
WAIVERS FROM STRICT COMPLIANCE WITH THE LISTING RULES

1. WAIVER IN RELATION TO CLAWBACK MECHANISM

We have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted to us, a waiver from strict compliance with paragraph 4.2 of Practice Note 18 of the Listing Rules such that, an alternative clawback mechanism shall be applied to the provisions under Paragraph 4.2 of Practice Note 18 of the Listing Rules, following the closing of the application lists. For further information, please refer to “Structure of the Global Offering – The Hong Kong Public Offering – Reallocation.”

2. WAIVER FROM HONG KONG FINANCIAL DISCLOSURE REQUIREMENTS

Pursuant to Rule 4.10 of the Listing Rules, the financial information to be disclosed in our Accountants’ Report must be in accordance with best practice, which is at least that is required to be disclosed in respect of specific matters in the accounts of a company under the Hong Kong Companies Ordinance, IFRS and the Banking (Disclosure) Rules.

We are currently unable to provide certain disclosures described below as required by the Banking (Disclosure) Rules as such information is currently not available. We believe that the financial disclosures which we are currently unable to provide are immaterial to potential investors under the Global Offering. We have applied to the Hong Kong Stock Exchange, and the Hong Kong Stock Exchange has granted to us, a waiver from strict compliance with Rule 4.10 of the Listing Rules. However, we endeavor to collect the relevant information and be in a position to provide such required disclosures under the Banking (Disclosure) Rules by the end of 2014.

Pursuant to section 48(3)(a) of the Banking (Disclosure) Rules, disclosure of the fair value of any collateral held in respect of the overdue loans is required. We are not able to disclose the fair value of collateral held in respect of overdue retail loans. We will only disclose the fair value of collateral in respect of overdue corporate loans.

Paragraph 13(1)(g) of the Tenth Schedule to the Hong Kong Companies Ordinance requires disclosure of income from listed and from unlisted investments separately. We are not able to disclose the breakdown of net interest income and investments income derived from investments by listed portion and unlisted portion respectively. We will disclose the total income from listed and unlisted investments.

Pursuant to paragraph B15 of IFRS 7, disclosure of the analysis of derivative financial instruments separately from that of non-derivative financial instruments in the contractual maturity analysis for financial liabilities is required. We are not able to disclose the contractual maturity analysis of derivative financial instruments.

As a financial institution incorporated and based in the PRC, we are required to comply with requirements laid down by the CBRC and the PBOC.

Certain provisions in the Banking (Disclosure) Rules require disclosure in respect of our capital structure, capital adequacy and liquidity ratios. We have maintained and compiled data in such respects in accordance with the similar regulatory requirements of the CBRC and the PBOC. While we believe that such requirements of the CBRC and the PBOC attempt to address similar disclosure purpose as the requirements of the Banking (Disclosure) Rules, the two regimes are slightly different.

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3. WAIVER FROM RULES 8.17 AND 3.28 OF THE LISTING RULES

Mr. LU Hong, our company secretary, does not possess the relevant qualifications under Rule 3.28 of the Listing Rules. We have appointed Ms. LEE Mei Yi, who is a Hong Kong resident and a Member of The Hong Kong Institute of Chartered Secretaries (which is a qualification stipulated in Note 1 to Rule 3.28 of the Listing Rules) to act as an assistant to Mr. LU Hong and will continue to do so for a minimum period of three years after the Listing Date, to ensure that Mr. LU Hong will be able to acquire the necessary experience to satisfy the requirements of Note 2 to Rule 3.28 of the Listing Rules. In this regard, we also have procedures in place to provide Mr. LU Hong with appropriate training in order to enable him to acquire such necessary experience. We have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted to us, a waiver from strict compliance with the requirements under Rules 8.17 and 3.28 of the Listing Rules, in appointing Mr. LU Hong as our company secretary for a period of three years under the condition that Ms. LEE Mei Yi is appointed as an assistant to Mr. LU Hong as described above. Upon the expiry of the three-year period, we will re-evaluate the qualifications of Mr. LU Hong to determine whether the requirements under Rule 3.28 of the Listing Rules can be satisfied.

