You should carefully consider all of the information in this prospectus, including the risks and uncertainties described below, before making an investment in our H Shares. Our business could be materially and adversely affected by any of these risks. The trading price of our H Shares could significantly decrease due to any of these risks, and you may lose all or part of your investment. You should also pay particular attention to the fact that we are a PRC company and are governed by a legal and regulatory regime which in some respects may differ from that which prevails in other countries. For more information concerning the laws and regulatory systems of the PRC and certain related matters discussed below, see "Supervision and Regulation," "Appendix VI—Summary of Principal PRC and Hong Kong Legal and Regulatory Provisions" and "Appendix VII—Summary of the Articles of Association" of this prospectus.

RISKS RELATING TO OUR BUSINESS

If we are unable to effectively maintain the quality of our loan portfolio, our business, financial condition and results of operations may be materially and adversely affected

Our loans and advances to customers were RMB117,034 million, RMB137,413 million, RMB163,795 million and RMB183,057 million as of December 31, 2010, 2011 and 2012 and June 30, 2013, respectively. As of the same dates, our non-performing loan ratio was 0.60%, 0.48%, 0.58% and 0.64%, respectively. Our financial condition and results of operations will be affected by our ability to maintain or improve the quality of our loan portfolio. We cannot assure you that the quality of our existing or future loans to customers will not deteriorate. Deterioration in the overall quality of our loan portfolio may occur due to a variety of reasons, including factors beyond our control, such as a slowdown of the PRC and Anhui economies, other adverse macroeconomic development and trends in China and other parts of the world and outbreak of natural disasters, all of which may adversely affect the businesses, operations or liquidity of our borrowers or their ability to service their debt, and we may not be able to realize the collateral, pledges or guarantees securing such loans. See "Risks Relating to Our Business—The collateral, pledges or guarantees securing our loans and advances to customers may not be sufficient or fully realizable." Any significant deterioration in our asset quality may lead to significant increases in our non-performing loans, allowance for impairment losses and loans written off due to impairment, which may materially and adversely affect our business, financial condition and results of operations.

We rely on customer deposits and the inter-bank money market to fund our business and manage our liquidity

As a commercial bank, customer deposits remain our primary funding source. We rely on growth in customer deposits to expand our loan business and meet other liquidity needs. Decreases in customer deposits will reduce our capital reserves, which, in turn, will reduce our ability to extend new loans while meeting deposit-to-loan ratio and other liquidity requirements. Our total customer deposits increased by 27.6% from RMB159,582 million as of December 31, 2010 to RMB203,580 million as of December 31, 2011, and further by 17.7% to RMB239,543 million as of December 31, 2012. Our customer deposits amounted to RMB252,137 million as of June 30, 2013. However, there are many factors affecting the growth of deposits, some of which are beyond our control, such as economic and political conditions, the availability of alternative investment choices and changes in the outlook of individual customers towards savings. As a result, we cannot assure you that we will be able to maintain the growth in our customer deposits at a pace sufficient to support our expanding business.

In addition, as of June 30, 2013, 88.5% of our total deposits from customers were due within one year, or were payable on demand. As of the same date, 58.5% of our net loans and advances to customers were due within one year. There is a mismatch between the maturities of our liabilities and those of our assets. Based on our experience, due in part to the lack of alternative investment products in China, a substantial portion of our short-term customer deposits are rolled over upon maturity, and these deposits have represented a relatively stable source of funding. However, regulations that restrict and reduce interest rates on deposits to levels significantly below the inflation rate and the development of alternative investment products in China have resulted in financial disintermediation in recent years, wherein customers withdraw their deposits and turn them into direct investments. See "—Risks Relating to the PRC Banking Industry—Interest rate liberalization, changes in exchange rates and other risks arising from the regulatory changes in the PRC banking industry may materially and adversely affect our results of operations."

If we are unable to maintain the growth rate of our customer deposits, or a substantial portion of our customers withdraw their demand deposits or do not roll over their time deposits upon maturity, our ability to meet capital and other liquidity requirements may be materially and adversely affected, and as a result, we may need to seek funding from alternative sources, which may not be available on reasonable terms or at all. As a result, our business, financial condition and results of operations may be materially and adversely affected.

In addition, we also rely on the inter-bank money market to obtain a portion of our funding, including the portion of funds which are used to manage our liquidity. As of June 30, 2013, deposits from banks and other financial institutions, placements from banks and other financial institutions and financial assets sold under repurchase agreements accounted for 31.3% of our total liabilities. Any fluctuation in liquidity or funding costs on the inter-bank money market, including those fluctuations as a result of financial or other crisis or changes in the central bank's policies or practices affecting the liquidity of other banking institutions, may materially and adversely affect our ability to fund our business and manage our liquidity through the inter-bank money market at a reasonable cost, or at all.

During the Track Record Period, we had several incidences of non-compliance with the core liabilities ratio and liquidity gap ratio requirements under the Core Indicators (Provisional). For details of such incidences, see "Supervision and Regulation—Loan Classification, Allowance and Write-offs—Other Operational and Risk Management Ratios." As of the Latest Practicable Date, these incidences of non-compliance had not resulted in any penalty against us or any material adverse effect on us. However, we cannot assure you that we will not be subject to sanctions, fines or other penalties that may materially and adversely affect our business, financial condition or results of operations due to any future non-compliance with applicable requirements, guidelines or regulations.

We may have to increase our allowance for impairment losses to cover the actual losses on our loan portfolio in the future

Our allowance for impairment losses on loans and advances to customers was RMB2,976 million, RMB3,490 million, RMB3,853 million and RMB4,191 million as of December 31, 2010, 2011 and 2012 and June 30, 2013, respectively, and as of the same dates, the ratio of our allowance for impairment losses to total non-performing loans was 426.80%, 533.33%, 406.00% and 359.82%, respectively. The amount of new allowance for impairment losses amounted to RMB582 million, RMB598 million, RMB469 million and RMB425 million in 2010, 2011, 2012 and the six months ended June 30, 2013, respectively. The amount of allowance for impairment losses is based on our assessment of various factors affecting the quality of our loan portfolio under IAS 39. These factors include, among other things, our borrowers' operational and financial condition, repayment ability and repayment intention, the realizable value of any collateral and pledges and the ability of the guarantors of our customers to fulfill their obligations, as well as China's economic, legal and regulatory environment. Many of these factors are beyond our control, and therefore our assessment and expectations on these factors may differ from future developments. In addition, our allowance for impairment losses may continue to increase as a result of future regulatory and accounting policy changes, deviations in loan classification, or our conservative strategy. Any of the above factors may significantly reduce our profit and materially and adversely affect our business, prospects, financial condition and results of operations.

We face concentration risks from our credit exposure to certain industries and borrowers

As of December 31, 2010, 2011 and 2012 and June 30, 2013, corporate loans represented 74.8%, 73.0%, 71.3% and 71.7%, respectively, of our total loans and advances to customers. As of June 30, 2013, loans to the commerce and services industry and the manufacturing industry accounted for 30.6% and 30.2% of our corporate loans, respectively. As of June 30, 2013, non-performing loans to the commerce and services industry and the manufacturing industry accounted for 64.3% and 30.0% of total non-performing corporate loans, respectively.

In addition to our corporate loans to the commerce and services industry and manufacturing industry, we are exposed to risks associated with the real estate industry. As of June 30, 2013, residential mortgage loans represented 14.1% of our total loans; real estate-related corporate loans represented 6.4% of our total loans. The PRC government has in recent years imposed macroeconomic control measures aimed at preventing the real estate market from over-heating. For details of such measures, see "Supervision and Regulation—Regulation of Principal Commercial Banking Activities—Lending." Such measures may adversely affect the value of collateral securing our residential mortgage loans and the ability of our borrowers to repay their loans.

Any deterioration in any of the industries in which our loans are highly concentrated or any deterioration in the financial condition or results of operation of our borrowers in relevant industries could undermine the quality of our existing loans and our ability to generate new loans, which in turn could materially and adversely affect our business, financial condition and results of operations.

As of June 30, 2013, loans to our ten largest single borrowers totaled RMB9,440 million, representing 33.2% of our regulatory capital. As of the same date, loans to our ten largest group borrowers totaled RMB14,504 million, accounting for 50.9% of our regulatory capital. If the quality of any of these loans deteriorates or becomes non-performing, our asset quality could deteriorate significantly and our financial condition and results of operations could be materially and adversely affected.

