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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Postal Savings Bank of China Co., Ltd., you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**POSTAL SAVINGS BANK OF CHINA CO., LTD.**

**中國郵政儲蓄銀行股份有限公司**

*(A joint stock limited liability company incorporated in the People's Republic of China)*

**(Stock Code: 1658)**

**(Stock Code of Preference Shares: 4612)**

**REPORT ON THE USE OF PREVIOUSLY RAISED FUNDS  
AUTHORIZATION TO DEAL WITH THE LIABILITY INSURANCE OF  
DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT AFTER A SHARE  
LISTING AND LIABILITY INSURANCE OF THE A SHARE PROSPECTUS  
AMENDMENTS TO THE AUTHORIZATION PLANS OF THE  
SHAREHOLDERS' GENERAL MEETING TO THE BOARD OF DIRECTORS  
AMENDMENTS TO THE RULES OF PROCEDURES OF BOARD MEETINGS  
AND  
SUPPLEMENTAL NOTICE OF THE 2018 ANNUAL GENERAL MEETING**

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This supplemental circular (the “**Supplemental Circular**”) should be read together with the circular of Postal Savings Bank of China Co., Ltd. (the “**Bank**”) published on 12 April 2019 (the “**First Circular**”).

The 2018 Annual General Meeting, the 2019 First Domestic Shareholders' Class Meeting and the 2019 First H Shareholders' Class Meeting will be successively held as originally scheduled at 9:00 a.m. on 30 May 2019 (Thursday) at the head office of the Bank (No. 3 Financial Street, Xicheng District, Beijing). A supplemental notice of the 2018 Annual General Meeting is set out on pages 5 to 7 of this Supplemental Circular.

If you intend to attend the 2018 Annual General Meeting in person or by proxy, you are required to complete the enclosed supplemental proxy form in accordance with the instructions printed thereon and return it not less than 24 hours before the time designated for holding the 2018 Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of the supplemental proxy form will not preclude you from attending and voting at the 2018 Annual General Meeting or any adjourned meeting should you so wish.

Unless otherwise specified, the dates and time contained in this circular are in Hong Kong time.

\* *Postal Savings Bank of China Co., Ltd. is not an authorized institution within the meaning of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorized to carry on banking and/or deposit-taking business in Hong Kong.*

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LETTER FROM THE BOARD OF DIRECTORS

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POSTAL SAVINGS BANK OF CHINA CO., LTD.

中國郵政儲蓄銀行股份有限公司

(A joint stock limited liability company incorporated in the People's Republic of China)

(Stock Code: 1658)

(Stock Code of Preference Shares: 4612)

**Board of Directors:**

*Chairman:*

Mr. Zhang Jinliang (*Non-executive Director*)

*Executive Directors:*

Mr. Zhang Xuewen

Ms. Yao Hong

*Non-executive Directors:*

Mr. Han Wenbo

Mr. Tang Jian

Mr. Liu Yaogong

Mr. Chin Hung I David

Mr. Liu Yue

Mr. Ding Xiangming

**Registered Office:**

No. 3 Financial Street,

Xicheng District,

Beijing

**Principal Place of Business in Hong Kong:**

40th Floor, Sunlight Tower,

No. 248 Queen's Road East,

Wanchai,

Hong Kong

*Independent Non-executive Directors:*

Mr. Ma Weihua

Ms. Bi Zhonghua

Mr. Fu Tingmei

Mr. Gan Peizhong

Mr. Hu Xiang

*To the Shareholders,*

**I. INTRODUCTION**

This supplemental circular (the “**Supplemental Circular**”) should be read together with the circular of Postal Savings Bank of China Co., Ltd. (the “**Bank**”) published on 12 April 2019 (the “**First Circular**”). Unless otherwise indicated, capitalized terms used herein have the same meanings as those defined in the First Circular.

The purpose of this circular is to provide you with the supplemental notice of the 2018 Annual General Meeting and the information on additional resolutions that will be submitted to the 2018 Annual General Meeting for approval, to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the 2018 Annual General Meeting.

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## LETTER FROM THE BOARD OF DIRECTORS

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### II. ADDITIONAL RESOLUTIONS

Ordinary resolutions will be proposed at the 2018 Annual General Meeting to approve additional proposals regarding: (1) Report on the Use of Previously Raised Funds; (2) Authorization to Deal With the Liability Insurance of Directors, Supervisors and Senior Management After A Share Listing and Liability Insurance of the A Share Prospectus; (3) Amendments to the Authorization Plans of the Shareholders' General Meeting to the Board of Directors; and (4) Amendments to the Rules of Procedures of Board Meetings.

