

1. FURTHER INFORMATION ABOUT US

A. Incorporation

Our Company was established in the PRC under Company Law as a joint stock limited company on October 28, 2005. Our Company has established a place of business in Hong Kong at 33/F, ICBC Tower, 3 Garden Road, Central Hong Kong and was registered on July 18, 1996 as an oversea company in Hong Kong under Part XI of the Companies Ordinance, with Mr. Sun Xinrong of Flat A, 4/F, Fu Tian Mansion, Taikoo Shing, Quarry Bay, Hong Kong appointed as the agent of our Company for the acceptance of service of process and notices on behalf of our Company in Hong Kong.

B. Changes in Share Capital

(a) Our company

As at the date of establishment of our Company, its initial share capital was RMB248 billion divided into 248,000,000,000 domestic shares of RMB1.00 each, all of which were credited as fully paid and were held by our promoters as follows:

<u>Name of Promoters</u>	<u>Number of Domestic Shares</u>	<u>Percentage of shareholding in the share capital of our Company</u>
MOF	124,000,000,000	50%
Huijin	124,000,000,000	50%

During the two years prior to the date of this prospectus, we recorded the following changes in our registered capital:

- on January 27, 2006, we entered into the Share Purchase Agreement with Dresdner, pursuant to which, we issued 6,432,601,015 shares to Dresdner for a consideration of €824.7 million;
- on January 27, 2006, we entered into the Share Purchase Agreement with Goldman Sachs, pursuant to which, we issued 16,476,014,155 shares to Goldman Sachs for a consideration of US\$2,582.2 million;
- on January 27, 2006, we entered into the Share Purchase Agreement with American Express, pursuant to which, we issued 1,276,122,233 shares to American Express for a consideration of US\$200 million; and
- on June 19, 2006, we entered into two Share Purchase Agreement with SSF, pursuant to which, we issued 14,324,392,623 shares to SSF for consideration of RMB18,028,148,012.

Immediately after the Global Offering and A Share Offering, our registered capital will be RMB327,821,930,026, made up of 77,245,975,188 H shares of RMB1.00 each and 250,575,954,838 A shares of RMB1.00 each (assuming neither of the over-allotment options of the Global Offering and A Share Offering is exercised).

Save as disclosed in this prospectus, there has been no alteration in our registered capital since our establishment.

(b) Our subsidiaries

Our principal subsidiaries are referred to in the Accountants' Report, the text of which is set out in Appendix I to this prospectus.

The following alterations in the registered capital of our principal subsidiaries have taken place within the two years preceding the date of this prospectus:

Pursuant to the Acquisition Agreement dated December 30, 2004 between ICBC and ICBC (Asia), ICBC transferred 100% of its shareholding in Chinese Mercantile Bank to ICBC (Asia) on August 12, 2005, in consideration of which ICBC (Asia) paid US\$1,281,975 in cash and issued 66,698,102 new ordinary shares. As a result of the issue of new shares, the issued share capital of ICBC (Asia) increased from HK\$2,095,930,000 to HK\$2,242,518,000.

Save as disclosed in this prospectus, there has been no alteration in the registered capital of any of our subsidiaries.

C. Resolutions of our Shareholders

(a) Resolutions were passed by our shareholders on April 28, 2006, pursuant to which, among other matters, our shareholders:

- (i) approved the listing plan of our Company which included, among other things,
 - listing on the Hong Kong Stock Exchange through an initial public offering of H shares;
 - as a part of Global Offering, offering of H shares in the United States to qualified institutional buyers (as such term is defined in Rule 144A under the U.S. Securities Act) and outside of the United States in reliance on Regulation S of the U.S. Securities Act, offering of H shares to professional and institutional investors in Hong Kong and conducting a public offering without listing in Japan;
 - the issue and listing of A shares; and
 - the conversion of our Company into a domestic and overseas subscription joint stock company with limited liability.
- (ii) authorized the board to draft, amend, sign and submit the applications, relevant reports or materials relating to the proposed listing of H shares and A shares to the relevant authorities in the PRC and the Hong Kong Stock Exchange and to deal with approval, registration, filing, verification or other formalities; and
- (iii) authorized the board to be responsible for implementation of the listing plan approved by the shareholders in all aspects.

(b) Resolutions were passed by our shareholders on July 31, 2006, pursuant to which, among other matters, our shareholders:

- (i) approved the adjustment made to the listing plan of the Company which included simultaneous H and A shares listings on the Hong Kong Stock Exchange and Shanghai Stock Exchange respectively through initial public offering of H and A shares respectively;

- (ii) approved amendments to our articles of association to conform with the requirements of the Hong Kong Listing Rules and other applicable laws and regulations and authorized our board (who can, where necessary, authorize another party provided that our directors are reported and relevant approval from China Banking Regulatory Commission is obtained) to further amend our articles of association (apart from provisions relating to the functions of the shareholders meeting and the board meeting, which need to be passed at our shareholders meeting) in accordance with any comments from the relevant regulatory authorities in the PRC and the Hong Kong Stock Exchange; and
- (iii) granted, subject to the completion of the Global Offering, a general mandate to our board to allot and issue domestic shares (including A shares) and H shares (including share options or convertible bonds) at any time, either separately or concurrently, within a period of up to date of the conclusion of the next annual general meeting of the shareholders or the date on which our shareholders pass a special resolution to revoke or change such mandate, whichever is earlier, upon such terms and conditions and for such purposes and to such persons as our board in their absolute discretion deem fit, and to make necessary amendments to the articles of association and to file such amendments to the relevant administration bureau for industry and commerce for registration, provided that, the number of domestic shares (including A shares) or H shares (including share options or convertible bonds) to be issued shall not exceed 20% of the number of each of our H shares and domestic shares (including A shares) in issue, respectively, as at the listing date.

2. FURTHER INFORMATION ABOUT OUR BUSINESS

A. Summary of Material Contracts

We have entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years preceding the date of this prospectus which are or may be material:

- (a) in connection with the issue of subordinated bonds in an amount up to RMB35 billion by us, we have entered into the following agreements:
 - (i) an underwriting agreement dated August 15, 2005 and entered into between us and 中國建設銀行股份有限公司 (China Construction Bank Corporation);
 - (ii) an underwriting agreement dated August 15, 2005 and entered into between us and 中國農業銀行 (Agricultural Bank of China);
 - (iii) an underwriting agreement dated August 16, 2005 and entered into between us and 中國銀行股份有限公司 (Bank of China Limited);
 - (iv) an underwriting agreement dated August 15, 2005 and entered into between us and 交通銀行 (Bank of Communications);
 - (v) an underwriting agreement dated August 16, 2005 and entered into between us and 中信實業銀行 (CITIC Industrial Bank);
 - (vi) an underwriting agreement dated August 16, 2005 and entered into between us and 中國光大銀行 (China Everbright Bank);
 - (vii) an underwriting agreement dated August 17, 2005 and entered into between us and 招商銀行股份有限公司 (China Merchants Bank Co., Ltd.);