At the end of the three year period, the Bank will liaise with the Exchange. The Exchange will revisit the situation and the expectation that the Bank should be able to demonstrate to the Exchange's satisfaction that Mr. LU, having had the benefit of Ms. LEE's assistance for the last three years, will have acquired the relevant experience within the meaning of Rules 8.17 and 3.28 of the Listing Rules, so that a further waiver will not be necessary.

4. WAIVER FROM RULES 8.12 AND 19A.15 OF THE LISTING RULES

According to Rules 8.12 and 19A.15 of the Listing Rules, an issuer must have sufficient management presence in Hong Kong, normally meaning that at least two of the issuer's executive directors must be ordinarily resident in Hong Kong. Currently, none of our executive Directors resides in Hong Kong. Since our principal operations are located in China, we do not and, for the foreseeable future, will not have sufficient management presence in Hong Kong. Accordingly, we have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted to us, a waiver from strict compliance with the requirements under Rules 8.12 and 19A.15 of the Listing Rules, subject to the condition that, among other things, we maintain the following arrangements to maintain effective communication between us and the Hong Kong Stock Exchange.

We have appointed two authorized representatives, namely Mr. GUO You and Mr. LU Hong, who will act at all times as our principal channel of communication with the Hong Kong Stock Exchange. The authorized representatives will be readily contactable by telephone, mobile number, facsimile and email to deal promptly with inquiries from the Hong Kong Stock Exchange.

Each of our authorized representatives has access to our Board of Directors and senior management at all times. Each of our Directors, through the authorized representatives, can be reached by telephone, facsimile and email. Each of our executive Directors, non-executive Directors and independent non-executive Directors who are not ordinarily resident in Hong Kong holds a valid travel document for travel to Hong Kong, and will make themselves available in Hong Kong if required to meet with the Hong Kong Stock Exchange at reasonable notice.

In addition, we will, in compliance with Listing Rule 3A.19, retain China International Capital Corporation Hong Kong Securities Limited as our compliance advisor who will, among other things, act as our principal channel of communication with the Hong Kong Stock Exchange. For further information, please refer to "Directors, Supervisors and Senior Management – Compliance Advisor."

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5. WAIVER FROM RULE 10.04 AND THE HONG KONG STOCK EXCHANGE'S CONSENT UNDER PARAGRAPH 5(2) OF APPENDIX 6 TO THE LISTING RULES

Rule 10.04 of the Listing Rules provides that a person who is an existing shareholder of the issuer may only subscribe for or purchase securities for which listing is sought if no securities will be offered to them on a preferential basis and no preferential treatment will be given to them in the allocation of the securities. Paragraph 5(2) of Appendix 6 to the Listing Rules provides, among other things, that, without the prior written consent of the Hong Kong Stock Exchange, no allocations will be permitted to existing shareholders or their associates, whether in their own names or through nominees, unless certain conditions are fulfilled.

We have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted to us, a waiver from strict compliance with the requirements under Rule 10.04 and Paragraph 5(2) of Appendix 6 to the Listing Rules to permit certain investors who hold a small amount of our A Shares to receive allocation of the H Shares in the International Offering, subject to the following conditions:

- (i) each of the investors for which the above waiver is sought held less than 5% of the Company's issued share capital before the Listing, exerts no influence over the share allocation process and has no representation on our Board of Directors;
- (ii) none of the investors for which the above waiver is sought has been or will be a connected person or an associate of a connected person of the Company, and will not negatively impact the Company's ability to meet the public float requirements under the Listing Rules;
- (iii) such investors will be subject to the same book building and allocation process as with other investors in the International Offering and no preferential treatment is given to them in the allocation; and
- (iv) such waiver does not apply to China Everbright (Group) or China Everbright Limited, both of which will be prohibited from subscribing for or purchasing the H Shares in the Global Offering.

6. WAIVER IN RELATION TO NON-DISPOSAL OF SHARES BY HUIJIN

Rule 10.07(1) of the Listing Rules provides that a person or a group of persons shown by the listing document issued at the time of the issuer's application for listing to be controlling shareholders of the issuer shall not and shall procure that the relevant registered holder(s) shall not (a) in the period commencing on the date by reference to which disclosure of the shareholding of the controlling shareholders is made in the listing document and ending on the date which is six months from the date on which dealings in the securities of a new applicant commence on the Hong Kong Stock Exchange, dispose of, enter into any agreement to dispose of, or otherwise create any options, rights, interests or encumbrances in respect of, any of those securities of the issuer in respect of which he is or they are shown by that listing document to be the beneficial owner(s) (the "First Six-Month Period"); or (b) in the period of six months commencing on the date on which the period referred to in Rule 10.07(1)(a) expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the securities referred to in Rule 10.07(1)(a) if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, that person or group of persons would cease to be a controlling shareholder (the "Second Six-Month Period"). The First Six-Month Period and the Second Six-Month Period are collectively referred to as the "Lock-up Period".