#### **Ordinary resolutions:**

##### ***1. Report on the Use of Previously Raised Funds***

In order to meet the requirements for the public offering of the A shares of the Bank, pursuant to the Rules Regarding Report on the Use of Previously Raised Funds (《關於前次募集資金使用情況報告的規定》) issued by the China Securities Regulatory Commission (the “CSRC”), the Bank prepared the Report on the Use of Previously Raised Funds as of 31 December 2018 by Postal Savings Bank of China Co., Ltd. (the “**Report on the Use of Previously Raised Funds**”) after verifying the use of previously raised funds.

The Report on the Use of Previously Raised Funds was considered and approved by the Board of Directors on 25 April 2019. Also, the Board of Directors has delegated China Post Group Corporation, the controlling shareholder of the Bank, to propose an ad hoc proposal, proposing the Report on the Use of Previously Raised Funds to the 2018 Annual General Meeting for consideration and approval. Meanwhile, it is proposed to the shareholders' meeting to authorize the Board, who will in turn delegate the authority to the Chairman of the Board of Directors and the person authorized by him, to provide materials and statements in accordance with the requirements of the regulatory department, and make adjustments based on changes of the laws, regulations, regulatory documents and relevant policies as well as the opinions of the regulatory department. For details of the Report on the Use of Previously Raised Funds, please see “Appendix I – Report on the Use of Previously Raised Funds as of 31 December 2018 by Postal Savings Bank of China Co., Ltd.”.

##### ***2. Authorization to Deal With the Liability Insurance of Directors, Supervisors and Senior Management After A Share Listing and Liability Insurance of the A Share Prospectus***

In view of the Bank's intention to apply for the offering and listing of A Shares, pursuant to the relevant laws and regulations in China and with reference to the industry experience, in order to protect the legitimate interests of directors, supervisors and senior management of the Bank and to manage the risk of performing duties, the Bank intends to maintain the liability insurance with an amount of not more than US\$50 million or equivalent in RMB for the benefits of directors, supervisors and senior management for the risk of performance of their duties as being in office in an A Share listed company, and the liability insurance of the A Share Prospectus with an amount of not exceeding US\$50 million or equivalent in RMB. The total premium of liability insurance of directors, supervisors and senior management and liability insurance of the A Share Prospectus will not exceed US\$800,000 or equivalent in RMB. The term of the liability insurance for directors, supervisors and senior management of A shares will be one year and could be renewed upon expiration year by year. The liability insurance of A Share Prospectus will be individually purchased on one-off basis, and is not required to renew upon its expiration of six-year term.

Matters relating to maintaining the liability insurance of directors, supervisors and senior management after A share listing and liability insurance of the A Share Prospectus have been considered and approved by the Board of Directors on 25 April 2019. Also, the Board of Directors has delegated China Post Group Corporation, the controlling shareholder of the Bank, to propose an ad hoc proposal, proposing the matters relating to maintaining the liability insurance of directors,

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## LETTER FROM THE BOARD OF DIRECTORS

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supervisors and senior management after A share listing and liability insurance of the A Share Prospectus upon the authorization for handling matters regarding the listing of A Shares to the 2018 Annual General Meeting for consideration and approval. Meanwhile, it is proposed to the 2018 Annual General Meeting to authorize the Board, who will in turn delegate the authority to the Chairman (i) to deal with the liability insurance of directors, supervisors and senior management of A Share and liability insurance of the A Share Prospectus without prejudice to the scope of coverage in principle and the total amount of premiums not exceeding US\$800,000 (including but not limited to determination of the insurance procurement method, the insurance company, the insurance amount, insurance premiums and other insurance terms, selection and engagement of insurance brokers or other intermediaries, signing relevant legal documents and handling other matters related to insurance, etc.); (ii) on or before the expiration of the insurance contract, without prejudice to the scope of coverage in principle, the renewal of liability insurance of directors, supervisors and seniors management of A Shares shall be handled in accordance with the principles of reasonableness and fairness; and (iii) the Chairman may then delegate to authorize other persons to individually or jointly purchase and renew the insurance as described above.