- (viii) an underwriting agreement dated August 15, 2005 and entered into between us and 中國民生銀行股份有限公司 (China Minsheng Banking Corporation Limited);
- (ix) an underwriting agreement dated August 15, 2005 and entered into between us and 華夏銀行股份有限公司 (Hua Xia Bank Co., Ltd.);
- (x) an underwriting agreement dated August 16, 2005 and entered into between us and 上海浦東發展銀行 (Shanghai Pudong Development Bank);
- (xi) an underwriting agreement dated August 17, 2005 and entered into between us and 深圳發展銀行 (Shenzhen Development Bank);
- (xii) an underwriting agreement dated August 15, 2005 and entered into between us and 興業銀行股份有限公司 (Industrial Bank Co., Ltd.);
- (xiii) an underwriting agreement dated August 16, 2005 and entered into between us and 廣東發展銀行股份有限公司 (Guangdong Development Bank);
- (xiv) an underwriting agreement dated August 16, 2005 and entered into between us and 上海銀行 (Bank of Shanghai);
- (xv) an underwriting agreement dated August 15, 2005 and entered into between us and 北京銀行 (Bank of Beijing);
- (xvi) an underwriting agreement dated August 15, 2005 and entered into between us and 天津市商業銀行 (Tianjin City Commercial Bank);
- (xvii) an underwriting agreement dated August 15, 2005 and entered into between us and 南京市商業銀行 (Nanjing City Commercial Bank);
- (xviii) an underwriting agreement dated August 16, 2005 and entered into between us and 珠海市商業銀行 (Zhuhai City Commercial Bank);
- (xix) an underwriting agreement dated August 22, 2005 and entered into between us and 武漢市商業銀行 (Wuhan Urban Commercial Bank);
- (xx) an underwriting agreement dated August 12, 2005 and entered into between us and 深圳市商業銀行 (Shenzhen Commercial Bank);
- (xxi) an underwriting agreement dated August 15, 2005 and entered into between us and 國家郵政局郵政儲匯局 (China Postal Savings and Remittance Bureau);
- (xxii) an underwriting agreement dated August 12, 2005 and entered into between us and 中國人壽資產管理有限公司 (China Life Insurance Asset Management Co., Ltd.);
- (xxiii) an underwriting agreement dated August 16, 2005 and entered into between us and 中國平安人壽保險股份有限公司 (China Ping An Life Insurance Co., Ltd.);
- (xxiv) an underwriting agreement dated August 15, 2005 and entered into between us and 泰康人壽保險股份有限公司 (Taikang Life Insurance Co., Ltd.);
- (xxv) an underwriting agreement dated August 16, 2005 and entered into between us and 中國太平洋保險 (集團) 股份有限公司 (China Pacific Insurance (Group) Co., Ltd.);
- (xxvi) an underwriting agreement dated August 15, 2005 and entered into between us and 中國人保資產管理有限公司 (PICC Asset Management Co., Ltd.);

- (xxvii) an underwriting agreement dated August 15, 2005 and entered into between us and 中國銀河證券有限責任公司 (China Galaxy Securities Co., Ltd.);
- (xxviii) an underwriting agreement dated August 15, 2005 and entered into between us and 華夏證券股份有限公司 (China Securities Co., Ltd.);
- (xxix) an underwriting agreement dated August 16, 2005 and entered into between us and 國泰君安證券股份有限公司 (Guotai Junan Securities Co., Ltd.);
- (xxx) an underwriting agreement dated August 15, 2005 and entered into between us and 中信證券股份有限公司 (CITIC Securities Co., Ltd.);
- (xxxi) an underwriting agreement dated August 15, 2005 and entered into between us and 申銀萬國證券股份有限公司 (Shenyin & Wanguo Securities Co., Ltd.);
- (xxxii) an underwriting agreement dated August 16, 2005 and entered into between us and 中國國際金融有限公司 (China International Capital Corporation Limited);
- (xxxiii) an underwriting agreement dated August 15, 2005 and entered into between us and 中銀國際證券有限責任公司 (BOC International Securities Co., Ltd.);
- (xxxiv) an underwriting agreement dated August 15, 2005 and entered into between us and 長江證券有限責任公司 (Changjiang Securities Co., Ltd.);
- (xxxv) an underwriting agreement dated August 18, 2005 and entered into between us and 長城證券有限責任公司 (Great Wall Securities Co., Ltd.);
- (xxxvi) an underwriting agreement dated August 15, 2005 and entered into between us and 廣發證券股份有限公司 (GF Securities Co., Ltd.);
- (xxxvii) an underwriting agreement dated August 16, 2005 and entered into between us and 第一創業證券有限責任公司 (First Capital Securities Co., Ltd.);
- (xxxviii) an underwriting agreement dated August 15, 2005 and entered into between us and 中國民族證券有限責任公司 (China Minzu Securities Co., Ltd.);
- (xxxix) an underwriting agreement dated August 15, 2005 and entered into between us and 東方證券股份有限公司 (Orient Securities Co., Ltd.);
- (xl) an underwriting agreement dated August 17, 2005 and entered into between us and 上海證券有限責任公司 (Shanghai Securities Co., Ltd.);
- (xli) an underwriting agreement dated August 18, 2005 and entered into between us and 華西證券有限責任公司 (West China Securities Co., Ltd.);
- (b) a share purchase agreement dated June 19, 2006 and entered into between us and SSF (“SSF SPA In Cash”) in relation to the purchasing of newly issued shares in us by SSF in the aggregate purchase price of RMB10,000,000,000. See “Our Strategic Investors and Other Investors” for details;
- (c) a shareholders rights agreement dated June 19, 2006 and entered into between us, the MOF, Huijin and SSF in relation to the entitlement to enjoy all rights and undertake all obligations by SSF described in the SSF SPA In Cash. See “Our Strategic Investors and Other Investors” for details;
- (d) a share purchase agreement dated June 19, 2006 and entered into between us and SSF (“SSF SPA In Land Use Right”) in relation to the purchasing of newly issued shares in us

