non-executive directors and more than half of whom shall be independent directors. At least one (1) of the members shall be an independent non-executive director who possesses appropriate professional qualifications provided in the Listing Rules or possesses appropriate accounting or relevant financial management expertise. Employee directors may become members of the Audit Committee.

Article 4 Members and chairman of the Audit Committee shall be nominated by the chairman of the Board of Directors and shall be elected by the Board of Directors.

Article 5 A former partner of the Bank's existing external audit firm shall not act as a member of the Audit Committee within two (2) years from the following dates (whichever is the later):

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

(2) the date on which the former partner ceases to have any financial interest in the accounting firm.

Article 6 The Audit Committee shall have a chairman who shall be an independent non-executive director and shall be responsible for presiding over the committee's work. The chairman shall be an accounting professional.

Article 7 The term of office of the Audit Committee shall be the same as that of the Board of Directors. A member may be re-elected and re-appointed upon expiry of his/her term of office. If any member ceases to serve as a director of the Bank during his/her term of office or any member who shall be an independent non-executive director no longer possesses the independence as specified in the Articles of the Bank or the relevant laws, regulations and the Listing Rules, the vacancy shall be filled by the Board of Directors in accordance with the Articles of the Bank and these Terms of Reference. The term of office of the member so appointed shall end upon expiry of the term of office of such member as a director or independent non-executive director. If, due to the resignation of an Audit Committee member, the number of members of the Audit Committee falls below the statutory minimum or there is an absence of an accounting professional, the original director shall continue to perform his/her duty until a new director assumes his/her duties.

Article 8 The daily work of the Audit Committee shall be organized and implemented by the internal audit office of the Board of Directors and other relevant departments. The Audit Committee is responsible for providing guidance on the internal audit work.

Chapter 3 Main Responsibilities and Authority

Article 9 The main responsibilities and authority of the Audit Committee are:

(1) To supervise the Bank's risks and compliance status.

(2) To inspect the Bank's finance and examine the Bank's financial information and its disclosure.

(3) To be responsible for the Bank's annual audit, and overseeing the senior management to rectify the issues identified in the audit and implement the audit recommendations.

(4) To be responsible for guiding and supervising the establishment and implementation of the internal audit system; reviewing, evaluating and reporting to the Board of Directors on the internal audit on a regular basis; and ensuring that the internal audit department has sufficient resources for operation and proper status; and reviewing and overseeing the results of internal audit.

(5) To supervise and evaluate the Bank's external audit work and be responsible for the communication and co-ordination between external auditors and internal auditors.

(6) To monitor the performance of duties by directors and senior management personnel, and propose dismissal of such directors and senior management personnel who are in breach of the laws, administrative regulations, the Articles of the Bank or the resolutions of shareholders' meetings.

(7) To require directors and senior management personnel to make corrections in the event that their conduct has damaged the interests of the Bank.

(8) To propose the convening of extraordinary shareholders' meetings and, in the event that the Board fails to perform the obligations to convene and preside over the shareholders' meetings in accordance with the Company Law, to convene and preside over the shareholders' meetings.

(9) To propose to convene an interim board meeting according to the provisions of the Articles of the Bank.

(10) To put forward proposals at the shareholders' meetings.

(11) To initiate legal proceedings against directors and senior management personnel pursuant to Article 189 of the Company Law.

(12) To consider other topics defined by the Board of Directors.

(13) Other matters as required by the laws, administrative regulations, departmental rules, the securities regulatory authorities in the place where the shares of the Bank are listed, the stock exchanges and the Articles of the Bank and as authorized by the Board of Directors.

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

(1) The disclosure of financial information in financial accounting reports and periodic reports, and internal control evaluation reports;

(2) The engagement or dismissal of accounting firms that conduct an audit business for the Bank;

(3) The appointment or dismissal of the Bank's chief financial officer;

(4) Changes to accounting policies, accounting estimates or corrections of significant accounting errors for reasons other than changes in accounting standards;

(5) Other matters as required by the laws, administrative regulations, departmental rules, the securities regulatory authorities in the place where the shares of the Bank are listed, the stock exchanges and the Articles of the Bank.

Article 10 The Audit Committee is responsible for reviewing the Bank's accounting policies, supervising financial reporting procedures and financial positions, examining the Bank's financial information and its disclosure, including the integrity of the financial statements and of the Bank's annual report and accounts, interim report and, if prepared for publication, quarterly reports, and reviewing the material financial reporting judgements contained therein. In this regard, in reviewing the relevant statements and reports before submission to the Board of Directors, the committee shall focus particularly on:

(1) Any changes in accounting policies and practices;

(2) Areas involving material judgments;

(3) Material adjustments resulting from audit;

(4) The going concern assumption and any qualified opinions;

(5) Compliance with accounting standards;

(6) Compliance with the Listing Rules and other legal requirements in relation to financial reporting.