### ***3. Amendments to the Authorization Plans of the Shareholders' General Meeting to the Board of Directors***

Pursuant to the laws and regulations and the Articles of Association, the Bank formulated the Authorization Plans of the Shareholders' General Meeting to the Board of Directors in 2016. Based on current needs, in order to further improve the corporate governance mechanism and improve the efficiency of business management, it proposed to make amendments to the Authorization Plans of the Shareholders' General Meeting to the Board of Directors.

The amendments to the Authorization Plans of the Shareholders' General Meeting to the Board of Directors were considered and approved by the Board of Directors on 25 April 2019. Also, the Board of Directors has delegated China Post Group Corporation, the controlling shareholder of the Bank, to propose an ad hoc proposal, proposing the amendments to the Authorization Plans of the Shareholders' General Meeting to the Board of Directors to the 2018 Annual General Meeting for consideration and approval. For details of the amendments to the Authorization Plans, please see "Appendix II – Proposed Amendments to the Authorization Plans of the Shareholders' General Meeting to the Board of Directors".

### ***4. Amendments to the Rules of Procedures of Board Meetings***

Pursuant to the requirements of offering and listing of A Shares of the Bank, as well as *the Corporate Governance Guidelines of Listed Companies (2018 Amendment)*, *the Articles of Association Guidelines of Listed Companies (2019 Amendment)* issued by the CSRC, the regulatory requirements such as *the Guidelines on Consumer Rights Protection for the Banking Industry* (《銀行業消費者權益保護工作指引》) issued by the CBIRC and the regulatory opinions on strengthening the protection of consumer rights and interests, and taking into consideration the actual situation of the renaming and adjustment of the Social Responsibility Committee of the Board of Directors, the Bank made amendments to the Rules of Procedures of Board Meetings of Postal Savings Bank of China Co., Ltd. (the "**Rules of Procedures of Board Meetings**") considered and approved at the 2017 second extraordinary general meeting.

The revised Rules of Procedures of Board Meetings were considered and approved by the Board of Directors on 25 April 2019. Also, the Board of Directors has delegated China Post Group Corporation, the controlling shareholder of the Bank, to propose an ad hoc proposal, proposing the revised Rules of Procedures of Board Meetings to the 2018 Annual General Meeting for consideration and approval. Of which, the amendments to the articles 8(16), 19, 22(6), 26(5) and (6), and 27 of the Rules of Procedures of Board Meetings will be effective from the date on which the approval of the CBIRC is obtained for the Articles of Association considered and approved at the 2019 first

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## LETTER FROM THE BOARD OF DIRECTORS

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extraordinary general meeting. Other revised articles relating to issuance and listing of A Shares will be effective from the date of issuance and listing of A Shares of the Bank after obtaining the approval of the CBIRC for the Articles of Association considered and approved at the 2019 first extraordinary general meeting. Prior to that, the current Rules of Procedures of Board Meetings remains effective.

Meanwhile, it is proposed to the 2018 Annual General Meeting to authorize the Board, who will in turn delegate the authority to the Chairman and the President, to individually or jointly revise and amend the Rules of Procedures of Board Meetings (including but not limited to the modifications and amendments to the wordings, chapters, clauses and conditions precedent etc.) pursuant to the changes of relevant domestic and foreign laws, regulations and other normative documents, and based on the requirements and suggestions of the relevant domestic and overseas governmental entities or regulatory authorities, and the adjustments and modifications to the Articles of Association and the actual situation. For details of the amendments to the Rules of Procedures of Board Meetings, please see “Appendix III – Proposed Amendments to the Rules of Procedures of Board Meetings”.

### III. THE 2018 ANNUAL GENERAL MEETING

A supplemental notice of the 2018 Annual General Meeting is set out on pages 5 to 7 of this Supplemental Circular. The 2018 Annual General Meeting, 2019 First Domestic Shareholders’ Class Meeting and 2019 First H Shareholders’ Class Meeting will be held as originally scheduled at 9:00 a.m. on 30 May 2019 (Thursday) at the head office of the Bank (No. 3 Financial Street, Xicheng District, Beijing).

For details of other resolutions to be considered at the 2018 Annual General Meeting, eligibility for attending the 2018 Annual General Meeting, registration procedures, suspend registration of shares transfer, voting and other relevant matters, please refer to the First Circular issued by the Bank on 12 April 2019 and the Notice of the 2018 Annual General Meeting.