- by SSF under a custody of MOF in the aggregate purchase price of RMB8,028,148,012 in the form of contribution of the state-owned land use right as capital injection. See “Our Strategic Investors and Other Investors” for details;
- (e) a shareholders rights agreement dated June 19, 2006 and entered into between us, the MOF, Huijin and SSF in relation to the entitlement to enjoy all rights and undertake all obligations by SSF described in the SSF SPA In Land Use Right. See “Our Strategic Investors and Other Investors” for details;
 - (f) a share purchase agreement dated January 27, 2006 and entered into between us, Allianz and Dresdner (“Allianz SPA”) in relation to the purchasing of newly issued shares in us by Allianz through its wholly owned subsidiary Dresdner in the aggregate purchase price of €824.7 million. See “Our Strategic Investors and Other Investors” for details;
 - (g) a shareholders rights agreement dated January 27, 2006 and entered into between us, the MOF, Huijin, Allianz and Dresdner in relation to the entitlement to enjoy all rights and undertake all obligations by Allianz and Dresdner described in the Allianz SPA. See “Our Strategic Investors and Other Investors” for details;
 - (h) a share purchase agreement dated January 27, 2006 and entered into between us and Goldman Sachs (“Goldman Sachs SPA”) in relation to the purchase of newly issued shares in us by Goldman Sachs in the aggregate purchase price of US\$2,582.2 million. See “Our Strategic Investors and Other Investors” for details;
 - (i) a shareholders rights agreement dated January 27, 2006 and entered into between us, the MOF, Huijin and Goldman Sachs in relation the entitlement to enjoy all rights and undertake all obligations by Goldman Sachs described in the Goldman Sachs SPA. See “Our Strategic Investors and Other Investors” for details;
 - (j) a share purchase agreement dated January 27, 2006 and entered into between us and American Express (“American Express SPA”) in relation to the purchase of newly issued shares in us by American Express in the aggregate purchase price of US\$200 million. See “Our Strategic Investors and Other Investors” for details;
 - (k) a shareholders rights agreement dated January 27, 2006 and entered into between us, the MOF, Huijin and American Express in relation to the entitlement to enjoy all rights and undertake all obligations by American Express described in the American Express SPA. See “Our Strategic Investors and Other Investors” for details;
 - (l) a strategic cooperation agreement dated January 27, 2006 and entered into between us and Goldman Sachs in relation to the provision of technical support and training by Goldman Sachs. See “Our Strategic Investors and Other Investors” for details;
 - (m) a promoters agreement dated October 13, 2005 and entered into between the MOF and Huijin, pursuant to which we were converted from a state-owned commercial bank to a joint-stock limited company with a registered capital of RMB248.0 billion, dividing into 248.0 billion shares with a par value of RMB1.00 each. The MOF and Huijin each received 124.0 billion of our shares, representing 50% respectively of our shares upon our re-incorporation.
 - (n) a foreign exchange option agreement dated April 30, 2005 and entered into between Huijin and us, pursuant to which we purchased from Huijin an option to sell to Huijin a maximum of US\$12 billion at an exchange rate of US\$1 to RMB8.2765 for a

consideration of approximately RMB2,979,540,000.00. See “Financial Information” for details;

- (o) a transfer agreement dated May 27, 2005 and entered into between Huarong and us in relation to disposal of loss loans with a face value of RMB176 billion as of April 30, 2005 by us to Huarong in consideration of the same amount;
- (p) a transfer agreement, dated May 27, 2005 and entered into between Huarong and us in relation to disposal of non-credit risk assets with a book value of RMB70 billion as of April 30, 2005 by us to Huarong in consideration of the same amount;
- (q) a transfer agreement dated June 27, 2005 and entered into between China Orient Asset Management Corporation and us in relation to disposal of doubtful loans with a face value of approximately RMB121.29 billion as of April 30, 2005 by us to China Orient Asset Management Corporation in consideration of the same amount;
- (r) a transfer agreement dated June 27, 2005 and entered into between Huarong and us in relation to disposal of doubtful loans with a face value of approximately RMB22.59 billion as of April 30, 2005 by us to Huarong in consideration of the same amount;
- (s) a transfer agreement dated June 27, 2005 and entered into between China Great Wall Asset Management Corporation and us in relation to disposal of doubtful loans with a face value of approximately RMB256.99 billion as of April 30, 2005 by us to China Great Wall Asset Management Corporation in consideration of the same amount;
- (t) a transfer agreement dated June 27, 2005 and entered into between China Cinda Asset Management Corporation and us in relation to disposal of doubtful loans with a face value of approximately RMB58.13 billion as of April 30, 2005 by us to China Cinda Asset Management Corporation in consideration of the same amount;
- (u) a placing agreement dated September 15, 2006 among us, China Life Insurance (Group) Company, Merrill Lynch, Pierce, Fenner & Smith Incorporated, China International Capital Corporation Limited, Credit Suisse (Hong Kong) Limited, Deutsche Bank AG, Hong Kong Branch and ICEA Capital Limited pursuant to which China Life Insurance (Group) Company agreed to subscribe for our H shares in the amount of HK\$4,400,000,000;
- (v) a placing agreement dated September 15, 2006 among us, China Life Insurance Company Limited, Merrill Lynch, Pierce, Fenner & Smith Incorporated, China International Capital Corporation Limited, Credit Suisse (Hong Kong) Limited, Deutsche Bank AG, Hong Kong Branch and ICEA Capital Limited pursuant to which China Life Insurance Company Limited agreed to subscribe for our H shares in the amount of HK\$2,000,000,000;
- (w) a placing agreement dated September 21, 2006 among us, Issamed Investments Limited, Cheung Kong (Holdings) Limited, Merrill Lynch, Pierce, Fenner & Smith Incorporated, China International Capital Corporation Limited, Credit Suisse (Hong Kong) Limited, Deutsche Bank AG, Hong Kong Branch and ICEA Capital Limited pursuant to which Issamed Investments Limited agreed to subscribe for our H shares in the amount of HK\$800,000,000. Cheung Kong (Holdings) Limited has entered into the placing agreement as the controlling shareholder of Issamed Investments Limited;
- (x) a placing agreement dated September 21, 2006 among us, Turbo Top Limited, Hutchison Whampoa Limited, Merrill Lynch, Pierce, Fenner & Smith Incorporated, China

International Capital Corporation Limited, Credit Suisse (Hong Kong) Limited, Deutsche Bank AG, Hong Kong Branch and ICEA Capital Limited pursuant to which Turbo Top Limited agreed to subscribe for our H shares in the amount of HK\$800,000,000. Hutchison Whampoa Limited has entered into the placing agreement as the controlling shareholder of Turbo Top Limited;