We are exposed to risks arising from loans granted to SMEs

We are exposed to credit risks arising from loans granted to SMEs. As of December 31, 2010, 2011 and 2012 and June 30, 2013, our loans to SMEs represented 79.2%, 77.5%, 75.4% and 75.3%, respectively, of our total corporate loans. SME banking business has always been our strategic focus. SMEs are more vulnerable to macroeconomic fluctuations due to their small size, as they may lack the financial, management or other resources necessary to withstand the adverse effects brought by economic downturn or changes in the regulatory environment as compared to larger enterprises. In addition, SMEs may not have information necessary for us to assess their credit risk. As a result, if we are unable to accurately assess the credit risk of these SME customers, our non-performing loans may increase significantly due to the effects caused by economic downturn or unfavorable changes in the regulatory environment on our SME customers, which may materially and adversely affect our business, financial condition and results of operations.

We extend loans to local government financing vehicles and deterioration in their repayment capabilities may have a material adverse effect on our asset quality, financial condition and results of operations

Similar to other commercial banks in the PRC, we provide loans to local government financing vehicles. Local government financing vehicles refer to economic entities with independent legal capacity established by local governments through financial allocation or asset injection, including land, shares or other assets, primarily responsible for financing government-sponsored projects. Our local government financing vehicle borrowers typically use the loan proceeds to make investments in infrastructure and industrial zone construction and development of public interest projects, such as affordable housing, and repay us with operating cash flows generated from such projects. As of June 30, 2013, our loans to local government financing vehicles amounted to RMB23,566 million, representing 12.9% of our total loans and advances to customers. All of these loans were secured by collateral, pledges or guarantees. In addition, as of June 30, 2013, we made collectively assessed allowance for impairment losses of RMB283 million for loans to local government financing vehicles, although none of our loans to local government financing vehicles was non-performing. See "Risk Management—Credit Risk Management." As of June 30, 2013, we had not extended any loans to PRC local governments; nor had we provided any guarantees to or entered into any other off-balance sheet arrangements with local governments or their financing vehicles.

Due to PRC legal restrictions, local governments are not permitted to provide guarantees for loans to local government financing vehicles. In addition, many projects sponsored by local government financing vehicles are carried out primarily for public interest purposes and are not necessarily commercially viable, and therefore, the operating cash flows generated from such projects may not be sufficient to cover the principal and interest on the relevant loans. As a result, the ability of a local government financing vehicle to repay its loans may depend to a significant extent on its ability to receive financing support from the government, which support may not always be available due to the government's liquidity, budgeting priorities and other considerations. Recently, due to the perceived high risk associated with such loans to local government financing vehicles, the State Council, the CBRC and the PBOC, along with several other PRC regulatory authorities, promulgated a series of notices, guidelines and other regulatory measures that direct PRC banks and other financial institutions to improve and strengthen their risk management measures regarding loans to local government financing vehicles. See "Supervision and Regulation—Regulation of Principal Commercial Banking Activities." In July 2013, it was reported that the NAO would start a nationwide assessment of local government financing vehicles. We do not believe such assessment in itself would have any material impact on our operations and financial position. We have adopted measures both on our own initiative and in response to these regulatory directives to control our risk exposure to local government financing vehicles, including implementing credit limitations on our portfolio of loans to local government financing vehicles, strengthening internal control for such loans and requesting additional collateral with respect to loans that we believe to be of relatively high risk. For details of such measures, see "Risk Management—Credit Risk Management." Downturns in the macroeconomic environment, unfavorable changes in governmental policies, deterioration in the financial condition of local governments and other factors may undermine the repayment abilities of local government financing vehicles, which may in turn materially and adversely affect our asset quality, financial condition and results of operations. We cannot assure you that the measures taken by us are sufficient to protect us against any default by local government financing vehicle borrowers. In addition, there is no assurance that the financial conditions of these local government financing vehicles will not deteriorate.

We are exposed to risks associated with wealth management products

In recent years, we have been actively developing our wealth management business by expanding the volume and range of wealth management products offered to customers. According to the CBRC requirements, principal-protected wealth management products are recorded on the statements of financial position. As of June 30, 2013, the outstanding balance of our principal-protected wealth management products amounted to RMB6,685 million, representing 1.6% of our total assets, and the outstanding balance of our non-principal-protected wealth management products amounted to RMB2,700 million, representing 0.7% of our total assets.

We have invested funds raised through the sale of our wealth management products mainly in debt securities. As most of the wealth management products issued by us are principal-protected products, we are liable for any loss in principal suffered in these products. Although we do not believe we are responsible for any loss investors may incur in connection with non-principal-protected wealth management products, we may eventually bear such losses if the investors bring lawsuits against us and the court does not agree with us. We may also decide to bear part or all of such losses for reputational or other considerations. Moreover, our reputation may be severely damaged and we may also suffer a loss of business and customer deposits.

In addition, the tenor of wealth management products issued by us might be shorter than that of the underlying assets. This mismatch requires us to issue new wealth management products or sell the underlying assets to address the funding gap when existing wealth management products mature. PRC regulatory authorities have introduced certain regulatory policies to restrict wealth management business of Chinese commercial banks, including in respect of the scale of certain investment products. If PRC regulatory authorities further restrict the wealth management business of Chinese commercial banks, our liquidity and profitability could be adversely affected.

Our current risk management system may not adequately protect us against credit, market, liquidity, operational and other risks

Our risk management capabilities are limited by the information, tools or technologies available to us. For example, we may not be able to effectively monitor credit risk due to limited information resources or tools. In recent years, we have undertaken various initiatives to assist us in better managing our risks, including, among other things, improving our loan portfolio composition, internal credit rating system, operational risk management, measurement tools to assess market risk and liquidity risk, legal risk management, and reputational risk management and upgrading our information technology system. However, our ability to successfully operate such systems and to monitor and analyze their effectiveness is subject to continuous testing and improvement. See "Risks Relating to Our Business—Our business is highly dependent on the proper functioning and improvement of our information technology systems."

If we are not able to effectively improve our risk management and internal control policies, procedures and systems, or if we are not able to achieve the intended results of such policies, procedures or systems in a timely manner, our asset quality, business, financial condition and results of operations may be materially and adversely affected.

We may not be able to satisfy the regulatory requirements on capital adequacy

We are subject to capital adequacy guidelines set by the CBRC. In summary, these guidelines require domestic systemically important banks to maintain a core tier-one capital adequacy ratio, tier-one capital adequacy ratio and capital adequacy ratio of no less than 6.5%, 7.5% and 9.5%, respectively, and no less than 5.5%, 6.5% and 8.5%, respectively, for domestic non-systemically-important banks by the end of 2013. As of the Latest Practicable Date, the PRC regulatory authorities have not published any criteria for or list of "systemically important banks." See "Supervision and Regulation—Supervision Over Capital Adequacy." Our capital adequacy ratio was 12.06%, 14.68% and 13.54% as of December 31, 2010, 2011 and 2012, respectively, and as of the same dates, our core capital adequacy ratio was 11.19%, 10.87% and 10.30%, respectively. As of June 30, 2013, our core tier-one capital adequacy ratio, tier-one capital adequacy ratio and capital adequacy ratio was 9.24%, 9.25% and 11.90%, respectively. The CBRC may increase the minimum capital adequacy requirements or change the methodology for calculating regulatory capital or capital adequacy ratios or we may otherwise be subject to new capital adequacy requirements.

Our ability to satisfy the current regulatory capital adequacy requirements could be adversely affected as a result of a deterioration in our financial condition, including a deterioration in the quality of our assets, such as an increase in non-performing loans, and a decline in our profitability. If our growth places capital demands on us in excess of what we are able to generate internally or raise in the capital markets or through alternative means, we may need to seek additional capital, but we may not be able to obtain additional capital on commercially acceptable terms in a timely manner or at all. Our ability to obtain additional capital may also be restricted by a number of factors, including our future business, financial condition, results of operations and cash flows, conditions prescribed by PRC law and regulatory approvals, our credit rating, general market conditions for capital-raising activities by commercial banks and other financial institutions, as well as economic, political and other conditions both within and outside China. We may face increased compliance and capital costs as a result of these capital requirements. Furthermore, as these capital adequacy requirements place restrictions on the ability of banks to leverage their capital to achieve growth in their loan portfolios, our results of operations may be materially and adversely affected, and our capacity to further grow our business may be constrained. If at any time in the future we fail to meet these capital adequacy requirements, the CBRC may take a series of measures upon us, including, for example, imposing restrictions on our lending and investment activities, restricting the growth of our loans and other assets, declining our application to enter new service sectors or restricting our ability to declare or pay dividends. Such measures may materially and adversely affect our business, results of operations and financial condition.

We may not be able to successfully manage the growth of our overall business

Our operating income was RMB6,270 million, RMB7,651 million, RMB9,235 million and RMB5,118 million in 2010, 2011 and 2012 and the six months ended June 30, 2013, respectively. As of December 31, 2010, 2011 and 2012 and June 30, 2013, our loans and advances to customers were RMB117,034 million, RMB137,413 million, RMB163,795 million and RMB183,057 million, respectively. However, we may not be able to successfully maintain our growth if we fail to offer new products to attract new customers, improve our marketing or expand our sales channels. We also may not succeed in expanding our branch network to establish our brand name in new markets and reach new customers. Our growth is closely related to the PRC economy as well as other macroeconomic factors affecting the PRC (and Anhui Province in particular), such as GDP growth, the inflation rate and changes in banking and financial industry laws and regulations. We may not be able to successfully maintain our growth rates due to any unfavorable change in one or more of the above factors or other factors.