### IV. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, all resolutions proposed at the 2018 Annual General Meeting will be voted by poll.

### V. RECOMMENDATIONS

The Board of Directors considers that the above additional resolutions are in the interests of the Bank and its Shareholders as a whole. As such, the Board of Directors recommends you to vote in favor of such resolutions proposed at the 2018 Annual General Meeting.

Yours faithfully,  
By order of the Board of Directors  
**Postal Savings Bank of China Co., Ltd.**  
**Du Chunye**  
*Joint Company Secretary*

15 May 2019



**POSTAL SAVINGS BANK OF CHINA CO., LTD.**

**中國郵政儲蓄銀行股份有限公司**

*(A joint stock limited liability company incorporated in the People's Republic of China)*

**(Stock Code: 1658)**

**(Stock Code of Preference Shares: 4612)**

**SUPPLEMENTAL NOTICE OF THE 2018 ANNUAL GENERAL MEETING**

**References are made** to the Notice of the 2018 Annual General Meeting of Postal Savings Bank of China Co., Ltd. (the “**Bank**”) dated 12 April 2019 which set out, among other things, resolutions to be considered and approved by the shareholders at the 2018 Annual General Meeting to be convened at the head office of the Bank (No.3 Financial Street, Xicheng District, Beijing) at 9:00 a.m. on 30 May 2019 (Thursday). Unless the context otherwise requires, capitalised terms used in this supplemental notice shall have the same meanings as defined in the circular and supplemental circular of the 2018 Annual General Meeting dated 12 April 2019 and 15 May 2019, respectively.

**SUPPLEMENTAL NOTICE IS HEREBY GIVEN** that the 2018 Annual General Meeting will be held as originally scheduled, to consider and, if thought fit, approve the following resolutions in addition to those as set out in the notice of the 2018 Annual General Meeting of the Bank dated 12 April 2019:

**ORDINARY RESOLUTIONS**

12. To consider and approve the Report on the Use of Previously Raised Funds;
13. To consider and approve the Authorization to Deal with the Liability Insurance of Directors, Supervisors and Senior Management After A Share Listing and Liability Insurance of the A Share Prospectus;
14. To consider and approve the Amendments to the Authorization Plans of the Shareholders' General Meeting to the Board of Directors; and
15. To consider and approve the Amendments to the Rules of Procedures of Board Meetings.

By order of the Board of Directors  
**Postal Savings Bank of China Co., Ltd.**  
**Du Chunye**  
*Joint Company Secretary*

Beijing, PRC  
15 May 2019

*As at the date of this notice, the Board of Directors of the Bank comprises Mr. Zhang Jinliang as Chairman and non-executive Director; Mr. Zhang Xuwen and Ms. Yao Hong as executive Directors; Mr. Han Wenbo, Mr. Tang Jian, Mr. Liu Yaogong, Mr. Chin Hung I David, Mr. Liu Yue and Mr. Ding Xiangming as non-executive Directors; Mr. Ma Weihua, Ms. Bi Zhonghua, Mr. Fu Tingmei, Mr. Gan Peizhong and Mr. Hu Xiang as independent non-executive Directors.*

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## SUPPLEMENTAL NOTICE OF THE 2018 ANNUAL GENERAL MEETING

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- \* *Postal Savings Bank of China Co., Ltd. is not an authorized institution within the meaning of the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), not subject to the supervision of the Hong Kong Monetary Authority, and not authorized to carry on banking and/or deposit-taking business in Hong Kong.*