With regard to the aforesaid duties, the committee shall liaise with the Board of Directors and senior management personnel, and shall meet, at least twice (2) a year, with the Bank's external auditors. The committee shall also consider any material or unusual items that are, or may need to be reflected in such reports and accounts and shall give due consideration to any matters raised by the Bank's staff responsible for the accounting and financial reporting functions, compliance officer, if any, or external auditors.

Article 11 The Audit Committee is responsible for the following matters relating to the external auditors:

(1) To propose to the Board of Directors on engagement, re-engagement or replacement of external auditors, to review expenses and terms of engagement for external auditors and to handle any questions on resignation or dismissal of such external auditors;

(2) To review and oversee whether the external auditors are independent and objective and the audit procedures are effective in accordance with appropriate criteria, and discuss with the external auditors the nature and scope of the audit and relevant reporting obligations before the audit commences;

(3) To formulate and implement policies on the engagement of external auditors to provide non-audit services;

(4) To review the letter regarding the audit results presented by external auditors to the management, any material queries raised by auditors to the management in respect of the accounting records, financial accounts or monitoring systems, and the management's response;

(5) To ensure that the Board of Directors will provide a timely response to the issues raised in the letter regarding the audit results presented by external auditors to the management;

(6) To act as the key representative body for overseeing the Bank's relations with external auditors; to coordinate the communication between the internal audit department and external auditors, and to ensure that internal and external audit work is coordinated.

Article 12 The Audit Committee is responsible for reviewing the financial reporting system, risk management and internal control systems of the Bank and the implementation thereof:

(1) To review and oversee financial control of the Bank, and outside the defined scope of duties and authority of the Risk Committee of the Board of Directors or the Board of Directors itself review and oversee the risk management and internal control systems of the Bank, review the relevant rules and regulations and their implementation, and examine and evaluate the compliance and effectiveness of material business activities of the Bank;

(2) To discuss the risk management and internal control system with the management and to continuously examine and supervise whether the management has performed its duties to establish an effective system. The discussion shall include the adequacy of resources, qualification and experience of employees, training of employees and the relevant budget in relation to accounting and financial reporting functions of the Bank;

(3) To oversee and review the construction of the Bank's internal control system, organize self-evaluations of internal control status in the Bank and review the evaluation report on the Bank's internal control;

(4) To ensure the Bank has adequate arrangements for employees to raise concerns on any irregularities in confidence which may occur in the financial reporting, internal control or other aspects and for the Bank to conduct a fair and independent investigation and take appropriate action on such matters;

(5) To study the material investigation results of risk management and internal control issues and response of management to the investigation results proactively or under the instruction of the Board of Directors.

Article 13 When fulfilling their work duties, the members of the Audit Committee shall act with integrity, self-discipline and dedication and shall safeguard the interests of the Bank, and they shall not abuse their status or powers for personal gain.

Article 14 Unless otherwise stipulated by law or authorized by the Board of Directors, the members of the Audit Committee shall not disclose any information regarding the Bank without authorization.

Article 15 The Audit Committee shall regularly formulate its annual work plan, communicate regularly with the senior management and responsible persons of departments on the Bank's operation as well as make suggestions and recommendations. Before the convening of meetings of the Board of Directors, the Audit Committee shall hold a meeting in advance to consider the matters to be considered by the Board of Directors within the scope of its duties in accordance with these Terms of Reference, and shall provide directors with necessary materials or information through the Secretary to the Board of Directors. Unless authorized by the Board of Directors in accordance with the law, the consideration opinions of the Audit Committee shall not replace the voting results of the Board of Directors.

Article 16 The Audit Committee is entitled to initiate, or to conduct as delegated by the Board of Directors, investigations on the internal control, financial information management, internal and external audit and other matters of the Bank, review relevant policies and their implementation, and report the review results and recommendations to the Board of Directors after studying the findings and responses of the senior management.

Chapter 4 Procedures and Rules of Meetings

Article 17 A meeting of the Audit Committee shall be convened and presided over by the chairman. If the chairman is unable or refuses to perform the duties, an independent director member shall be jointly elected by more than half of the members of the Audit Committee to preside over the meeting.

Article 18 The Audit Committee shall convene meetings at any time when needs arise, but at least once (1) every quarter. An interim meeting may be convened upon the proposal of two or more members or when deemed necessary by the chairman. When the Audit Committee holds a meeting, a notice of meeting shall be served on all members three (3) days prior to that meeting and basic information on audit to be considered by the Audit Committee shall be furnished to each member for review to enable them to have an early understanding.