In addition, the management of our growth requires, and will continue to require, substantial managerial and operational resources. We may not be able to retain and attract qualified personnel to satisfy our growth needs. See "—Risks Relating to Our Business—We may not be able to recruit or retain a sufficient number of qualified staff." We may also need additional capital in the future, and we may not be able to obtain such capital on acceptable terms, or at all, which may result in a lower capital adequacy ratio. See "—Risks Relating to Our Business—We may not be able to satisfy the regulatory requirements on capital adequacy." Any occurrences of the above factors may materially and adversely affect our business, financial condition and results of operations.

The collateral, pledges or guarantees securing our loans and advances to customers may not be sufficient or fully realizable

A majority of our loans are secured by collateral, pledges or guarantees. As of June 30, 2013, 49.6%, 10.8% and 32.2% of our loans and advances to customers were secured by collateral, pledges and guarantees, respectively. The collateral and pledges securing our loans and advances to customers primarily comprised real estate, land, machinery and equipment, bonds, certificates of deposits and other assets. The value of the collateral and pledges securing our loans may fluctuate and decline due to various factors beyond our control, including macroeconomic factors affecting China. For example, a slowdown in the PRC economy may lead to a downturn in the real estate market, which may in turn result in declines in the value of the real properties securing our loans to levels below the outstanding principal balance of such loans. Moreover, the growth of the real estate industry and price of real properties in the PRC are significantly influenced by macroeconomic policies of the government, such as interest rate and credit policies. In addition, we cannot assure you that our assessment of the values of collateral and pledges will be accurate. If our collateral and pledges are proved to be insufficient to cover the related loans, we may have to obtain additional collateral and pledges from the borrowers and there is no assurance that we would be able to do so. Declines in the price of our collateral and pledges or our inability to obtain additional collateral and pledges may result in additional allowances for loan impairment, which may materially and adversely affect our business, financial condition and results of operations.

In the PRC, the procedures for liquidating or otherwise realizing the value of collateral and pledges may be protracted, the value of collateral and pledges may not be fully realized, and the actual process of realizing the value of collateral and pledges may be hindered by difficulties. In addition, under certain circumstances, other rights and claims may be prior to our rights to the collateral and pledges securing our loans. All of the foregoing factors could adversely affect our ability to realize the value of the collateral and pledges securing our loans in a timely manner or at all.

The guarantees under our guaranteed loans are generally not backed by collateral or pledges or other security interests. In addition, some of the guarantees are provided by affiliates of the relevant borrower, so that certain factors which result in a borrower's inability to fully and timely repay a guaranteed loan may also affect the guarantor's ability to fully perform their guarantee obligations, and therefore, exposes us to additional risks. If the borrowers are unable to perform the contracts and there is a significant deterioration in the financial condition of the guarantors, the amounts we may recover under such guarantees may decrease significantly. In addition, we are subject to the risk that a court or any other judicial or government authorities may declare a guarantee invalid or otherwise decline or fail to enforce such guarantee. We are therefore exposed to the risk that we may not be able to recover all or part of our guaranteed loans. If we are unable to dispose of assets of borrowers and guarantors or if the guarantors fail to fully perform their guarantee obligations on a timely basis, our business, financial condition and results of operations may be adversely affected.

As of June 30, 2013, 7.4% of our loans and advances to customers were unsecured. We have to rely to a greater degree on credit assessments of customers in granting such unsecured loans, and we cannot assure you that our credit assessments of such customers are or will be accurate, or that such customers will repay their loans in full and on time. As we only have general claim on the assets of defaulting borrowers under unsecured loans, we are exposed to a relatively high risk of losing the entire amounts outstanding under such loans, which may materially and adversely affect our business, financial condition and results of operations.

We face uncertainties associated with the government policies and initiatives to promote the development of Anhui

We benefit from favorable policies adopted by the national and local governments to promote the economic development of Anhui. Anhui Province is located in Central China, a key region where the Chinese government has prioritized the advancement of economic development. Since April 2006, the PRC government has promulgated a series of policies and measures such as the "Opinions of the CPC Central Committee and State Council on the Promotion of the Rise of Central China," with an aim to position Central China as an economic growth engine of China. According to Anhui's Twelfth Five-Year Urbanization Plan, Anhui aims to increase its urbanization rate to over 50% by the end of 2015. At the same time, as the economy of Central China and Western China further develops, Anhui has become a key region for industrial migration from the developed coastal region of China. In addition, in January 2010, the State Council officially promulgated and adopted the "Plan for the Wanjiang City Belt Industrial Relocation Model Zone" (《皖江城市帶承接產業轉移示範區規劃》), aiming to support the development of major industries in the region, which comprises 59 counties and cities in Anhui.

We believe these policies have been instrumental in the economic growth of Anhui, and expect our business to continue to benefit from these favorable government policies and initiatives and the business opportunities presented in connection with local economic growth. However, we cannot guarantee that the government will maintain its favorable policies in promoting the development of Anhui. Any discontinuation or unfavorable change in such policies may materially and adversely affect our business, financial condition and results of operations.

Our business and operations are primarily concentrated in Anhui, and our continued growth depends on the continued growth of the Anhui economy, and we are exposed to risks arising from concentration of credit in Anhui in terms of distribution of customers and geographical coverage

Our business and operations are primarily concentrated in Anhui. As of June 30, 2013, 92.8% of our loans and 93.5% of our deposits were originated from our outlets in Anhui. Most of our businesses and operations will remain in Anhui for the foreseeable future. Therefore, our continued growth depends to a large extent on the continued growth of the Anhui economy, and we are exposed to risks arising from concentration of credit in Anhui in terms of distribution of customers and geographical coverage. Any adverse change in the economic development of or any significant natural disaster or catastrophic event occurring in Anhui may materially and adversely affect our business, financial condition and results of operations.

We may not be permitted to or succeed in expanding beyond Anhui

We began expanding our operations outside Anhui by opening a branch in Nanjing, Jiangsu Province in 2009. However, we may not be permitted to establish a branch or succeed in establishing branches in other areas beyond Anhui. The CBRC restricts city commercial banks from establishing branches outside their home regions without specific approval. To obtain such approval, we will need to satisfy various requirements imposed by the CBRC. Even if we obtain such approval, we may not possess the necessary experience, knowledge of the local business environment, risk management tools and qualified personnel to successfully compete with the banks and other financial institutions existing in these areas or regions. Our rate of growth and the expansion of our business may be materially and adversely affected if we are not able to or do not succeed in establishing a branch outside of Anhui, which, in turn, may materially and adversely affect our business, financial condition and results of operations.

We will be exposed to various risks as we expand our range of products and services, and we may not be successful in expanding our fee- and commission-based business and other non-interest income businesses

We have expanded and will continue to expand the products and services we offer to our customers. We rely to a greater extent on interest income than the Five Largest State-Owned Commercial Banks and Nation-wide Joint Stock Commercial Banks in China. Net interest income has historically been the largest component of our operating income, representing 96.0%, 92.6%, 92.8% and 92.3% of our operating income for the years ended December 31, 2010, 2011 and 2012 and the six months ended June 30, 2013, respectively. As part of our growth strategy, we plan to introduce more fee- and commission-based products and services, such as settlement services, cash management services and consulting and financial advisory services. We also plan to pursue alliances with other financial service providers to offer a broader range of financial products that complement our existing products. Our expansion in the range of products and services has and will continue to expose us to new and potentially increasingly challenging market and operational risks. The success of our new products and services will largely be dependent on the following factors:

- our experience and expertise in managing the new products and services;
- our ability to recruit additional qualified staff;
- our ability to provide satisfactory customer service such as providing sufficient products and service information and handling customer complaints;

- acceptance of our new products by our customers;
- our ability to establish an effective management team or to enhance our risk management systems and information technology system to support a broader range of products and services;
- our ability to identify and effectively manage all potential risks associated with our products and services; and
- actions of our competitors.

If we are unable to expand our range of products and services and offer more fee- and commission-based products and other non-interest income products and services, we may continue to rely heavily on the interest income, and may face pressure from greater competition among banks for interest income and lower net interest margins from any future interest rate liberalization measures. See "—Risks Relating to the PRC Banking Industry—Interest rate liberalization, changes in exchange rates and other risks arising from the regulatory changes in the PRC banking industry may materially and adversely affect our results of operations." As a result, our business, financial condition and results of operations could be materially and adversely affected.