- (y) a placing agreement dated September 21, 2006 among us, Chow Tai Fook Nominee Limited, Merrill Lynch, Pierce, Fenner & Smith Incorporated, China International Capital Corporation Limited, Credit Suisse (Hong Kong) Limited, Deutsche Bank AG, Hong Kong Branch and ICEA Capital Limited pursuant to which Chow Tai Fook Nominee Limited agreed to subscribe for our H shares in the amount of HK\$1,600,000,000;
- (z) a placing agreement dated September 21, 2006 among us, Allied Stars Enterprises Inc., CITIC Pacific Limited, Merrill Lynch, Pierce, Fenner & Smith Incorporated, China International Capital Corporation Limited, Credit Suisse (Hong Kong) Limited, Deutsche Bank AG, Hong Kong Branch and ICEA Capital Limited pursuant to which Allied Stars Enterprises Inc. agreed to subscribe for our H shares in the amount of HK\$800,000,000. CITIC Pacific Limited has entered into the placing agreement as the controlling shareholder of Allied Stars Enterprises Inc.;
- (aa) a placing agreement dated September 21, 2006 among us, Kingswell International Holdings Ltd., Mr. Yung Chi Kin, Merrill Lynch, Pierce, Fenner & Smith Incorporated, China International Capital Corporation Limited, Credit Suisse (Hong Kong) Limited, Deutsche Bank AG, Hong Kong Branch and ICEA Capital Limited pursuant to which Kingswell International Holdings Ltd. agreed to subscribe for our H shares in the amount of HK\$800,000,000. Mr. Yung Chi Kin has entered into the placing agreement as the controlling shareholder of Kingswell International Holdings Ltd.;
- (bb) a placing agreement dated September 15, 2006 among us, Chinfit Limited, Shau Kee Financial Enterprises Limited, Merrill Lynch, Pierce, Fenner & Smith Incorporated, China International Capital Corporation Limited, Credit Suisse (Hong Kong) Limited, Deutsche Bank AG, Hong Kong Branch and ICEA Capital Limited pursuant to which Chinfit Limited agreed to subscribe for our H shares in the amount of HK\$1,600,000,000. Shau Kee Financial Enterprises Limited has entered into the placing agreement as the controlling shareholder of Chinfit Limited;
- (cc) a placing agreement dated September 22, 2006 among us, GIC Direct Investments Pte. Ltd., Merrill Lynch, Pierce, Fenner & Smith Incorporated, China International Capital Corporation Limited, Credit Suisse (Hong Kong) Limited, Deutsche Bank AG, Hong Kong Branch and ICEA Capital Limited pursuant to which GIC Direct Investments Pte. Ltd. agreed to subscribe for our H shares in the amount of HK\$ 2,800,000,000;
- (dd) a placing agreement dated September 15, 2006 among us, Silver Pebble Holdings Limited, Kerry Holdings Limited, Merrill Lynch, Pierce, Fenner & Smith Incorporated, China International Capital Corporation Limited, Credit Suisse (Hong Kong) Limited, Deutsche Bank AG, Hong Kong Branch and ICEA Capital Limited pursuant to which Silver Pebble Holdings Limited agreed to subscribe for our H shares in the amount of HK\$1,600,000,000. Kerry Holdings Limited has entered into the placing agreement as the controlling shareholder of Silver Pebble Holdings Limited;
- (ee) a placing agreement dated September 18, 2006 among us, Kuwait Investment Authority, Merrill Lynch, Pierce, Fenner & Smith Incorporated, China International Capital

- Corporation Limited, Credit Suisse (Hong Kong) Limited, Deutsche Bank AG, Hong Kong Branch and ICEA Capital Limited pursuant to which Kuwait Investment Authority agreed to subscribe for our H shares in the amount of HK\$ 5,600,000,000;
- (ff) a placing agreement dated September 21, 2006 among us, Gavast Estates Limited, Mr. Chen Din Hwa, Merrill Lynch, Pierce, Fenner & Smith Incorporated, China International Capital Corporation Limited, Credit Suisse (Hong Kong) Limited, Deutsche Bank AG, Hong Kong Branch and ICEA Capital Limited pursuant to which Gavast Estates Limited agreed to subscribe for our H shares in the amount of HK\$1,440,000,000. Mr. Chen Din Hwa has entered into the placing agreement as the controlling shareholder of Gavast Estates Limited;
- (gg) a placing agreement dated September 21, 2006 among us, Gentfull Investment Limited, Ms. Chen Wai Wai, Vivien, Merrill Lynch, Pierce, Fenner & Smith Incorporated, China International Capital Corporation Limited, Credit Suisse (Hong Kong) Limited, Deutsche Bank AG, Hong Kong Branch and ICEA Capital Limited pursuant to which Gentfull Investment Limited agreed to subscribe for our H shares in the amount of HK\$160,000,000. Ms. Chen Wai Wai has entered into the placing agreement as the controlling shareholder of Gentfull Investment Limited;
- (hh) a placing agreement dated September 21, 2006 among us, Qatar Investment Authority, Merrill Lynch, Pierce, Fenner & Smith Incorporated, China International Capital Corporation Limited, Credit Suisse (Hong Kong) Limited, Deutsche Bank AG, Hong Kong Branch and ICEA Capital Limited pursuant to which Qatar Investment Authority agreed to subscribe for our H shares in the amount of HK\$1,600,000,000;
- (ii) a placing agreement dated September 21, 2006 among us, Joylight Limited, Winlead Limited, Merrill Lynch, Pierce, Fenner & Smith Incorporated, China International Capital Corporation Limited, Credit Suisse (Hong Kong) Limited, Deutsche Bank AG, Hong Kong Branch and ICEA Capital Limited pursuant to which Joylight Limited agreed to subscribe for our H shares in the amount of HK\$800,000,000. Winlead Limited has entered into the placing agreement as the controlling shareholder of Joylight Limited;
- (jj) a placing agreement dated September 21, 2006 among us, Rupert International Limited, Kerrisdale Company Limited, Merrill Lynch, Pierce, Fenner & Smith Incorporated, China International Capital Corporation Limited, Credit Suisse (Hong Kong) Limited, Deutsche Bank AG, Hong Kong Branch and ICEA Capital Limited pursuant to which Rupert International Limited agreed to subscribe for our H shares in the amount of HK\$800,000,000. Kerrisdale Company Limited has entered into the placing agreement as the controlling shareholder of Rupert International Limited;
- (kk) a placing agreement dated September 21, 2006 among us, United Overseas Bank Limited, Merrill Lynch, Pierce, Fenner & Smith Incorporated, China International Capital Corporation Limited, Credit Suisse (Hong Kong) Limited, Deutsche Bank AG, Hong Kong Branch and ICEA Capital Limited pursuant to which United Overseas Bank Limited agreed to subscribe for our H shares in the amount of HK\$1,600,000,000.
- (ll) a placing agreement dated October 5, 2006 among us, Bright Palace Investments Limited, East Advance Investments Limited, Hero Honour Investments Limited and United Develop Investments Limited, Mr. Woo Kwong Ching, Merrill Lynch, Pierce, Fenner & Smith Incorporated, China International Capital Corporation Limited, Credit Suisse (Hong

Kong) Limited, Deutsche Bank AG, Hong Kong Branch and ICEA Capital Limited pursuant to which Bright Palace Investments Limited, East Advance Investments Limited, Hero Honour Investments Limited and United Develop Investments Limited agreed to subscribe for our H shares in the total amount of HK\$1,600,000,000. Mr. Woo Kwong Ching has entered into the agreement as the controlling shareholder of Bright Palace Investments Limited, East Advance Investments Limited, Hero Honour Investments Limited and United Develop Investments Limited; and

(mm) the Hong Kong underwriting agreement dated October 13, 2006 and entered into between us, the Joint Sponsors, the Joint Bookrunners and the Hong Kong underwriters. See “Underwriting” for details.