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Huijin is an ultimate controlling Shareholder and the Shares it beneficially holds (the “Huijin Shares”) are therefore subject to lock up during the Lock-up Period.

An application has been made to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted, a waiver from Rule 10.07 in respect of any and all transfers, exchanges, sales and purchases of the Huijin Shares between Huijin, on the one hand, China Everbright (Group) and/or one or more entities controlled by China Everbright (Group) (the “CEG Controlled Entities”), on the other hand, pursuant to the Proposed Restructuring. The Company has published an announcement on January 10, 2013 in connection with the Proposed Restructuring on the Shanghai Stock Exchange where the A Shares of the Company are listed.

The waiver from Rule 10.07 was granted by the Hong Kong Stock Exchange subject to the conditions that:

- except for the Proposed Restructuring, neither Huijin nor China Everbright (Group) (including any of its controlled entities acquiring the Huijin Shares) will dispose of any of the Shares during the First Six-Month Period.
- Huijin and China Everbright (Group) will in aggregate maintain, directly and indirectly, at least 30% shareholding interest in the Company during the Lock-up Period.
- The Bank should disclose in the prospectus the Directors’ view that, in connection with the Proposed Restructuring during the Lock-up Period, whether there will be any intended or foreseeable material changes in the Company’s core management and whether the Company’s operations and interests of its Shareholders will be materially affected.

The Directors confirm that, as of the Latest Practicable Date, in connection with the Proposed Restructuring during the Lock-up Period, there are no intended or foreseeable material changes in the Company’s core management and the Directors are of the view that the Proposed Restructuring will not affect the operations of the Company and interests of the Shareholders in any material respect.

As a result of the announcement of the Proposed Restructuring, both Huijin and China Everbright (Group) are deemed as our controlling Shareholders and are subject to the lock-up requirements under Rule 10.07 of the Listing Rules. For details of the lock-up undertakings of Huijin and China Everbright (Group), see “Underwriting – Underwriting Arrangements and Expenses – Undertakings”.

7. WAIVER IN RELATION TO PUBLIC OFFERING WITHOUT LISTING IN JAPAN

As part of our International Offering, we are conducting a public offering without listing in Japan (“POWL”). In connection with this POWL, we have applied for and the Hong Kong Stock Exchange has granted, a waiver in relation to the requirement under Rule 9.11(35)(b) and paragraph 11 of Appendix 6 to the Listing Rules for each placing broker to provide a list setting out the names, addresses and identity card or passport numbers (where individuals) or the names, addresses and registration numbers (where companies) of all its placees, the names and addresses of the beneficial owners (in the case of nominee companies) and the number of shares taken up by each of the placees.

The application is made on the grounds that:

- (i) Japanese regulations in general prohibit agents from disclosing individual clients’ details (including but not limited to the name, address, age of clients and details of assets) to third parties;
- (ii) information given by placees under standard market practice in Japan are insufficient for completing the information required under Listing Rule 9.11(35)(b);

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- (iii) the POWL was expected to involve over 10,000 retail investors in Japan. Further, all information relating to placees would need to be translated into English. It would be unduly burdensome and nearly impossible to submit to the Hong Kong Stock Exchange before commencement of dealings the required information relating to POWL placements;
- (iv) the Japanese agents will confirm in writing the independence of each placee from any Director or their respective associates or any existing Shareholder or nominee of the Company.

The waiver granted by the Hong Kong Stock Exchange is subject to the following conditions:

- (i) the POWL will be conducted in accordance with the laws and regulations of a public offering in Japan to ensure independence of investors;
- (ii) the Company, the International Underwriters and the POWL placing brokers will use their reasonable efforts to comply with Rule 9.11(35)(b) and paragraph 11 of Appendix 6 to the Listing Rules in good faith;
- (iii) the Joint Sponsors, the International Underwriters or the POWL placing brokers will confirm in writing to the Hong Kong Stock Exchange the independence of the POWL placees; and
- (iv) each POWL placing broker will submit to the Hong Kong Stock Exchange a list setting out details of all the institutional placees under the POWL and the number of H Shares taken up by each of them as required under Rule 9.11(35)(b) and paragraph 11 of Appendix 6 to the Listing Rules.