Furthermore, if we are unable to obtain relevant regulatory approvals, or comply with relevant banking regulations in the sales and marketing of our new financial products and services, we may be subject to legal proceedings or regulatory sanctions, which in turn could lead to significant financial losses and reputational damages.

We may not be able to detect and prevent fraud or other misconduct committed by our employees or third parties and we may be subject to other operational risks

We are exposed to fraud or other misconduct committed by our employees or third parties, which could subject us to financial losses, third party claims, regulatory actions or reputational damages. For example, in January 2011, Mr. Liu Guoxing, a former president of the Jiashan Sub-branch of our Maanshan Branch, was convicted of accepting bribes and sentenced to two years imprisonment with a two-year reprieve. See "Business—Legal and Administrative Proceedings—Employee Non-Compliance." Detected incidents of past fraud and other misconduct by our employees included, among other things:

- engaging in unauthorized transactions which breach laws or our internal control procedures or violate financial accounting policies;
- abusing or failing to strictly apply the loan classification standards which result in inaccurate classifications of the loans in our loan portfolio;
- engaging in misrepresentations or fraudulent, deceptive or otherwise improper activities when marketing or selling products to our customers;
- improperly using or disclosing confidential information;
- falsifying or concealing information, including illegal or unlawful activities or credit information during the credit application or loan classification process;
- engaging in transactions that are beyond our authorized scope of business; and
- concealing unauthorized or illegal activities that might result in unknown and unmanageable risks or losses.

We cannot assure you that our internal control policies and procedures are effective and sufficient to prevent, or that we can otherwise fully detect or deter, all incidents of fraud and misconduct. In addition, improper acts of third parties against us, such as fraud, theft of customer information for illegal activities, robbery and certain armed crimes, may also expose us to certain risks. As a result, our business, financial condition and results of operations could be materially and adversely affected.

We may not be able to recruit or retain a sufficient number of qualified staff

Our ability to sustain growth and meet future business demands is dependent upon the continued services of our senior management. We also rely on the continued service and performance of our employees as most aspects of our business depend on the quality of our professional staff. The departure of any member of our senior management team or professional staff may have a material adverse effect on our business and results of operations.

Due to the expansion of our business and our increasing range of products and services, we need talented employees and have devoted resources to recruitment and professional training. However, we may face increasing competition in recruiting and retaining qualified personnel, including our senior management, as other banks are competing for the same pool of qualified personnel and our compensation packages may not be as competitive as those of our competitors. In addition, some of our employees are not subject to non-competition agreements and they may resign at any time to join our competitors, and may seek to divert customer relationships that they have developed while working for us. We cannot provide assurance that we will be able to recruit staff in sufficient numbers or with sufficient experience, or that competition in recruitment will not lead to increases in our employment costs. If we fail to recruit or retain a sufficient number of qualified staff, our business, financial condition and results of operations may be materially and adversely affected.

Our business is highly dependent on the proper functioning and improvement of our information technology systems

Our business is highly dependent on the ability of our information technology systems to support our business development and accurately process a large number of transactions in a timely manner. The proper functioning of our financial control, risk management, accounting, customer service and other data processing systems, together with the communication networks between our various branches and our main data processing centers, is critical to our business and our ability to maintain competitiveness. For further information with respect to our information technology systems, see “Business—Information Technology.” In order to reduce relevant risks caused by system failure, we conduct real-time data backup for our major systems and communications network, and have set up a disaster recovery center in Hangzhou, Zhejiang Province in 2009. We cannot guarantee, however, that our operations will not be materially disrupted if there is a partial or complete failure of any of these information technology systems. We are also subject to the risk of telecommunication network or Internet breakdowns. Such failures could be caused by, among other things, software bugs, computer virus attacks, conversion errors due to system upgrading, an equipment provider’s failure to provide proper system maintenance, or natural disasters. Any security breach caused by unauthorized access to information or systems, loss or corruption of data and malfunction of software, hardware or other computer equipment could materially and adversely affect our business, financial condition and results of operations.

In addition, our ability to remain competitive will depend in part on our ability to upgrade our information technology system in a timely and cost-effective manner in order to respond to market changes and other developments. As a result, we are in the process of implementing a series of information technology projects focusing on electronic banking, risk management and accounting management systems. However, any failure to improve or upgrade our information technology systems or develop new systems effectively or on a timely basis may materially and adversely affect our business, financial condition and results of operations.

We may not be able to detect money laundering and other illegal or improper activities fully or on a timely basis, which could expose us to reputational damages and additional liability risks

We are required to comply with applicable PRC anti-money laundering and anti-terrorism laws and regulations. These laws and regulations require us to adopt and enforce "know-your-customer" policies and procedures and to report suspicious and large transactions to the relevant regulatory authorities. In light of the complexity of money-laundering activities and other illegal or improper activities, such policies and procedures may not completely eliminate the possibility that we may be utilized by other parties to engage in money laundering and other illegal or improper activities. To the extent that we fail to fully comply with such laws and regulations, the relevant government authorities may impose fines and other penalties on us. In addition, our business and reputation could deteriorate if customers manipulate their transactions with us for money laundering or other illegal or improper purposes. See "Risk Management—Legal and Compliance Risk Management—Anti-Money Laundering" and "Supervision and Regulation—Risk Management—Anti-Money Laundering Regulation" in this prospectus.

We are subject to risks associated with off-balance sheet commitments

We provide certain off-balance sheet commitments to our customers in the ordinary course of business, primarily comprising acceptances, guarantees, letters of credit and loan commitments. As of June 30, 2013, our off-balance sheet commitments totaled RMB58,538 million. See "Financial Information—Off-Balance Sheet Commitments." We are subject to credit risks associated with these off-balance sheet commitments and are required to provide funds when our customers are unable to honor their obligations. If a customer of letters of guarantee fails to fulfill its obligations as stated in the letters of guarantee to the beneficiaries of such guarantees, we will be obliged to make payments in respect of such letters of guarantee. If we are unable to recover payment from our customer in respect of such commitment, our financial condition and results of operations may be materially and adversely affected.

We have certain shareholders that we have been unable to contact and register as of the Latest Practicable Date, which may lead to potential disputes

As of June 30, 2013, we had contacted and registered 226 institutional shareholders and 15,193 individual shareholders. There were 95 institutional shareholders and 810 individual shareholders as of June 30, 2013 whom we were unable to contact to complete their share custodian procedures with the Anhui Shares Exchange. The 95 institutional shareholders collectively own 46,160,797 shares, and the 810 individual shareholders collectively own 4,246,741 shares. All these shares have been included in the total number of our issued shares. We cannot assure you that we have successfully contacted and accurately recorded all holders of our shares or all persons who are entitled to our shares. In addition, due to the large number of our shareholders, we may not be able to timely identify and record changes in our shareholders as a result of any private transfers, or any transfer as a result of their liquidation, reorganization or otherwise by operation of law. Disputes may arise in the future between us and persons who claim to own our shares but are not shown on our register. King & Wood Mallesons, our PRC legal advisor, is of the view that, if the court decides in favor of the person who claims to own our shares, but are not registered on our register, we will need to update our register of shareholders to reflect his equity interest in our Bank, and in the worst case scenario, we may have to issue new shares to the person to the extent his interest is not reflected in our existing share capital pursuant to the court decision, subject to the approval of the CBRC or its Anhui Branch. As a result, the equity interest of holders of our H Shares will be diluted, and we may have to pay dividends and corresponding interest to such shareholders. In addition, handling such disputes may divert our management's attention and incur additional costs if other shareholders are discovered after the Global Offering or if shares held by existing shareholders are miscalculated at the time of the Global Offering. As of the Latest Practicable Date, there was one equity interest dispute pending. For details of the dispute, see "Business — Legal and Administrative Proceedings — Legal Proceedings."

We have not obtained title certificates to some of the properties we occupy and some of our lessors lack relevant title certificates for properties leased to us, which may materially and adversely affect our right to use such properties

As of the Latest Practicable Date, we owned 140 properties with an aggregate GFA of approximately 175,500 square meters in the PRC. We have not obtained the land use right certificate and/or building ownership certificate for some of the properties. See "Business — Properties." We are currently in the process of applying for land use right certificates and building ownership certificates for these properties. However, we may not be able to obtain these title certificates. We cannot assure you that our ownership rights would not be adversely affected in respect of properties for which we were unable to obtain the relevant title certificates. If we were forced to relocate any of the operations we conduct on the affected properties, we may incur additional costs as a result of such relocation.

As of June 30, 2013, we leased 256 properties with an aggregate GFA of approximately 155,600 square meters, which we mainly use as business premises. Among these properties, 92 properties with an aggregate GFA of approximately 42,300 square meters were leased from lessors who were not able to provide the title certificates. As a result, our leases may be invalid. In addition, we cannot assure you that we would be able to renew our leases on terms acceptable to us upon their expiration. If any of our leases is terminated as a result of challenges by third parties or if we fail to renew them upon expiration, we may be forced to relocate affected branches and sub-branches and incur additional costs associated therewith, and our business, financial condition and results of operations may be adversely affected.