B. Intellectual Property

(a) As at the Latest Practicable Date, we are the registered owner of the following material patents:

<u>Patent</u>	<u>Patent Number</u>	<u>Certificate Number</u>	<u>Type</u>	<u>Expiry Date</u>
Devices for the handling of bank cards with dual accounts	02245724.0	546452	Utility Model	August 15, 2012
Devices for the establishment of ciphercodes and authentication with USBKEY by e-banks	200420000949.3	668828	Utility Model	January 08, 2014
A real time system of checks for payment	200420003390.X	690725	Utility Model	February 05, 2014
An early warning real-time ATM terminal problem detection device	200420009939.6	740909	Utility Model	December 09, 2014
A counterfeit prevention device for bills	200520000614.6	772169	Utility Model	January 18, 2015

(b) As at the Latest Practicable Date, we have filed applications for the following material patents:

<u>Patent</u>	<u>Application Number</u>	<u>Type</u>	<u>Application Date</u>
Devices and methods for the handling of bank cards with dual accounts	02125742.6	Invention	August 15, 2002
Devices and methods for the establishment of cipher codes and authentication with USBKEY by e-banks	200410028723.9	Invention	March 15, 2004
A real time method and system for payment of checks	200410039539.4	Invention	February 05, 2004
Decompression devices and equipment for writing & reading compressed intelligence cards	200410068997.0	Utility Model	July 15, 2004
Cashiers, card servers and data transmission system	200410054613.X	Invention	July 22, 2004
Intelligence terminals, including the system and methods of data exchanges of such terminals	200410071040.1	Invention	July 27, 2004
A communication method and system based on unreal lines between the clients and the bank’s network	200410070782.2	Invention	July 26, 2004
A kind of method and system based on the network and used for the handling of data about the group users’ funds	200410055104.9	Invention	August 04, 2004
A self-service bill issuing method and system	200410062321.0	Invention	July 01, 2004
A method and system for the financial e-bills	200410062689.7	Invention	August 06, 2004
A method and system for self-service payment	200410055163.6	Invention	August 09, 2004

<u>Patent</u>	<u>Application Number</u>	<u>Type</u>	<u>Application Date</u>
A method and system for the uniform authentication based on networks	200410070910.3	Invention	July 13, 2004
An automatic software testing system based on scripts interpretation tools	200410086041.3	Invention	October 22, 2004
Terminals and servers	200410077867.3	Invention	September 16, 2004
A dynamic cipher codes establishment devices and their password authentication methods	200410074253.x	Invention	September 08, 2003
An early warning real-time ATM terminal problem detection device	200410078302.7	Invention	September 23, 2004
An auxiliary method and system for the safety of the computers	200410080825.5	Invention	October 09, 2004
A card data transaction system and method for the purpose of making payment through networks	200410009985.0	Invention	December 09, 2004
A method and system used for the identification of RMB category	93111635.X	Invention	July 31, 1993
A signing method with numbers	96117110.3	Invention	September 25, 1996
Comprehensive network system for tax payment by way of credit cards	98110868.7	Invention	May 20, 1998
Emulation method and system for customer terminals, servers and character terminals	200510080373.5	Invention	July 04, 2005
A method and system that develop phonetics user interface	200510012109.8	Invention	July 07, 2005
An electronic allocation system and method for bank transfer based on the networks	200510088854.0	Invention	July 29, 2005
A method and system that extends the external equipments	200510102547.3	Invention	September 08, 2005
A wireless payment-making devices that can prevent explosion	200520118576.4	Utility Model	September 09, 2005
A method and system for intercity authorization	200510098380.8	Invention	September 09, 2005
A compatible and general method and system for making payment	200510115831.4	Invention	November 09, 2005
System and method for the upgrade of software versions in the distributed business system	200510086847.7	Invention	November 10, 2005
System and method for the centralized management and scheduling of mass operations	200510123210.0	Invention	November 15, 2005
A method for making payments through agreement on the Internet	200510135468.2	Invention	December 27, 2005
Parallel handling of mass operations	200610000403.1	Invention	January 05, 2006

(c) As at the Latest Practicable Date, we are the registered owner of the following material trademarks:

Name	Class (Note)	Place of registration	Registration Date	Expiry Date	Registration Number
 中国工商银行 INDUSTRIAL AND COMMERCIAL BANK OF CHINA	36	PRC	March 07, 1999	March 06, 2009	1253831
 ICBC					
中国工商银行	36	PRC	March 07, 1999	March 06, 2009	1253830
 中国工商银行(亚洲) ICBC (Asia)	36	Hong Kong	April 26, 2004	October 09, 2009	2004B05382
 ⁽¹⁾	36	PRC	October 21, 1994	October 20, 2014	770116
	36	U.S.A	January 23, 2001	January 23, 2011	2422493
	36	Singapore	July 18, 1997	July 18, 2007	8860/97
	36	Korea	October 28, 1998	October 28, 2008	48651
	36	Japan	September 27, 1998	September 27, 2008	4254753
	36	Macau	July 07, 2004	July 07, 2011	N/013318
	36	Madrid International Registration ⁽²⁾	March 05, 2004	March 05, 2014	826389
ICBC	36	PRC	February 07, 1998	February 06, 2008	1149829
ICBC	36	Singapore	July 18, 1997	July 18, 2007	T97/08659G
ICBC	36	Korea	November 10, 1998	November 10, 2008	49297
ICBC	36	Macau	July 07, 2004	July 07, 2011	N/013317
ICBC	36	Madrid International Registration ⁽³⁾	March 05, 2004	March 05, 2014	826388

(1) As set out in the approval document issued by the Trademark Office of the State Administration for Industry & Commerce on December 30, 2005, this trademark has been designed as a famous trademark.

(2) Places of registration include the United States, Australia, Luxemburg, Germany, Kazakhstan, England and Russia.

(3) Places of registration include Luxemburg, Germany, Kazakhstan, England and Russia.

<u>Name</u>	<u>Class (Note)</u>	<u>Place of registration</u>	<u>Registration Date</u>	<u>Expiry Date</u>	<u>Registration Number</u>
ICBC	36	Hong Kong	June 16, 1997	October 05, 2016	1997B06436
	36	PRC	October 14, 1994	October 13, 2014	769578
95588	36	PRC	July 21, 2004	July 20, 2014	3306794
	36	PRC	July 21, 2004	July 20, 2014	3306790
	36	PRC	July 21, 2004	July 20, 2014	3306791

Note:

Class 36—Insurance, Finance, Monetary Issues, Real Estate Issues This class includes monetary and financial services provided by financial and monetary institutions, namely: (i) services provided by banks, foreign exchange brokers and settlement institutions; (ii) services provided by credit cooperatives, private financial companies, lenders, etc; (iii) services of investment trusts; (iv) services provided by stock and property brokers; (v) services related to the monetary business guaranteed by credit agents; (vi) services related to the issue of travellers' cheques and letters of credit; (vii) services provided by real estate administrators in relation to agents or brokers and services provided to the insured and the insurer; (viii) services related to insurance, including services provided by insurance agents or brokers and services provided to the insured and the insurer.