8. WAIVER IN RELATION TO PUBLIC FLOAT

Rule 8.08(1) of the Listing Rules requires that there must be an open market in the securities for which listing is sought and that a sufficient public float of an issuer's listed securities must be maintained. Pursuant to Rule 8.08 (1)(b) of the Listing Rules, where an issuer has one class of securities or more apart from the class of securities for which listing is sought, the total securities of the issuer held by the public (on all regulated market(s) including the Hong Kong Stock Exchange) at the time of listing must be at least 25% of the issuer's total issued share capital. However, the class of securities for which listing is sought must not be less than 15% of the issuer's total issued share capital, having an expected market capitalization at the time of listing of not less than HK\$50,000,000.

In August 2011, we applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted to us, a waiver from strict compliance with the requirements under Rule 8.08(1) of the Listing Rules to allow a reduced public float, which should be the higher of (i) 10%; or (ii) such a percentage of H Shares held by the public immediately after completion of the Global Offering, as increased by the H Shares to be issued upon the exercise of the Over-allotment Option.

However, the capital market condition has deteriorated since we obtained the waiver from the Hong Kong Stock Exchange on public float in 2011. In light of the circumstances, we have applied to the Hong Kong Stock Exchange for, and the Hong Kong Stock Exchange has granted to us, subject to certain conditions, a waiver from strict compliance with the requirements under Rule 8.08(1) of the Listing Rules to allow a further reduced public float for the H Shares, which shall be the higher of (i) 8% of the total issued Shares with a market capitalization of not less than HK\$10 billion; or (ii) such a percentage of H Shares held by the public immediately after completion of the Global Offering, as increased by the H Shares to be issued and to be converted from A Shares upon the exercise of the Over-allotment Option. Furthermore, the H Shares to be allocated to cornerstone investors should be no more than 70% of the size of the Global Offering.

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The Company will use its best endeavors to increase its H Shares public float by way of issuing new H Shares within one year from its listing on the Hong Kong Stock Exchange, subject to approvals from the relevant PRC authorities and the then existing market conditions. The Company will confirm the sufficiency of public float in accordance with Rule 13.35 of the Listing Rules in its successive annual reports after listing.

9. WAIVER IN RELATION TO CORNERSTONE INVESTMENT BY SANY INTERNATIONAL DEVELOPMENT LIMITED

According to Rule 9.09 of the Listing Rules, there must be no dealing in the H Shares by any of our connected persons from four clear business days before the expected hearing date until listing is granted.

Sany International Development Limited has entered into a cornerstone investment agreement with us pursuant to which Sany International Development Limited has agreed to subscribe for such number of H Shares (rounded down to the nearest board lot of 1,000 H Shares) as may be purchased with an amount of US\$30 million at the Offer Price. See “Our Corporate Investors – Corporate Investors – Sany International Development Limited” in this prospectus for further details of the subscription by Sany International Development Limited.

Sany International Development Limited is an indirect subsidiary of Sany Group Co., Ltd. (三一集團有限公司), which controls 10% of equity interests in Shaoshan Everbright Village Bank, a subsidiary of the Company. Sany International Development Limited will constitute a connected person of the Company upon the listing pursuant to Rule 14A.11 of the Listing Rules.

An application has been made to the Hong Kong Stock Exchange for a waiver from strict compliance with Rule 9.09 of the Listing Rules in relation to the cornerstone investment by Sany International Development Limited on the basis that the cornerstone investment by Sany International Development Limited will not unduly prejudice the interests of the potential investors. Such waiver has been granted by the Hong Kong Stock Exchange on the condition that:

- (i) Sany International Development Limited’s cornerstone investment will be at the Offer Price and it will be subject to a lock-up period of six months; and
- (ii) we will disclose details of Sany International Development Limited’s cornerstone investment in this prospectus.

The H Shares held by Sany International Development Limited after the listing of the H Shares will not be counted as part of the public float.