RISKS RELATING TO THE PRC BANKING INDUSTRY

We face increasingly intense competition in China's banking industry and other investment and financing channels

The banking industry in China is becoming increasingly competitive. We face competition in all of our principal areas of business from commercial banks where we have operations. We compete principally with the Five Largest State-Owned Commercial Banks, policy banks and Nation-wide Joint Stock Commercial Banks with operations in Anhui. We also face increasing competition from other Chinese commercial banks operating in Anhui. On July 1, 2013, the General Office of the State Council of the PRC issued Guidance Letter regarding Financial Support for Promoting Economic

Restructuring and Transformation (國務院辦公廳關於金融支援經濟結構調整和轉型升級的指導意見), or the Guidance Letter. The Guidance Letter, among other things, encourages investment by private-sector capital in financial institutions and the establishment of privately-owned banks. The Guidance Letter provides a policy direction to the increasing involvement by private-sector capital in the financial industry in China. We may face competition from privately-owned banks in the future.

We compete with our competitors for substantially the same loan, deposit and fee- and commission-based product and service customers. Such competition may materially and adversely affect our business and future prospects by, for example, reducing our market share in our principal products and services, reducing our fee and commission income, affecting the growth of our loan or deposit portfolios and their related products and services, and increasing competition for soliciting senior management talent and qualified professional personnel. In particular, we may face increasingly intense competition for SME customers as many commercial banks are shifting their focus from large enterprise customers to SME customers, particularly from other commercial banks with greater resources and more experience in the SME business.

In addition, we may face competition from direct corporate financing, such as the issuance of securities in the domestic and international capital markets. The domestic securities markets have experienced, and are expected to continue to experience, expansion and growth. If a substantial number of our customers choose alternative ways of financing to fund their capital needs, this may adversely affect our interest income, which could in turn materially and adversely affect our business, financial condition and results of operations.

In addition to competition from other banks and financial institutions, we also face competition from other forms of investment alternatives in China. In recent years, financial disintermediation, which involves the movement of funds by investors from intermediary financial institutions such as savings and deposit-taking banks to direct investments, has increased in China, in part due to deposit rates below inflation rates, the further development of financial markets, the diversification, integration and personalization of customer demand, adjustments in social financing structure and other factors. Our deposit customers may elect to convert their funds into stocks, bonds and wealth management products, which may result in a decrease in our customer deposits, therefore further affecting the level of funds available to us for our lending business to generate net interest income. Meanwhile, financial disintermediation may result in a decrease in the enterprise demand for loans, especially for Large Enterprises, which could materially and adversely affect our business, financial condition and results of operations.

Our business and operations are highly regulated, and we are susceptible to changes in regulation and government policies

The PRC banking industry is highly regulated and our business could be directly affected by changes in the policies, laws and regulations relating to the PRC banking industry, such as those affecting the specific scope of business which we can engage in, or the specific businesses for which we can charge fees, as well as changes in other governmental policies. We are subject to various regulatory requirements and guidelines set forth by the PRC regulatory authorities, which include but are not limited to the MOF, the NAO, the PBOC, the SAT, the CBRC, the CSRC, the CIRC, the SAFE and their respective local branches, particularly in Anhui. These regulatory authorities carry out periodic and non-periodic inspections, examinations and inquiries, in respect of our compliance with the laws, regulations, guidelines and regulatory requirements, and have the authority to take related corrective or punitive measures. These laws, regulations, guidelines and regulatory requirements include, among others, approving banking products and services, market entry, opening of new branches or institutions, tax and accounting policy and pricing. Since its establishment in 2003, the CBRC, as the primary banking industry regulator, has promulgated a series of banking regulations and guidelines aimed at improving the operations and risk management of Chinese commercial banks. In particular, as a city commercial bank, the CBRC restricts us from expanding beyond our approved geographic region without specific approval.

The banking regulatory regime in China is currently undergoing significant changes, most of which are applicable to us and may result in additional costs or restrictions to our business. We cannot assure you that such policies, laws and regulations governing the banking industry or the interpretation thereof will not change in the future, and we may not be able to adapt to such changes on a timely basis or at all. Failure to comply with new policies, laws and regulations may result in fines and restrictions relating to our business, which could materially and adversely affect our business, financial condition and results of operations.

The rapid growth of the banking industry in China and Anhui may not be sustainable

The PRC banking industry has experienced rapid growth along with the economic development of the PRC. Banks have historically been, and are likely to remain, the principal financing channel for enterprises and the primary choice for domestic savings. We expect the banking industry in the PRC to maintain its growth as a result of the continued growth in the PRC economy, increases in household income, interest rate liberalization and further liberalization of exchange restrictions on the RMB, among other factors.

The banking industry in China and Anhui has grown significantly in recent years. However, it is uncertain whether the banking industry in China and Anhui can sustain their current levels of growth. A slowdown in the growth of the PRC economy, other unfavorable macroeconomic developments and trends in China and other parts of the world could materially and adversely affect the banking industry in China and Anhui. In addition, the PRC banking industry has historically accumulated a high level of non-performing loans. Although the PRC government has promulgated measures to dispose of the non-performing loans of the large commercial banks and certain other commercial banks and to recapitalize these banks, we cannot assure you that the banking industry in the PRC is free from systemic risks. In addition, the PRC government introduced a stimulus package in recent years which sought to boost China's economy by stimulating domestic spending and demand, which led to a rapid increase in bank loans. However, this rapid increase may have resulted from loans being made to less-qualified customers, and the non-performing loans in the PRC banking industry may gradually rise. Consequently, we cannot assure you that the growth and development of the PRC banking industry will be sustainable. Unsustainable growth in the PRC economy or banking industry in general may lead to unsustainable growth in the Anhui economy and banking industry, and any resulting slowdown may materially and adversely affect our business, financial condition and results of operations.

Certain PRC regulations limit our ability to diversify our investments

As a result of current PRC regulatory restrictions, substantially all of our RMB-denominated investment assets are concentrated in a limited number of products permitted for Chinese commercial banks, such as bills issued by the PBOC, treasury bonds issued by the MOF, financial bonds issued by domestic policy banks, bonds issued by other commercial banks, as well as short-term financing bonds, medium-term bills and corporate bonds issued by qualified domestic corporations. These restrictions on our ability to diversify our investment portfolio limit our ability to seek returns on our investments in a way comparable with those of other banks in other countries or to manage our asset-liability liquidity in the same manner as banks in other countries. A decrease in the value of any of our RMB-denominated investments assets could have a material adverse effect on our business, financial condition and results of operations.

Interest rate liberalization, changes in exchange rates and other risks arising from the regulatory changes in the PRC banking industry may materially and adversely affect our results of operations

Similar to most Chinese commercial banks, our results of operations depend to a large extent on our net interest income that we derive primarily from corporate loans and individual loans, which accounted for 96.0%, 92.6%, 92.8% and 92.3% of our operating income in 2010, 2011 and 2012 and the six months ended June 30, 2013, respectively. Interest rates in China have been gradually liberalized in recent years. In June and July 2012, the PBOC lowered the one-year deposit interest rate twice, bringing the one-year benchmark deposit interest rates to 3.25% and 3.00%, respectively. Effective June 8, 2012, the PBOC allows financial institutions to set deposit interest rates at up to 110% of the PBOC benchmark deposit interest rate. On July 20, 2013, the PBOC abolished the mininum rates for RMB-denominated loans (excluding interest rates for residential mortgage loans) and allowed financial institutions to charge interest rates based on commercial terms. Interest rate liberalization may intensify competition in China's banking industry as China's commercial banks seek to offer more attractive RMB-denominated loan and deposit interest rates to customers, which could significantly narrow the average net interest margin of Chinese commercial banks, thereby materially and adversely affecting our results of operations. We cannot assure you that we will be able to diversify our businesses and adjust the composition of our asset and liability portfolios and our pricing mechanism to enable us to effectively respond to the further liberalization of interest rates.

In recent years, the PBOC has adjusted the benchmark interest rates several times. Any adjustments by the PBOC to the benchmark interest rates on loans or deposits or changes in market interest rates may adversely affect our financial condition and results of operations in different ways. For example, changes in the PBOC benchmark interest rates could affect the average yield on our interest-earning assets differently from the average cost on our interest-bearing liabilities and therefore may narrow our net interest margin, leading to a reduction in our net interest income, which in turn may materially and adversely affect our results of operations and financial condition. A decrease in interest rates may reduce our interest income and our income from interest-earning investment, while an increase in interest rates may reduce the value of our debt portfolio and increase our cost of capital and result in an increase in the financing costs of our customers and thus reduce the overall demand for loans and, accordingly, adversely affect the growth of our loan portfolio, as well as increase the risk of default by our customers. As a result, changes in interest rates may adversely affect our net interest income, financial condition and results of operations.