(d) As at the Latest Practicable Date, we have filed applications for the following material trademarks:

<u>Name</u>	<u>Class (Note)</u>	<u>Place of Application</u>	<u>Application Date</u>	<u>Application Number</u>
	1-45	PRC	June 28, 2004	N/A ⁽¹⁾
	36	Indonesia	March 09, 2004	J0020040600006049
ICBC	1-45	PRC	June 28, 2004	N/A ⁽¹⁾
ICBC	36	Indonesia	March 09, 2004	J0020040599906048
工行	1-45	PRC	June 25, 2004	N/A ⁽¹⁾
工银	1-8, 10-45	PRC	June 25, 2004	N/A ⁽²⁾
中国工商银行	9	PRC	June 24, 2004	4138511
e时代	36	PRC	July 21, 2004	4180564
幸福之家	36	PRC	May 13, 2005	4655178
幸福快车	36	PRC	May 13, 2005	4655177
U盾	36	PRC	August 24, 2005	4855594
	36	PRC	June 03, 2005	4698071
	36	PRC	June 03, 2005	4698068

(1) There are in total 45 separate application numbers.

(2) There are in total 44 separate application numbers.

(e) As at the Latest Practicable Date, we are the registered owner of the following material domain names:

<u>Domain name</u>	<u>Registration Date</u>	<u>Expiration Date</u>
icbc.com.cn	October 17, 2001	October 17, 2007
95588.com.cn	December 7, 1999	December 7, 2007
icbc-ltd.com	July 07, 2005	July 07, 2007
icbcasia.com	July 19, 2000	July 19, 2009
icea.com.hk	July 21, 2003	July 21, 2008

(f) As at the Latest Practicable Date, we are using the following material technologies:

<u>Name</u>	<u>Nature/Main Function</u>	<u>Applicable Business Area</u>	<u>Self-Developed</u>	<u>Remarks</u>
ICBC next generation Internet-banking system	A new generation of Internet-banking system, which is in line with the development trends of international financial business and the competition requirements of domestic commercial banks. It consists of such sub-systems as corporate Internet-banking, personal Internet-banking, payment of e-commerce on line, bank-enterprise interlink, internal administration and gateway websites.	e-banking business	Yes	First prize for Financial Scientific & Technological Progress, 2004
ICBC real-time clearance system	A platform of real-time payment and clearance business processing in RMB, combining remittance, settlement and clearance in one, which not only covers such businesses as the remittance of the funds settled all over the bank, the allocation and borrowing & lending of the internal funds, but also satisfies the needs for the funds settlement of various off-the-counter intra-city businesses within the business system.	The fields of bank clearance business	Yes	Second prize for Financial Scientific & Technological Progress, 2005

<u>Name</u>	<u>Nature/Main Function</u>	<u>Applicable Business Area</u>	<u>Self-Developed</u>	<u>Remarks</u>
ICBC asset management system	A system incorporating such credit and non-credit assets as credits, bills, funds transaction and trade financing, etc., and such businesses as trust agency and loan-transfer etc. in a uniform platform for business management and risk control. It is an important component of the all-function banking system of ICBC.	The business of bank assets management	Yes	Second prize for Financial Scientific & Technological Progress, 2005
ICBC system of uniform quotation and centralized exposure-covering for foreign exchange transactions	A system covering business controlling, quotation and exchange rates, exposures, exposure-covering, accounts clearance and collation between businesses, etc. so as to realize the automatic processing of the foreign exchange business and the clearance of accounts in the order of outlets-sub branches-branches-provincial branches-head office.	The business of bank assets management	Yes	Second prize for Financial Scientific & Technological Progress, 2005
ICBC parameter management system	A set of management and computer application system which is in line with the development trends of future parameter management. It may not only realize the business collation rules & regulations and systems, but also fending off of the internally-controlled operational risks to the letter therein.	The business of bank assets management	Yes	Second prize for Financial Scientific & Technological Progress, 2005

(g) As at the Latest Practicable Date, we are the registered owner of the following material copyrights:

<u>Computer Software Name</u>	<u>Registration Number</u>	<u>Method of Acquisition</u>	<u>Scope of Right</u>	<u>Initial Publication Time</u>	<u>Registration Time</u>
Applicable software of international settlement business processing for the international settlement system (upgrade)	2005SR07058	Original acquisition	Entire right	February 21, 2005	July 01, 2005
Applicable software for international card business of the international card system	2005SR07667	Original acquisition	Entire right	February 21, 2005	July 14, 2005
Software of intermediary business platform for the intermediary business system (upgrade)	2005SR07668	Original acquisition	Entire right	February 21, 2005	July 14, 2005
Applicable software of foreign exchange transactions for the financial market system	2005SR07669	Original acquisition	Entire right	February 21, 2005	July 14, 2005
Applicable software of business processing of documentation centre for the international settlement system	2005SR09061	Original acquisition	Entire right	February 21, 2005	August 12, 2005
Applicable software of personal gold transactions for the financial market system	2005SR09062	Original acquisition	Entire right	February 21, 2005	August 12, 2005

APPENDIX IX**STATUTORY AND GENERAL INFORMATION**

<u>Computer Software Name</u>	<u>Registration Number</u>	<u>Method of Acquisition</u>	<u>Scope of Right</u>	<u>Initial Publication Time</u>	<u>Registration Time</u>
Applicable software of bank card overdraft account and risk management for the assets management system	2005SR09064	Original acquisition	Entire right	February 21, 2005	August 12, 2005
Applicable software for the depositories of the funds after the customer transaction settlement for the financial e-channel system	2005SR11780	Original acquisition	Entire right	May 23, 2005	September 30, 2005
Applicable software of consolidated external data delivery for the technical support system	2005SR12815	Original acquisition	Entire right	May 30, 2005	October 27, 2005
Applicable software of customer account collation for the business support system	2005SR14142	Original acquisition	Entire right	February 21, 2005	November 24, 2005
Applicable software for the inquiry about the historical detailed data for the backstage system	2005SR14144	Original acquisition	Entire right	June 28, 2005	November 24, 2005
Applicable software of personal housing funds deposits management for the intermediary business system	2006SR02198	Original acquisition	Entire right	August 25, 2005	February 27, 2006
Applicable software of inter-bank payment for the intermediary business system	2006SR02200	Original acquisition	Entire right	December 01, 2005	February 27, 2006

<u>Computer Software Name</u>	<u>Registration Number</u>	<u>Method of Acquisition</u>	<u>Scope of Right</u>	<u>Initial Publication Time</u>	<u>Registration Time</u>
Real-time bill monitoring and controlling system	2006SR02201	Original acquisition	Entire right	May 18, 2003	February 27, 2006
Applicable software for the personal credit management system	2006SR02199	Original acquisition	Entire right	August 26, 2005	February 27, 2006

C. Our Borrowers

Our five largest borrowers accounted for less than 30% of the total balance of the borrowings as at the Latest Practicable Date.

3. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUPERVISORS

A. Particulars of Directors' and Supervisors' Service Contracts

Each of our independent non-executive directors ("INEDs") and external supervisors ("ESs") has entered into a service contract with us for a term of three years beginning on the respective dates of the INEDs' and ESs' appointment and ending on the date of the third annual general meeting following his or her appointment. Our INEDs and ESs are subject to rotation under our articles of association. The service contracts of our INEDs and ESs are subject to termination in accordance with their respective terms. Pursuant to our articles of association, the remuneration of our INEDs and ESs is determined by our shareholders in general meeting.