*Notes:*

1. Save for the inclusion of the newly submitted resolutions, there are no other changes to the resolutions set out in the notice of the 2018 Annual General Meeting dated 12 April 2019. For the details and other matters in relation to other resolutions to be considered at the 2018 Annual General Meeting, please refer to the notice and circular of the 2018 Annual General Meeting of the Bank dated 12 April 2019.
2. Since the form of proxy sent by the Bank together with the circular on 12 April 2019 (the “**First Form of Proxy**”) does not contain the additionally proposed resolutions as set out in this supplemental notice, a supplemental form of proxy (the “**Supplemental Form of Proxy**”) which contains the additionally proposed resolutions mentioned above has been prepared and is enclosed with this supplemental notice. The Supplemental Form of Proxy is applicable to the supplemental resolutions as set out in this supplemental notice, and only supplements the First Form of Proxy. The Supplemental Form of Proxy will not affect the effectiveness of the First Form of Proxy duly completed and submitted to the Bank’s H Share Registrar (for H Shareholders) or the Registered Office of the Bank (for Domestic Shareholders).
3. For the shareholder who has completed and only lodged the effective First Form of Proxy in accordance with the instructions printed thereon, his/her proxy(ies) shall vote for the resolutions as set out in the First Form of Proxy in accordance with your instructions, and he/she shall be entitled to vote for or abstain from voting at his/her discretion for the resolutions as set out in the Supplemental Form of Proxy. Similarly, for the shareholder who has completed and only lodged the effective Supplemental Form of Proxy in accordance with the instructions printed thereon, his/her proxy(ies) shall vote for the resolutions as set out in the Supplemental Form of Proxy, and he/she shall be entitled to vote for or abstain from voting at his/her discretion for the resolutions as set out in the First Form of Proxy. If a shareholder wishes to give particular instructions to his/her proxy(ies) for all the resolutions as set out in both the First Form of Proxy and this Supplemental Form of Proxy, the shareholder shall complete and submit the effective First Form of Proxy and this Supplemental Form of Proxy in accordance with the instructions printed thereon at the same time.
4. For joint holders, only the one whose name stands first in the Register shall be entitled to attend the 2018 Annual General Meeting and vote in respect thereof.
5. Shareholders or their proxies shall present their identity documents when attending the 2018 Annual General Meeting:
  - (1) Corporate shareholders’ legal representatives attending the meeting shall present their valid personal identification, valid documents that can prove their identities as legal representatives and documents proving their shareholder identities; where legal representatives authorize others to attend the meeting, in addition to the aforesaid documents, the proxies shall also present their valid personal identification and the written authorization letters lawfully issued by the legal representatives (including authorizing others to sign). Where corporate shareholders authorize others to attend the meeting, the proxies shall present their valid personal identification, the authorization resolution of the board of directors of corporate shareholders or other decision-making bodies and documents proving shareholder identities.
  - (2) Natural person shareholders attending the meeting in person shall present their valid personal identification and documents proving their shareholder identities; proxies attending the meeting shall present their valid personal identification, the authorization letters from the shareholders and documents proving their shareholder identities.
6. The 2018 Annual General Meeting is expected to last for not more than half a day. Shareholders or their proxies attending the meeting shall be responsible for their own travelling and accommodation expenses.
7. The address of Computershare Hong Kong Investor Services Limited are 17M Floor and Shops 1712-1716, 17/F, Hopewell Center, 183 Queen’s Road East, Wanchai, Hong Kong.



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## SUPPLEMENTAL NOTICE OF THE 2018 ANNUAL GENERAL MEETING

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8. The address of the Bank's Registered Office is No. 3 Financial Street, Xicheng District, Beijing.

Tel.: 86-10-68858158

Fax: 86-10-68858165

9. Unless otherwise specified, the dates and time contained in this notice are in Hong Kong time.

**REPORT ON THE USE OF PREVIOUSLY RAISED FUNDS AS OF 31  
DECEMBER 2018 BY POSTAL SAVINGS BANK OF CHINA CO., LTD.**

The board of directors of Postal Savings Bank of China Co., Ltd. (hereinafter referred to as the “Bank”) has prepared the report on the use of previously raised funds as of 31 December 2018 pursuant to Rules Regarding the Report on the Use of Previously Raised Funds (Zheng Jian Fa Xing Zi [2007] No. 500) (《關於前次募集資金使用情況報告的規定》(證監發行字[2007]500號)) issued by the China Securities Regulatory Commission (hereinafter referred to as “CSRC”).