In case of an emergency where an interim meeting shall be held as soon as possible, the service of the notice of the meeting and the meeting documents shall not be subject to the time-limit stated in the preceding paragraph, but shall be effectively served on the members before the meeting.

Article 19 The notice of a meeting shall contain the following contents:

(1) The date, time and place of the meeting;

(2) The duration of the meeting;

(3) The reason for holding the meeting and topics for discussion;

(4) The date of issuance of the meeting notice;

(5) The contact persons of the meeting and their contact information.

The notice of a meeting shall be given by hand, fax, registered mail or e-mail.

Article 20 A meeting of the Audit Committee shall be held when more than two-thirds of the members attend the meeting. Members of the Audit Committee shall attend the meetings of the Audit Committee in person, and express specific opinions on matters under consideration. If a member is unable to attend the meeting in person for any reason, he/she shall review the meeting materials in advance, form specific opinion and record such opinion in the power of attorney, and authorise in writing another member to attend such meeting on his/her behalf. Each member of the Audit Committee may accept authorisation of up to one other member, and the power of attorney shall specify the scope and duration of such authorisation. If a member who is an independent director is unable to attend the meeting for any reason, he/she shall authorise another member of the Audit Committee who is an independent director to attend such meeting on his/her behalf.

Members of the Audit Committee shall abstain from voting in the event that they have interests in the matters to be discussed at the meeting. If no effective opinion on review can be formed due to abstention, the relevant matters shall be submitted to the Board of Directors for consideration.

Article 21 Each member of the Audit Committee shall have one (1) vote. Unless otherwise required under laws, administrative regulations, departmental rules, the Listing Rules or the Articles of the Bank, a resolution of the meeting shall be passed by more than half of all members.

Article 22 Resolutions of the Audit Committee may be adopted by either vote at on-site meetings or by a written resolution. Each member shall have one (1) vote.

On-site meetings refer to meetings where participants can be guaranteed to communicate and discuss instantly through on-site, video, and telephone.

Written resolution refers to the members considering and approving the resolution sent to each member separately or circulated to each member.

Article 23 The Audit Committee shall be accountable to the Board of Directors and may submit proposals to the Board of Directors for consideration and approval.

Article 24 The internal audit department shall report to the Audit Committee on a quarterly basis and to the Board of Directors on an annual basis, on the progress of the audit work, and issue notices to the senior management.

The person in charge of audit of the Bank is responsible for and reports to the Board of Directors and its Audit Committee. During the process of supervision and inspection, the internal audit department shall accept the supervision and guidance of the Audit Committee. The internal audit department shall immediately report to the Audit Committee directly when it finds relevant significant problems or clues.

Article 25 The Audit Committee shall consider the opinions about audit report put forward by the senior management before discussing the audit report issued by the intermediary on the Bank's operating results for the previous financial year. If the Audit Committee has any objections and questions concerning the audit report, it shall raise such queries with the intermediary and relevant parties. After the Audit Committee has considered and approved the audit report, it shall submit written comments to the Board of Directors for consideration. Expenses incurred in respect of engagement of the intermediary shall be borne by the Bank.

Article 26 The Bank's other directors, senior management personnel, head of the internal audit department and the representatives of the external auditors may be invited to observe meetings of the Audit Committee when necessary.

Article 27 A meeting of the Audit Committee shall have resolutions, minutes or summary and members present at the meeting shall sign on such resolutions, minutes or summary. Such resolutions shall be kept by the internal audit office of the Board of Directors and office of the Bank. Minutes or summary, powers of attorney and other archives shall be kept by a special person for a period of at least ten years.

Article 28 Resolutions passed at the meeting of the Audit Committee and voting results thereof shall be submitted to and filed with the internal audit office of the Board of Directors in writing.

Article 29 The Audit Committee may engage professionals to give opinions on relevant matters when necessary with expenses to be borne by the Bank, provided that the Bank's trade secrets are not divulged. The Bank shall provide the Audit Committee with sufficient resources to perform its duties.

Article 30 Personnel present and observe at a meeting shall be obligated to keep confidential meeting minutes, materials and matters considered at such meeting, and shall not disclose any relevant information.

Chapter 5 Supplemental Provisions

Article 31 Any matters that are not covered herein or in conflict with laws, administrative regulations, departmental rules, the requirements of securities regulatory authorities in the place where the shares of the Bank are listed, the Listing Rules and the Articles of the Bank issued or modified after these Terms of Reference become effective shall be implemented in accordance with such laws, administrative regulations, departmental rules, the requirements of securities regulatory authorities in the place where the shares of the Bank are listed, the Listing Rules and the Articles of the Bank.

Article 32 These Terms of Reference shall be interpreted and amended by the Board of Directors.

Article 33 These Terms of Reference shall become effective from the date of consideration and approval by the Board of Directors.