We also undertake trading and investment activities involving certain financial instruments in China. Our income generated from these activities is subject to volatilities caused by, among other things, changes in interest rates and foreign currency exchange rates. For example, increases in interest rates generally impose an adverse effect on the value of our fixed rate securities investment portfolio, which may materially and adversely affect our results of operations and financial condition. In addition, the derivatives market in the PRC is still in the early stages of development and as a result, we may not be able to effectively manage such market risks.

The effectiveness of our credit risk management is affected by the quality and scope of information available in China

In recent years, national credit information databases developed by the PBOC have been put into use. However, national credit information databases in China are generally under-developed due to limited availability of information and infrastructure, and therefore such databases are not able to provide complete credit information on many credit applicants. Therefore, we may not be able to assess the credit risk associated with a particular customer based on complete, accurate or reliable information. Without complete, accurate and reliable information and until the full implementation and effective operation of comprehensive national credit databases with respect to corporate and individual borrowers, we have to rely on other publicly available information and our internal resources, which may not be effective. As a result, our ability to effectively manage our credit risk may be reduced, which could in turn materially and adversely affect our business, financial condition and results of operations.

Investments in commercial banks in China are subject to restrictions that may adversely affect the value of your investment

Investments in commercial banks in China are subject to a number of restrictions. For example, prior approval from the regulatory authority for the PRC banking industry is required for any person or entity to hold 5% or more of the total capital or total shares of a commercial bank in China, unless otherwise required by the approval authority. If a shareholder of a commercial bank in China increases its shareholding above the 5% threshold without obtaining prior approval from the regulatory authority for the PRC banking industry, such shareholder may be subject to sanctions by the regulatory authority for the PRC banking industry, which includes, among other things, correction of such misconduct, confiscation of illegal gains or fines. For a shareholder holding 5% or more of our total issued shares (hereinafter referred to as “Excess Shares”) without obtaining prior approval from the regulatory authority for the PRC banking industry, our Articles of Association contain provisions that restrict such shareholder from exercising certain rights over such excess shares prior to obtaining such approval from the regulatory authority for the PRC banking industry. In addition, under the PRC Company Law, we may not extend any loans that use our shares as collateral. Furthermore, pursuant to the Corporate Governance Guidelines and our Articles of Association, a shareholder must notify our board of directors before pledging our shares as collateral for itself or others. If a shareholder pledges our shares as collateral for itself or a third party, it must give prior notice to our board of directors. In addition, shareholders who have outstanding loans from us exceeding the audited net value of our shares held by them at the end of the previous fiscal year are not permitted to pledge our shares. Our shareholders (especially the major shareholders) and our directors designated by them are restricted from voting in shareholders’ general meetings and board meetings, respectively, if such shareholders fail to repay outstanding borrowings when due. Changes in restrictions on shareholding imposed by the PRC government or as provided for in our Articles of Association in the future may materially and adversely affect the value of your investment.

IFRS 9 and its amendments on its application may require us to change our provisioning practice for impairment in financial assets

We currently assess the impairment of our loans and investment assets under IAS 39. The determination of impairment requires our management to exercise significant judgment and discretion. See "Financial Information—Critical Accounting Estimates and Judgments." The International Accounting Standards Board, or IASB, which is responsible for developing and revising international accounting standards, issued IFRS 9 and its amendments in November 2009 and October 2010, which will replace the information related with classification, measurement and derecognition of financial assets and financial liabilities under IAS 39, and gave rise to substantial changes in the classification and measurement of financial assets and financial liabilities. These standards will become effective on January 1, 2015. We may change our current provisioning practice in the future in accordance with IFRS 9 and its amendments, and any other future amendments to IAS 39 or similar standards, including any authoritative interpretive guidance on the application of such new or revised standards, which may in turn materially affect our business, financial condition and results of operations.

Our loan classification and provisioning policies may be different in certain respects from those applicable to banks in certain other countries or regions

We classify our loans using a five-category loan risk classification system in accordance with the guidelines set forth by the PRC regulators. The five categories are normal, special mention, substandard, doubtful and loss. During the relevant assessment, we determine and recognize provisions by using the concept of impairment under IAS 39. For single substantial corporate loans classified as substandard or even lower categories, we make assessment on an individual basis. For single non-performing corporate loans which are not material, performing corporate loans and for all of our individual loans, including our credit card balances, we make a collective assessment based on our historical loss experience. Our loan classification and provisioning policies may be different in certain respects from those for banks incorporated in certain other countries or regions. As a result, our loan classification as well as our allowance for impairment losses, as determined under our loan classification and provisioning policies, may differ from those that could be reported if we were incorporated in those countries or regions.

We cannot assure you of the accuracy of facts, forecasts and statistics derived from official government publications contained in this prospectus with respect to China, its economy or its banking industry

Facts, forecasts and statistics in this prospectus relating to the PRC, the PRC economy and the PRC and global banking industries, including our market share information, are derived from various governmental sources and information published by various government authorities and departments, such as the PBOC, the CBRC, International Monetary Fund, the Anhui Development and Reform Commission, the Statistics Bureaus of Anhui Province and other provinces, or other public sources. We believe that these sources of information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. The information has not been independently verified by us, the Joint Global Coordinators, the Joint Sponsors, the Joint Bookrunners, the Joint Lead Managers or their respective directors or any other person involved in the Global Offering, and no representation is given as to its accuracy. In addition, these facts, forecasts and statistics may not be consistent with information available from other sources, and may not be complete or up to date. As a result, you should not place undue reliance on such information.

RISKS RELATING TO THE PRC

China's economic, political and social conditions, government policies, as well as the global economy may continue to affect our business

All of our businesses, assets, operations and revenues are located in or derived from our operations in the PRC, and as a result, our business, financial condition and results of operations are subject, to a significant degree, to the economic, political, social and regulatory environment in the PRC.

The economy of the PRC differs from the economies of most developed countries in many respects, including, among others, the extent of government involvement, level of development, growth rate, and control of foreign exchange and allocation of resources. The PRC economy has been undergoing a transition from a planned economy to a market-oriented economy. The PRC government has in recent years implemented measures emphasizing the utilization of market forces for economic reform, the reduction of state ownership of productive assets and the establishment of sound corporate governance in business enterprises, however a substantial portion of productive assets in the PRC is still owned by the PRC government. In addition, the PRC government continues to play a significant role in regulating industry development by imposing industrial policies. The PRC government still retains significant control over the PRC's economic growth through the allocation of resources, controlling payment of foreign currency denominated liabilities, setting monetary policy and providing preferential treatment to particular industries or enterprises.

Our performance has been and will continue to be affected by the China's economy, which in turn is influenced by the global economy. The global economic slowdown and the turmoil in the global financial markets that began in the second half of 2008, continued weakness in the United States economy and the sovereign debt crisis in Europe have collectively added downward pressure to China's economic growth. China's real GDP growth was 10.4%, 9.3% and 7.8% in 2010, 2011 and 2012, respectively.

Any of the above factors may materially and adversely affect our business, financial condition and results of operations. We are unable to accurately predict the precise nature of all the risks and uncertainties that we face as a result of current economic, political, social and regulatory conditions and many of these risks are beyond our control.

The PRC legal system could limit the legal protections available to you

We are incorporated under the laws of the PRC. The PRC legal system is based on written statutes. Prior court decisions may be adduced for reference but have limited precedential value. Since the late 1970s, the PRC government has promulgated laws and regulations dealing with such economic matters as the issuance and trading of securities, shareholders' rights, foreign investment, corporate organization and governance, commerce, taxation and trade, with a view towards developing a comprehensive system of commercial law. However, as these laws and regulations are relatively new and the development of products, investment instruments and environment in the PRC banking industry continue to evolve, the effect of these laws and regulations on the rights and obligations of the parties involved may involve uncertainty. As a result, the legal protections available to you under the PRC legal system may be limited.

Our Articles of Association provide that, apart from disputes over the recognition of shareholders or records of shareholders on our register, disputes between holders of H Shares and us, our directors, supervisors or senior officers or other shareholders arising out of our Articles of Association or any rights or obligations conferred or imposed thereupon by the PRC Company Law and related rules and regulations concerning our affairs are to be resolved through arbitration by the China International Economic and Trade Arbitration Commission ("CIETAC") or the Hong Kong International Arbitration Center, rather than by a court of law. Awards made by PRC arbitral authorities (including CIETAC) recognized under the Arbitration Ordinance of Hong Kong can be enforced in Hong Kong subject to provisions of Arbitration Ordinance of Hong Kong. Hong Kong arbitration awards are also enforceable in the PRC, subject to the satisfaction of certain PRC legal requirements. However, we cannot assure you that any action brought in the PRC by holders of H Shares to enforce an Hong Kong arbitral award made in favor of holders of H shares would succeed.