**I. USE OF PREVIOUSLY RAISED FUNDS****(I) Fundraising of H-share issuance**

Upon approval by the CSRC in the Reply on Approving the Issuance of Overseas Listed Foreign Shares by Postal Savings Bank of China Co., Ltd. (Zheng Jian Xu Ke [2016] No. 1849) (《關於核准中國郵政儲蓄銀行股份有限公司發行境外上市外資股的批覆》(證監許可[2016]1849號)), the Bank completed its initial public offering, issuing not more than 13,922,576,000 overseas listed foreign shares (hereinafter referred to as “H Shares”) to domestic and foreign investors, and the shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited for trading. On 28 September 2016, the Bank completed the initial issuance of 12,106,588,000 H Shares at an issue price of HK\$4.76 per share, with the total proceeds amounted to HK\$57,627,358,880.00 (equivalent to RMB49,552,037,080.15, of which the foreign exchange rate applied to the central parity rate of 0.85987 for converting Hong Kong dollar into RMB published on 28 September 2016 by the China Foreign Exchange Trade System authorized by People’s Bank of China). After deduction of underwriting fee, service fee paid for securities registrar, transaction fee and other listing fees, the net proceeds were RMB48,714,898,258.86. On 27 October 2016, the Bank completed its over-allotment of 319,986,000 H Shares at an issue price of HK\$4.76 per share, with the total proceeds amounted to HK\$1,523,133,360.00 (equivalent to RMB1,330,091,437.95, of which the foreign exchange rate applied to the central parity rate of 0.87326 for converting Hong Kong dollar into RMB published on 27 October 2016 by the China Foreign Exchange Trade System authorized by People’s Bank of China). After deduction of transaction fee, underwriting fee and other listing fees, the net proceeds from issuance of H Shares including initial offering and over-allotment were RMB50,101,999,775.91. The aforesaid funds were deposited into the proceeds account (account number: 012-875-6012372-1) opened by the Bank with Bank of China (Hong Kong) Limited on 28 September 2016 and 27 October 2016, respectively, which were verified by PricewaterhouseCoopers Zhong Tian LLP, Beijing Branch, as stated in respective Capital Verification Reports (PricewaterhouseCoopers Zhong Tian Beijing Yan Zi (2016) No. 135 and PricewaterhouseCoopers Zhong Tian Beijing Yan Zi (2017) No. 046).

**(II) Fundraising of offshore preference share issuance**

Upon approval by the CSRC in the Reply on Approving the Issuance of Offshore Preference Shares by Postal Savings Bank of China Co., Ltd. (Zheng Jian Xu Ke [2017] No.1675) (《關於核准中國郵政儲蓄銀行股份有限公司境外發行優先股的批覆》(證監許可[2017]1675號)), the Bank issued not more than RMB50 billion (equivalent) offshore preference shares. The Bank completed the issuance of 362,500,000 offshore preference shares on 27 September 2017, at an issue price of US\$20 per share. The total proceeds amounted to US\$7,250,000,000.00 (equivalent to RMB47,989,200,000.00, of which the foreign exchange rate applied to the central parity rate of 6.6192 for converting US dollar into RMB published on 27 September 2017 by the China Foreign Exchange Trade System authorized by People’s Bank of China). After deduction of the commissions and expenses relating to the issuance, the net proceeds were RMB47,846,420,187.04. The aforesaid funds were deposited into the proceeds account (account number: 012-875-6012371-8) opened by the

Bank with Bank of China (Hong Kong) Limited on 27 September 2017, which were verified by PricewaterhouseCoopers Zhong Tian LLP, as stated in its Capital Verification Report (PricewaterhouseCoopers Zhong Tian Yan Zi (2017) No. 945).

## **II. ACTUAL STATUS OF THE USE OF PREVIOUSLY RAISED FUNDS**

As of 31 December 2018, the Bank previously raised a total of RMB97,948,419,962.95, which has all been used as replenishment to the Bank's capital. The actual use of funds is consistent with relevant disclosed information in the prospectus for initial public offering and the offering circular in relation to the issuance of the offshore preference shares.

For details of the use of the funds previously raised by the Bank as of 31 December 2018, please refer to the attached Breakdown of the Use of Previously Raised Funds.

## **III. CONCLUSIONS**

- (I) The report has been prepared according to the Rules Regarding the Report on the Use of Previous Raised Funds (Zheng Jian Fa Xing Zi [2007] No. 500) issued by the CSRC.
- (II) The Bank previously raised a total of RMB97,948,419,962.95.
- (III) The funds previous raised by the Bank have all been used as replenishment to the Bank's capital. The actual use of funds is consistent with relevant disclosed information in the prospectus for initial public offering and the offering circular in relation to the issuance of the offshore preference shares.
- (IV) The above raised funds have increased the capital adequacy ratio of the Bank. Due to the particularity of the banking business, the funds raised have been put into operation together with other funds of the Bank, the benefits of which cannot be calculated separately.