The contracts do not provide for compensation to our INEDs and ESs in the event of early termination of the contract or any bonus, commission or profit sharing arrangements.

Save as disclosed above, none of our INEDs and ESs has entered or proposes to enter into a service contract with us (other than contracts expiring or determinable by us within one year without the payment of compensation (other than statutory compensation)).

Save as disclosed above, none of our executive directors, non-executive directors or internal supervisors has or is proposed to have a service contract with our Company (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

As of the date of this prospectus, none of our directors has provided personal guarantees in favour of lenders in connection with banking facilities granted to us.

B. Directors' and Supervisors' Remuneration

The aggregate remuneration paid and benefits in kind granted to the directors and supervisors for the year ended December 31, 2005 amounted to approximately RMB1,073,000. See "Appendix I—Notes to Financial Information 7" for details.

Under the arrangements currently in force, the aggregate remuneration payable to, and benefits in kind receivable by, our directors and supervisors for the year ending December 31, 2006 are estimated to be approximately RMB7,650,000.

C. Directors' and Supervisors' Interests and Short Positions in the Share Capital and Debentures of our Company and its Associate Corporations

Immediately following the completion of the Global Offering, none of our directors and Supervisors will have any interest or short position in the shares, underlying shares or debentures of us or any of our associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to us and the Hong Kong Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which will be required to be notified to us and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, in each case once the H shares are listed on the Hong Kong Stock Exchange. For this purpose, the relevant provisions of the SFO will be interpreted as if they applied to our Supervisors.

D. Substantial Shareholders and Persons who have an Interest or Short Position Disclosable under Divisions 2 and 3 of Part XV of the SFO

So far as our directors are aware, immediately following completion of the Global Offering and A Share Offering (but without taking into account the exercise of the over-allotment options or any H shares or A shares which may be taken up under the Global Offering and A Share Offering), the following persons will have interests or short positions in our shares which would fall to be disclosed to us and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

<u>Name</u>	<u>Capacity</u>	<u>Number of shares</u>	<u>Approximate percentage of issued share capital (%)</u>
MOF	Beneficial interest	118,787,977,419	36.2355
Huijin	Beneficial interest	118,787,977,419	36.2355
SSF	Beneficial interest	17,670,237,785	5.3902
Goldman Sachs	Beneficial interest	16,476,014,155	5.0259
Allianz	Corporate interest	6,432,601,015	1.9622
Dresdner	Beneficial interest	6,432,601,015	1.9622

So far as our directors are aware, immediately following completion of the Global Offering and A Share Offering and assuming that the over-allotment option is not exercised, the following parties will be directly or indirectly interested in 10% or more of our subsidiaries' registered capital carrying the right to vote:

<u>Name of interested party</u>	<u>Name of group member</u>	<u>Approximate percentage of shareholding (%)</u>
The Bank of East Asia, Limited	ICEA Finance Holdings Limited	25
Credit Suisse	ICBC Credit Suisse Asset Management Co., Ltd.	25
China Ocean Shipping (Group) Company	ICBC Credit Suisse Asset Management Co., Ltd.	20

4. OTHER INFORMATION

A. Estate Duty

Our directors have been advised that no liability for estate duty under laws of the PRC would be likely to fall upon us, and that Hong Kong does not charge estate duty.

B. Litigation

Save as disclosed in the section headed “Business — Legal and Regulatory” of this prospectus, no member of our group is engaged in any litigation or arbitration of material importance and, so far as the directors are aware, no litigation/arbitration or claim of material importance in relation to us is known to the directors to be pending or threatened against any member of our group.

C. Joint Sponsors

The listing of our H shares on the Hong Kong Stock Exchange is sponsored by China International Capital Corporation (Hong Kong) Limited, ICEA Capital Limited and Merrill Lynch Far East Limited.

China International Capital Corporation (Hong Kong) Limited has declared pursuant to Rule 3A.08 of the Hong Kong Listing Rules that it is independent pursuant to Rule 3A.07 of the Hong Kong Listing Rules.

ICEA Capital Limited is our subsidiary and accordingly is not considered independent pursuant to Rule 3A.07 of the Hong Kong Listing Rules.

Merrill Lynch Far East Limited has declared pursuant to Rule 3A.08 of the Hong Kong Listing Rules that it is independent pursuant to Rule 3A.07 of the Hong Kong Listing Rules.

D. Particulars of the Selling Shareholder

MOF (located at Nansanxiang, Sanlihe, Xicheng District, Beijing, China) is offering 3,539,100,000 H Shares in the Global Offering. Up to an additional 530,865,000 H shares will be sold by MOF if the over-allotment option is exercised in full.

Huijin (located at Level 7, Ping’an Building, Financial Street, Xicheng District, Beijing, China) is offering 3,539,100,000 H shares in the Global Offering. Up to an additional 530,865,000 H shares will be sold by Huijin if the Over-allotment Option is exercised in full.

E. Promoters

The promoters of our Company are the MOF and Huijin. Save as disclosed in the prospectus, within the two years immediately preceding the date of this prospectus, no cash, security or benefit has been paid, allotted or given, or is proposed to be paid, allotted or given to the promoters named above in connection with the Global Offering or the related transactions described in this prospectus.

F. Qualification and Consents of Experts

Each of the Joint Sponsors, Ernst & Young as our independent reporting accountants, Sallmanns (Far East) Limited as our property valuer and King & Wood as our PRC legal advisors have

given and have not withdrawn their respective written consents to the issue of this prospectus with the inclusion of their reports and/or letters and/or valuation certificates and/or the references to their names included herein in the form and context in which they are respectively included.

The qualifications of the parties who have given opinions in this prospectus are as follows:

China International Capital Corporation (Hong Kong) Limited	Deemed licensed under the Securities and Futures Ordinance for type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) as defined under the Securities and Futures Ordinance
ICEA Capital Limited	Licensed under transitional arrangement under the Securities and Futures Ordinance for type 1 (dealing in securities) and type 6 (advising on corporate finance) as defined under the Securities and Futures Ordinance
Merrill Lynch Far East Limited	Deemed licensed under the Securities and Futures Ordinance for type 1 (dealing in securities) and type 6 (advising on corporate finance) as defined under the Securities and Futures Ordinance
Ernst & Young	Certified Public Accountants
King & Wood	PRC legal advisors
Sallmanns (Far East) Limited	Chartered Surveyors and Valuers

G. Binding Effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies Ordinance insofar as applicable.

H. Miscellaneous

- (a) Save as disclosed in this prospectus:
- (i) within the two years preceding the date of this prospectus, no share or loan capital of our Company or any of its subsidiaries has been issued or agreed to be issued fully or partly paid either for cash or for a consideration other than cash;
 - (ii) no share or loan capital of our Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
 - (iii) no founders, management or deferred shares of our Company or any of its subsidiaries have been issued or agreed to be issued; and
 - (iv) our bank does not intend to apply for the status at a Sino-foreign invested joint stock limited company and does not expect to be subject to the PRC Sino-foreign Joint Venture Law;
 - (v) within the two years preceding the date of this prospectus, no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any capital of our Company or any of its subsidiaries.
 - (vi) none of our directors, supervisors or any of the parties listed in paragraph F of this Appendix is interested in our promotion, or in any assets which have, within the two years

immediately preceding the issue of this prospectus, been acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to any member of our group;

- (vii) none of our directors, supervisors or any of the parties listed in paragraph F of this Appendix is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to our business;
 - (viii) no amount or securities or benefit has been paid or allotted or given within the two years preceding the date of this prospectus to our promoter nor is any such securities or amount or benefit intended to be paid or allotted or given;
 - (ix) none of our directors or their respective associates has any interest in our top five borrowers or our top five depositors;
- (b) Our Company has no outstanding convertible debt securities.