You may experience difficulties in effecting service of legal process and enforcing judgments against us and our management

We are a joint stock company incorporated under the laws of the PRC with limited liability, and substantially all of our assets are located in the PRC. In addition, a majority of our directors, supervisors and all of our officers reside within the PRC, and substantially all their assets are located within the PRC. As a result, it may not be possible to effect service of process within the United States or elsewhere outside the PRC upon us or most of our directors, supervisors and officers, including with respect to matters arising under the U.S. federal securities laws or applicable state securities laws. Furthermore, the PRC does not have treaties providing for the reciprocal enforcement of judgments of courts with the United States, the United Kingdom, Japan or many other countries. In addition, Hong Kong has no arrangement for the reciprocal enforcement of judgments with the United States. As a result, recognition and enforcement in the PRC or Hong Kong of judgments of a court obtained in the United States and any of the other jurisdictions mentioned above may be difficult or impossible.

Under the Arrangement on Mutual Recognition and Enforcement of Judgments in Civil and Commercial Matters by Courts of Mainland and Hong Kong SAR Pursuant to Agreed Jurisdiction by Parties Concerned (the "Arrangement") effective on August 1, 2008, as for an enforceable final judgment made by a PRC court or Hong Kong court concerning a civil and commercial case under a written agreement on jurisdiction, in which payment must be made, the party concerned may, under the Arrangement, apply to a PRC court or a Hong Kong court for recognition and enforcement. The term "written agreement on jurisdiction" as mentioned in the present Arrangement refers to agreements clearly stipulated in written form by parties concerned that a PRC court or Hong Kong court has sole jurisdiction as to the effectiveness of the Arrangement, so as to settle disputes relevant to a certain legal relationship that has either arisen or might arise. In addition, the Arrangement contains specific definitions of the terms "enforceable final judgment," "certain legal relationship" and "written form." Final judgments that are not compliant with the Arrangement may not be recognized or enforced by a PRC court. Moreover, we cannot assure you that all final judgments that are compliant with the Arrangement will be recognized and effectively enforced by a PRC court.

We are subject to PRC government controls on currency conversion, and the fluctuation of the RMB may materially and adversely affect our business and our ability to pay dividends to holders of H Shares

We receive a substantial portion of our revenues in RMB, which is currently not a fully freely convertible currency. A portion of these revenues must be converted into other currencies in order to meet our foreign currency obligations. For example, we need to obtain foreign currency to make payments of declared dividends, if any, on our H Shares.

Under China's existing laws and regulations on foreign exchange, following the completion of the Global Offering, we will be able to undertake foreign exchange transactions under current account by complying with certain procedural requirements, including the payment of dividends in foreign currencies without prior approval from the SAFE. However, in the future, the PRC government may, at its discretion, take measures to restrict access to foreign currencies for capital account and current account transactions under certain circumstances. In this case, we may not be able to pay dividends in foreign currencies to holders of our H Shares.

The value of the RMB against the U.S. dollar and other currencies fluctuates from time to time and is affected by a number of factors, such as changes in China's and international political and economic conditions and the fiscal and foreign exchange policies prescribed by the PRC government. From 1994 to July 20, 2005, the conversion of RMB into foreign currencies, including Hong Kong and U.S. dollars, was based on rates set by the PBOC, set daily based on the previous business day's inter-bank foreign exchange market rates and current exchange rates on the international financial markets. On July 21, 2005, the PRC government adopted a more flexible managed floating exchange rate system to allow the value of the RMB to fluctuate within a regulated band that is based on market supply and demand and with reference to a basket of currencies. On the same day, the value of the RMB appreciated by approximately 2% against the U.S. dollar. The PRC government has since made further adjustments to the exchange rate system. The PBOC further enlarged the floating band for the trading prices in the inter-bank spot exchange market of RMB against the U.S. dollar to 1.0% around the central parity rate on April 16, 2012. The PRC government may in the future make further adjustments to the exchange rate system.

We believe we have minimal exposure to fluctuations in RMB currency exchange rates. However, as our international business expands, any appreciation of the RMB against the U.S. dollar or any other foreign currencies may result in the decrease in the value of our foreign currency-denominated assets. Conversely, any devaluation of the RMB may adversely affect the value of, and any dividends payable on, our H shares in foreign currency. Although we seek to reduce our exchange rate risk through financial derivatives or otherwise, we cannot assure you that we will be able to reduce our foreign currency risk exposure relating to our foreign currency-dominated assets. In addition, there are limited instruments available for us to reduce our foreign currency risk exposure at reasonable costs. Any appreciation of the RMB against the U.S. dollar or any other foreign currencies may materially and adversely affect the financial conditions of certain of our customers, particularly those deriving substantial income from exporting products or engaging in the related businesses, and in turn their abilities to service their obligations to us. Furthermore, we are also currently required to obtain the approval of the SAFE before converting significant sums of foreign currencies into RMB. All of these factors could materially and adversely affect our financial condition, results of operations and compliance with capital adequacy ratios and operational ratios.

Holders of H Shares may be subject to PRC taxation

Dividends paid by us to non-resident individual holders of our H Shares are subject to individual income tax. Pursuant to the Notice on Matters Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa 1993 No. 045 (《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》) promulgated by the State

Administration of Taxation on June 28, 2011, dividends paid by domestic non-foreign invested enterprises which have issued shares in Hong Kong are subject to PRC individual income tax at the rate of 10%. For individuals receiving dividends who are citizens from countries that have entered into tax treaties with the PRC with tax rates lower than 10%, we will apply on behalf of them to seek entitlement of preferential tax treatments, and upon approval by the competent tax authorities, the excess amounts withheld will be refunded. For individuals receiving dividends who are citizens from countries that have entered into tax treaties with the PRC with tax rates higher than 10% but lower than 20%, we will withhold and pay the individual income tax at the agreed effective tax rates under the treaties, without seeking such approval. For individuals receiving dividends who are citizens from countries without tax treaties with the PRC or under other circumstances, we will withhold and pay the individual income tax at the rate of 20%. In addition, According to the "PRC Individual Income Tax Law" and its Implementation rules, gains realized by non-resident individual holders of H Shares upon sale or otherwise disposal of H Shares, are subject to PRC individual income tax at a rate of 20%. However, pursuant to the "Notice on Gains Derived by Individuals from Share Transfers Continue to be Exempt from Individual Income Tax" jointly issued by the MOF and the SAT on March 30, 1998, and the "Notice on Matters Concerning on the Collection of Individual Income Tax over the Income Received by Individuals from Transfer of Listed Shares Subject to Trading Moratorium" (《關於個人轉讓上市公司限售股所得徵收個人所得稅有關問題的通知》) (Cai Shui 2009 No. 167) jointly issued by the MOF, the SAT and CSRC on December 31, 2009, income derived by individuals from transfer of shares (except for shares with restriction on sale) in listed companies continues to be exempt from individual income tax. As of the Latest Practicable Date, no legislation has expressly provided that individual income tax shall be levied on gains realized by non-resident individual holders of H share from sale or otherwise disposal of H Shares, and to the best of our knowledge, in practice, no individual income tax has been levied by the PRC tax authorities on such gains so far. If such tax is levied on gains in the future, the value of investments in H Shares by non-resident individual shareholders of H Shares may be materially and adversely affected.

According to the "Enterprise Income Tax Law of the PRC" and its Implementation rules (《中華人民共和國企業所得稅法》及實施條例), non-resident enterprises shall be subject to 10% enterprise income tax for the income derived from the PRC, and such income shall include dividends received from PRC companies and gains from disposal of equity interests in PRC companies. Such tax rates may be reduced pursuant to the special arrangements or applicable treaties entered into between the PRC and the jurisdiction where the non-resident enterprise domiciles. The SAT issued the "Notice Regarding Questions on Withholding Enterprise Income tax When PRC Resident Enterprises Distribute Dividends to Non-resident Enterprise Shareholders of H Shares" (Guo Shui Han 2008 No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》) on November 6, 2008, which further provided that PRC resident enterprises shall withhold and pay enterprise income tax at a rate of 10% when they distribute dividends to non-resident enterprise shareholders of H Shares out of profits earned after January 1, 2008. The "Reply of the State Administration of Taxation on Levying enterprise income tax on dividends received by non-resident enterprises from B shares" Guo Shui Han 2009 No. 394) issued by the SAT on July 24, 2009 further provided that Chinese resident enterprises publicly listed on overseas stock exchanges shall withhold and pay enterprise income tax at a tax rate of 10% on behalf of non-resident enterprise shareholders when distributing dividends to such non-resident enterprise shareholders where non-resident enterprise shareholders shall be entitled to tax benefits under relevant tax treaties to implement according to the provisions of the tax treaties. According to the "Interim Measures for Administration of Withholding at Source of Income Tax of Non-resident Enterprises" issued by the State Administration of Taxation on

January 9, 2009, where both parties to the share transfer transaction are non-resident enterprises and such transaction is conducted outside China, the non-resident enterprise that receives income shall pay tax with the competent tax authority in the place where the Chinese enterprise whose shares have been transferred is located by itself or through its agent. The said Chinese enterprise shall assist the tax authority to collect tax from the non-resident enterprise. As of the Latest Practicable Date, there are no other specific rules about how to levy tax on gains realized by non-resident enterprise holders of H Shares through the sale or transfer by other means of H Shares. If relevant rules are promulgated in the future, the value of investments in our H Shares by such non-resident enterprises may be materially and adversely affected. See "Appendix V—Taxation and Foreign Exchange" in this prospectus.