## APPENDIX

## BREAKDOWN OF THE USE OF PREVIOUSLY RAISED FUNDS

As at 31 December 2018, the Bank's use of previously raised funds is as follows:

Unit: RMB

Total amount of proceeds: 97,948,419,962.95					Total accumulative amount of proceeds utilized: 97,948,419,962.95					
Total amount of proceeds raised with changes of use: None					Total amount of proceeds used: 2016: 50,101,999,775.91					
Proportion of the total amount of proceeds raised with changes of use: None					2017: 47,846,420,187.04					
					2018: 0					
Investment projects			Total amount of proceeds invested			Accumulative amount of proceeds invested as at 31 December 2018			Date of projects ready for intended use	
No.	Committed investment project	Actual investment project	Committed investment amount before raising funds	Committed investment amount after raising funds	Actual investment amount	Committed investment amount before raising funds	Committed investment amount after raising funds	Actual investment amount	Difference between actual investment amount and committed investment amount after raising funds	
1	Capital Replenishment	Capital Replenishment	97,948,419,962.95	97,948,419,962.95	97,948,419,962.95	97,948,419,962.95	97,948,419,962.95	97,948,419,962.95	0	N/A

COMPARATIVE TABLE OF THE AMENDMENTS TO THE AUTHORIZATION  
PLANS OF THE SHAREHOLDERS' GENERAL MEETING TO THE BOARD  
OF DIRECTORS OF POSTAL SAVINGS BANK OF CHINA CO., LTD.

No.	Existing Articles	Amended Articles
1.	10. Right to Approve External Donations (the first paragraph) The expenditure for a single external donation of not more than RMB8 million shall be subject to the approval of the Board, provided that the total value of all donations in the year shall be not more than RMB10 million plus 0.03% of the Bank's net profit in the previous year (or RMB30 million in total, whichever is lower).	10. Right to Approve External Donations (the first paragraph) The expenditure for a single external donation of not more than RMB8 million shall be subject to the approval of the Board, provided that the total value of all donations in the year shall be not more than RMB <del>10</del> <sup>25</sup> million plus 0.03% of the Bank's net profit in the previous year <del>(or RMB30 million in total, whichever is lower).</del>

**COMPARATIVE TABLE OF THE AMENDMENTS TO THE RULES OF  
PROCEDURES OF BOARD MEETINGS OF POSTAL SAVINGS BANK OF  
CHINA CO., LTD. (2019 REVISED)**

No.	Amended Articles in 2017	Amended Articles in 2019
	<b>CHAPTER II COMPOSITION AND POWERS OF THE BOARD OF DIRECTORS</b>	<b>CHAPTER II COMPOSITION AND POWERS OF THE BOARD OF DIRECTORS</b>
	<b>Section 2 Powers of the Board of Directors</b>	<b>Section 2 Powers of the Board of Directors</b>
1.	<p>Article 8 The Board shall perform the following duties and powers:</p> <p>.....</p> <p>(16) to decide on the establishment of internal departments, tier-one domestic and overseas branches, other branches and divisions directly under the head office and any overseas entities of the Bank;</p> <p>.....</p>	<p>Article 8 The Board shall perform the following duties and powers:</p> <p>.....</p> <p>(16) to decide on the establishment of internal departments <b>of the head office</b>, tier-one domestic and overseas branches, other branches and divisions directly under the head office and any overseas entities <b>of the Bank</b>;</p> <p>.....</p>
	<b>Section 3 Board Committees</b>	<b>Section 3 Board Committees</b>
2.	<p>Article 19 The Board of the Bank has established Strategic Planning Committee, Related Party Transactions Control Committee, Audit Committee, Risk Management Committee, Nomination and Remuneration Committee and Social Responsibility Committee. The Board may also set up other Board committees or adjust the existing committees based on its needs.</p>	<p>Article 19 The Board of the Bank has established Strategic Planning Committee, Related Party Transactions Control Committee, Audit Committee, Risk Management Committee, Nomination and Remuneration Committee and Social Responsibility <b>and Consumer Rights Protection</b> Committee. The Board may also set up other Board committees or adjust the existing committees based on its needs.</p>
3.	<p>Article 21 .....</p> <p>The chairman of each Board committee shall be served by a director, and each Board committee shall consist of not less than three (3) members. The chairman of the Strategic Planning Committee shall be served by the chairman of the Board. The Nomination and Remuneration Committee, Audit Committee and Related Party Transactions Control Committee shall consist of a majority of independent directors and shall be chaired by an independent director.</p>	<p>Article 21 .....</p> <p><del>The chairman of</del> All members of each Board committee shall be <del>served by a director comprised of</del> <b>directors</b>, and each Board committee shall consist of not less than three (3) members. The chairman of the Strategic Planning Committee shall be served by the chairman of the Board. The Nomination and Remuneration Committee, Audit Committee and Related Party Transactions Control Committee shall consist of a majority of independent directors and shall be chaired by an independent director. <b><u>The chairman of the Audit Committee shall be an accounting professional.</u></b></p>
4.	<p>Article 22 The primary duties of the Strategic Planning Committee include:</p> <p>.....</p> <p>(6) reviewing plans for establishment or adjustment of the Bank's internal departments, tier-one branches, direct branches or other direct affiliates, or overseas affiliates, and making recommendations to the Board;</p> <p>.....</p>	<p>Article 22 The primary duties of the Strategic Planning Committee include:</p> <p>.....</p> <p>(6) reviewing plans for establishment or adjustment of the <del>Bank's</del> internal departments <b>of the head office</b>, tier-one <b>domestic and overseas</b> branches, other branches or other direct affiliates, or overseas affiliates, and making recommendations to the Board;</p> <p>.....</p>