I. Employees Representative Supervisors

We have, at present, one employees representative supervisor and do not meet the requirement for having the number of employees representative supervisors constituting at least one-third of the total members of our board of supervisors required under PRC laws. We will make adjustments as soon as possible after listing.

J. Share Appreciation Rights

Under the “Provisional Measures on the Implementation of Share Appreciation Rights by State-controlled Overseas Listed Companies” (“Provisional Measures”), the terms of our share appreciation right scheme should conform with the provisions of the Provisional Measures. According to the Provisional Measures, the total number of share appreciation rights which may be granted during the effective period of the share appreciation rights scheme may not exceed 10 percent of the total issued share capital of the company.

K. Preliminary Expenses

Our preliminary expenses are estimated to be approximately RMB119 million and are payable by us.

L. Exemptions from Hong Kong Companies Ordinance Provisions and Parallel Rules under the Hong Kong Listing Rules

The English language and Chinese language versions of this prospectus are being published separately in reliance upon the exemption provided by Section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

According to the valuation report set out in Appendix V to this prospectus, as of 31 August, 2006, we held 25,424 properties with an aggregate floor area of approximately 25.26 million square meters and 76 properties which are under construction with an aggregate gross floor area of approximately 686,953 square meters upon completion. As of 31 August, 2006, we also rented approximately 7,677 properties with an aggregate floor area of approximately 2.09 million square meters in the PRC, Hong Kong and overseas. Owing to the substantial number of properties involved,

we have applied to the SFC for an exemption and the Hong Kong Stock Exchange for a waiver from strict compliance with certain of the valuation report requirements contained in paragraph 34(2) of the Third Schedule to the Hong Kong Companies Ordinance and Rules 5.01, 5.06 and 19A.27(4) and paragraph 3(a) of Practice Note 16 of the Hong Kong Listing Rules, respectively, on the grounds that:

- (a) it would be unduly burdensome to list all of the properties and show their particulars and values individually in this prospectus and the inclusion of such detailed information would be irrelevant to potential investors in a commercial bank; and
- (b) it would be unduly burdensome to prepare an English translation of the report, as substantially all of the properties are located in the PRC and consequently the underlying valuation and title information is in Chinese.

The exemption has been granted by the SFC under section 342A(1) of the Hong Kong Companies Ordinance, subject to the following conditions:

- (i) a valuation report in the Chinese language complying with all the requirements of paragraph 34 of the Third Schedule to the Companies Ordinance will be made available for inspection in accordance with Appendix X—“Documents Delivered to the Registrar of Companies and Available for Inspection”;
- (ii) the valuer’s letter and the valuer’s certificate containing a summary valuation of all the Group’s property interests be included in this prospectus in the form set out in Appendix V to this prospectus; and
- (iii) this prospectus shall set out particulars of this exemption.

The waiver has been granted by the Hong Kong Stock Exchange from Rules 5.01, 5.06 and 19A.27(4) and paragraph 3(a) of Practice Note 16 of the Hong Kong Listing Rules, subject to the following conditions:

- a full valuation report in Chinese complying with all the requirements under the Listing Rules and paragraph 34 of Part II of the Third Schedule to the Companies Ordinance will be made available for inspection in accordance with Appendix X—“Documents Delivered to the Registrar of Companies and Available for Inspection”;
- a summary valuation of all property interests of us and our subsidiaries, as set out in Appendix V to this prospectus, has been included in this prospectus; and
- we obtain a Certificate of Exemption from the SFC in relation to compliance with relevant requirements under the Companies Ordinance.

M. Joint Compliance Advisors

We have appointed China International Capital Corporation (Hong Kong) Limited and Merrill Lynch Far East Limited as our joint compliance advisors (the “Compliance Advisors”) in compliance with Rule 3A.19 of the Hong Kong Listing Rules.

We have entered into a compliance advisors’ agreement with the Compliance Advisors, the material terms of which are as follows:

- (a) we appoint the Compliance Advisors as our compliance advisors for the purpose of Rule 3A.19 of the Hong Kong Listing Rules for a period commencing on the date of listing of our H shares on the Hong Kong Stock Exchange and ending on the date on which we

comply with Rule 13.46 of the Hong Kong Listing Rules in respect of our financial results for the first full financial year commencing after the date of listing (which, for the avoidance of doubt, shall mean the financial year ending 31 December 2007), or until the agreement is terminated, whichever is earlier;

- (b) the Compliance Advisors shall provide us with services, including guidance and advice as to compliance with the requirements under the Hong Kong Listing Rules and applicable laws, rules, codes, regulations and guidelines, and to act as one of our principal channels of communication with the Hong Kong Stock Exchange; and
- (c) we may terminate the appointment of a Compliance Advisor if the Compliance Advisor's work is of an unacceptable standard or if there is a material dispute (which cannot be resolved within 30 days) over fees payable to the Compliance Advisors as permitted by Rule 3A.26 of the Hong Kong Listing Rules. Each of the Compliance Advisors will have the right to resign or terminate its appointment by service of three months' notice to us.

N. Financial Advisor

We have engaged Lehman Brothers Asia Limited as our financial advisor to provide financial advisory services in relation to the Global Offering. Principal functions performed by our financial advisor include: assisting the Bank in coordinating the work of other professional advisors; reviewing relevant documentation in relation to the Global Offering; and advising the Bank on positioning, valuation and matters related to marketing of the Global Offering including syndicate structuring, road show, and demand and pricing analysis for book building. In addition to acting as financial advisor to the Bank, an affiliate of Lehman Brothers Asia Limited is expected to act as co-lead manager of the International Offering tranche of the Global Offering. The Joint Sponsors have not relied on the work performed by Lehman Brothers Asia Limited in relation to the Global Offering.

O. Joint Bookrunners

As joint bookrunners, Credit Suisse (Hong Kong) Limited and Deutsche Bank AG, Hong Kong Branch are, together with the other Joint Bookrunners, responsible for leading the underwriting syndicate in respect of the Global Offering, and carrying out the marketing "book building" process as well as pricing in respect of the International Offering tranche of the Global Offering.