Payment of dividends is subject to restrictions under PRC laws

Under PRC law and our Articles of Association, dividends may be paid only out of distributable profits. Our profit distribution plan is subject to approval by a shareholders' general meeting. In addition to preparing financial statements in accordance with PRC accounting standards and regulations, we may also prepare financial statements in accordance with international accounting standards or the accounting standards of an overseas listing jurisdiction. Our profit after tax available for distribution for a particular fiscal year shall be the lower of profit after tax as shown in the financial statements prepared under either of the two accounting standards mentioned above. We are prohibited from paying dividends for a given year out of our profit after tax to our shareholders in proportion to their respective shareholdings before making up any accumulated losses of previous years and making appropriations to the statutory surplus reserve, general reserve and discretionary reserve. As a result, we may not have distributable profits to make dividend distributions to our shareholders, including in respect of periods where we have registered an accounting profit. Any distributable profits not distributed in a given year may be retained and available for distribution in subsequent years. In addition, the CBRC has the discretionary authority to restrict dividend payments and other distributions by any bank that has failed to meet statutory capital adequacy ratio requirements or that has violated certain other PRC banking regulations. For details, see the section headed "Supervision and Regulation—Supervision Over Capital Adequacy."

Natural disasters, epidemics, acts of war or terrorism or other factors beyond our control may have a material adverse effect on our business operations, financial condition and results of operations

Natural disasters, epidemics, acts of war or terrorism or other factors beyond our control may adversely affect the economy, infrastructure and livelihood of the people in the regions we conduct our business. These regions may be under the threat of flood, earthquake, sandstorm, snowstorm, fire or drought, power shortages or failures, or are susceptible to epidemics, such as Severe Acute Respiratory Syndrome ("SARS"), avian influenza, H5N1 influenza, H1N1 influenza or H7N9 influenza, potential wars or terrorist attacks. Serious natural disasters may result in a tremendous loss of lives and injury and destruction of assets and disrupt our business and operations. Severe communicable disease outbreaks could result in a widespread health crisis that could materially and adversely affect economic systems and financial markets. Acts of war or terrorism may also injure our employees, cause loss of lives, disrupt our business network and destroy our markets. Any of these factors and other factors beyond our control could have an adverse effect on the overall business sentiment and environment, cause uncertainties in the regions where we conduct business, cause our business to suffer in ways that we cannot predict and materially and adversely impact our business, financial condition and results of operations.

RISKS RELATING TO THE GLOBAL OFFERING

There has been no prior public market for our H Shares, an active trading market for our H Shares may not develop, and their trading price may fluctuate significantly

Prior to the completion of the Global Offering, no public market has existed for our H Shares. The initial Offer Price range to the public for our H Shares is the result of negotiations between us (on behalf of ourselves and the Selling Shareholders) and the Joint Global Coordinators on behalf of the Joint Bookrunners and the Underwriters, and the Offer Price may differ significantly from the market price for our H Shares following the Global Offering. There can be no assurance that an active trading market for our H Shares will develop following the Global Offering or, if it does develop, that it will be sustained or that the market price for our H Shares will not decline below the initial Offer Price.

The trading volume and market price of our H Shares may be volatile, which could result in substantial losses for investors who purchase our H Shares in the Global Offering

The price and trading volume of our H Shares may be highly volatile. Factors, some of which are beyond our control, such as variations in our revenue, earnings and cash flow, changes in our pricing policy as a result of competition, the emergence of new technologies, strategic alliances or acquisitions, the addition or departure of key personnel, changes in ratings by financial analysts and credit rating agencies, litigation or fluctuations in the market prices and demand for our products or services could cause large and sudden changes in the volume and price at which our H Shares will trade. In addition, the Hong Kong Stock Exchange and other securities markets have, from time to time, experienced significant price and volume fluctuations that are not related to the operating performance of any particular company. These fluctuations may also materially and adversely affect the market price of our H Shares.

Future offerings or sales of our H Shares, including sales of our H Shares by NSSF, could adversely affect the prevailing market price of our H Shares and result in dilution

Future offerings or sales of our H Shares by us or shareholders in the public market, or the perception that such offerings or sales could occur, may cause the market price of our H Shares to decline. See "Underwriting—Underwriting Arrangements and Expenses—Hong Kong Public Offering" for details of restrictions that may apply to future sales of our H Shares. After these restrictions lapse, the market price of our H Shares may decline as a result of future sales of substantial amounts of our H Shares or other securities relating to our H Shares in the public market, the issuance of new H Shares or other securities relating to our H Shares or the perception that such sales or issuances may occur. This could also have a material and adverse effect on our ability to raise capital in the future at a time and at a price deemed appropriate. In addition, if we issue additional H Shares in the future, you may experience further dilution.

The H Shares to be converted from Domestic Shares and held by NSSF immediately after the Global Offering will amount to 137,225,000 H Shares, representing approximately 1.29% of our total issued share capital assuming the Over-allotment Option is not exercised (or 157,809,000 H Shares, representing approximately 1.43% of our total issued share capital assuming the Over-allotment Option is exercised in full). NSSF has not entered into any undertaking restricting its disposal or resale of these H Shares. Any transfer or disposal of these H Shares by NSSF will result in an increase of the number of H Shares available on the market and may affect the trading price of our H Shares.

Because the Offer Price of our H Shares is higher than our net tangible book value per share, purchasers of our H Shares in the Global Offering will experience immediate dilution upon such purchase

The Offer Price of our H Shares is higher than our net tangible book value per share of the outstanding shares issued to our existing shareholders as of June 30, 2013. Therefore, purchasers of our H Shares in the Global Offering will experience an immediate dilution in pro forma net tangible book value of HK$0.21 per H Share based on our net tangible book value per share as of June 30, 2013 (assuming an Offer Price of HK$3.68, which is the mid-point of our indicative Offer Price range, and assuming the Over-allotment Option is not exercised), and our existing shareholders will receive an increase in the pro forma adjusted consolidated net tangible asset value per share of their shares. In addition, holders of our H Shares may experience a further dilution of their interest if the Joint Bookrunners and the Underwriters exercise the Over-allotment Option or if we obtain additional capital in the future through equity offerings.

Dividends distributed in the past may not be indicative of our dividend policy in the future

We declared cash dividends of RMB817 million, RMB817 million and RMB817 million in 2010, 2011 and 2012, respectively. Dividends paid in prior periods may not be indicative of future dividend payments. We cannot guarantee when, if and in what form or size dividends will be paid in the future. The determination of whether to pay a dividend and in what amount is based on our results of operations, cash flow, financial condition, capital adequacy ratios, future business prospects, statutory and regulatory restrictions on the payment of dividends by us and other factors that our board of directors deems relevant. We may not have sufficient or any profits for dividend distributions in the future, even if our financial statements indicate that our operations have been profitable. See “Financial Information—Dividend Policy”.

You should rely only on this prospectus, and not place any reliance on any information contained in press articles or other media, in making your investment decision

We have not authorized anyone to provide you with information that is not contained in, or is different from what is contained in, this prospectus. Prior or subsequent to the publication of this prospectus, there has been press and media coverage regarding us and the Global Offering, in addition to marketing materials published by us in compliance with the Listing Rules. We have not authorized any such press and media reports, and the financial information, financial projections, valuations and other information purportedly about us contained in such unauthorized press and media coverage may be untrue and may not reflect what is disclosed in this prospectus. We make no representation as to the appropriateness, accuracy, completeness, or reliability of any such information or publication, and accordingly do not accept any responsibility for any such press or media coverage or the inaccuracy or incompleteness of any such information. To the extent that any such information appearing in the press and media is inconsistent or conflicts with the information contained in this prospectus, we disclaim it, and accordingly you should not rely on any such information. In making your decision as to whether to purchase our H Shares, you should rely only on the information included in this prospectus and the Application Forms.