No.	Amended Articles in 2017	Amended Articles in 2019
5.	<p>Article 26 The primary duties of the Nomination and Remuneration Committee include:</p> <p>.....</p> <p>(5) developing the measures for duty performance evaluation for directors and performance assessment measures for members of the senior management, as well as compensation measures or plans for directors and members of the senior management to be submitted to the Board for review;</p> <p>(6) organizing duty performance evaluation for directors and performance assessment for members of the senior management, and making recommendations on the compensation distribution for directors and members of the senior management to be submitted to the Board for review;</p> <p>.....</p>	<p>Article 26 The primary duties of the Nomination and Remuneration Committee include:</p> <p>.....</p> <p>(5) developing the measures for duty performance evaluation for directors and performance assessment measures for members of the senior management <b>by the Board</b>, as well as compensation measures or plans for directors and members of the senior management to be submitted to the Board for review;</p> <p>(6) organizing duty performance evaluation for directors and performance assessment for members of the senior management <b>by the Board</b>, and making recommendations on the compensation distribution for directors and members of the senior management to be submitted to the Board for review;</p> <p>.....</p>

No.	Amended Articles in 2017	Amended Articles in 2019
6.	<p>Article 27 the primary duties of the Social Responsibility Committee include:</p> <p>(1) developing the Bank’s social responsibility strategies and policies that are consistent with the Bank’s development strategies and actual situation to be implemented upon submission to and approval by the Board;</p> <p>(2) developing the Bank’s basic management systems for social responsibility to be implemented upon submission to and approval by the Board;</p> <p>(3) supervising, inspecting and evaluating the implementation and effectiveness of the Bank’s strategies, policies, basic management systems, etc., for social responsibility, and making recommendations to the Board; .....</p> <p>(5) supervising and evaluating the comprehensiveness, promptness and effectiveness of the Bank’s consumer protection work as well as the duty performance of the senior management, as authorized by the Board; .....</p>	<p>Article 27 the primary duties of the Social Responsibility <b><u>and Consumer Rights Protection</u></b> Committee include:</p> <p>(1) developing the Bank’s social responsibility <b><u>and consumer rights protection</u></b> strategies, <del>and</del> policies <b><u>and objectives</u></b> that are consistent with the Bank’s development strategies and actual situation to be implemented upon submission to and approval by the Board;</p> <p>(2) developing the Bank’s basic management systems for social responsibility <b><u>and consumer rights protection</u></b> to be implemented upon submission to and approval by the Board;</p> <p>(3) supervising, inspecting and evaluating the implementation and effectiveness of the Bank’s strategies, policies, <b><u>objectives</u></b>, basic management systems, etc., for social responsibility <b><u>and consumer rights protection</u></b>, and making recommendations to the Board; .....</p> <p>(5) <b><u>listening to the senior management’s report on the implementation of consumer rights protection on a regular basis</u></b>, supervising and evaluating the comprehensiveness, promptness and effectiveness of the Bank’s consumer protection work as well as the duty performance of the senior management, <b><u>and disclosing the information relevant to consumer rights protection according to the regulatory requirements</u></b>, as authorized by the Board; .....</p>

Note: The amendments above are further made based on the Rules of Procedures of Board Meeting approved at the 2017 second extraordinary general meeting.