
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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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This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Bank.

**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)****ISSUANCE OF WRITE-DOWN UNDATED CAPITAL BONDS
AND
SUPPLEMENTAL NOTICE OF THE 2019 ANNUAL GENERAL MEETING**

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 14 April, 2020 (the “**First Circular**”).

The 2019 Annual General Meeting will be held as originally scheduled at 2:30 p.m. on Thursday, 28 May, 2020 at the head office of the Bank (No. 3 Financial Street, Xicheng District, Beijing). A supplemental notice of the 2019 Annual General Meeting is set out on pages 5 to 6 of this Supplemental Circular.

If you intend to attend the 2019 Annual General Meeting by proxy, you are required to complete the enclosed supplemental proxy form in accordance with the instructions printed thereon and return it to Computershare Hong Kong Investor Services Limited (17M Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong) by hand or by post not less than 24 hours before the time designated for holding the 2019 Annual General Meeting or any adjournment thereof. Completion and return of the supplemental proxy form will not preclude you from attending and voting in person at the 2019 Annual General Meeting or any adjournment thereof.

Unless otherwise specified, the dates and time contained in this Supplemental 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.*

14 May, 2020

CONTENTS

	<i>Page</i>
Letter from the Board of Directors	1
Supplemental Notice of the 2019 Annual General Meeting	5

LETTER FROM THE BOARD OF DIRECTORS



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 and Non-executive Director:

Mr. Zhang Jinliang

Executive Directors:

Mr. Guo Xinshuang

Mr. Zhang Xuewen

Ms. Yao Hong

Non-executive Directors:

Mr. Han Wenbo

Mr. Liu Yaogong

Mr. Liu Yue

Mr. Ding Xiangming

Independent Non-executive Directors:

Mr. Fu Tingmei

Mr. Wen Tiejun

Mr. Chung Shui Ming Timpson

Mr. Hu Xiang

Ms. Pan Yingli

Registered Office:

No. 3 Financial Street,

Xicheng District,

Beijing, PRC

Principal Place of Business in Hong Kong:

40th Floor, Sunlight Tower,

No. 248 Queen's Road East

Wanchai,

Hong Kong

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 14 April, 2020 (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 Supplemental Circular is to provide you with the supplemental notice of the 2019 Annual General Meeting and the information on additional resolution that will be submitted to the 2019 Annual General Meeting for approval, to enable you to make an informed decision on whether to vote for or against the resolution at the 2019 Annual General Meeting.

II. ADDITIONAL RESOLUTION

A special resolution will be proposed at the 2019 Annual General Meeting to approve the additional proposal regarding: (11) the Issuance of Write-down Undated Capital Bonds.

LETTER FROM THE BOARD OF DIRECTORS

Special Resolution:

11. Issuance of Write-down Undated Capital Bonds

In order to further improve capital strength, optimize capital structure and enhance the Bank's ability of risk offsetting and achieve sustainable development, the Bank proposed to issue the write-down undated capital bonds, the details of which are as follows.

I. Major terms of proposed issuance

The Bank shall issue the write-down undated capital bonds in accordance with the following terms and conditions, upon the approval by relevant regulatory authorities:

(I) Total issuance amount

Not more than RMB60 billion (including RMB60 billion) or equivalent in foreign currencies.

(II) Type of capital instruments

The write-down undated capital bonds, which meet the relevant requirements as stipulated in the Capital Rules for Commercial Banks (Provisional), and can be used to replenish the capital of commercial banks.

(III) Target markets

Domestic and overseas markets.

(IV) Tenor

The bonds will continue to be outstanding so long as the Bank's business continues to operate.

(V) Means of loss absorption

Upon the occurrence of triggering events as specified in the issuance documents, the loss shall be absorbed through a write-down mechanism.

(VI) Interest rate

To be determined with reference to the market interest rates.

(VII) Use of proceeds

To replenish additional Tier 1 capital of the Bank.

(VIII) Term of validity of the resolution

From the date of approval at the Shareholders' General Meeting to 31 December, 2022.

LETTER FROM THE BOARD OF DIRECTORS

II. *Relevant authorization*

- (I) In order to ensure the successful issuance of the write-down undated capital bonds, it is proposed that the Shareholders' General Meeting authorizes the Board of Directors, who will delegate the authority to the Chairman and the President of the Bank, solely or jointly, to exercise full power and to deal with the matters in connection with the issuance of write-down undated capital bonds, pursuant to the rules and approval requirements promulgated by relevant regulatory authorities, under the framework and principles as deliberated on and approved at the Shareholders' General Meeting and within the validity period of the authorization for the issuance of write-down undated capital bonds, including but not limited to:
1. The determination of the specific conditions and terms on the issuance of the write-down undated capital bonds, including but not limited to the issuance time, issuance methods, tranche, amounts of issuance, issuance currencies, issuance interest rates, bonds maturity, issuance markets and targets, and use of proceeds, etc.;
 2. All matters related to the issuance of write-down undated capital bonds, including but not limited to the modification, signing, execution of all agreements, contracts and documents related to the issuance of write-down undated capital bonds, engagement of agencies, handling the approval procedures of relevant regulatory authorities, etc.;
 3. Such authorization shall be valid from the date of approval of the issuance of write-down undated capital bonds at the Shareholders' General Meeting to 31 December, 2022.
- (II) It is proposed to the Shareholders' General Meeting to authorize the Board of Directors, who will in turn delegate the authority to the Chairman and the President of the Bank, solely or jointly, to exercise full power to deal with all the related matters such as coupon payment, redemption and write-down, pursuant to the rules and approval requirements promulgated by relevant regulatory authorities within the term of write-down undated capital bonds.

The proposal of the Issuance of Write-down Undated Capital Bonds has been deliberated on and approved by the Board of Directors on 28 April, 2020, and is now submitted to the Annual General Meeting for Shareholders' deliberation and approval.

III. **THE 2019 ANNUAL GENERAL MEETING**

A supplemental notice of the 2019 Annual General Meeting is set out on pages 5 to 6 of this Supplemental Circular. The 2019 Annual General Meeting will be held as originally scheduled at 2:30 p.m. on Thursday, 28 May, 2020 at the head office of the Bank (No. 3 Financial Street, Xicheng District, Beijing).

For details of other resolutions to be deliberated on at the 2019 Annual General Meeting, eligibility for attending the 2019 Annual General Meeting, registration procedures, suspend registration of shares transfer, voting and other relevant matters, please refer to the First Circular and the Notice of the 2019 Annual General Meeting issued by the Bank on 14 April, 2020.

LETTER FROM THE BOARD OF DIRECTORS

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 2019 Annual General Meeting will be voted by poll.

V. RECOMMENDATIONS

The Board of Directors considers that the above additional resolution is 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 resolution proposed at the 2019 Annual General Meeting.

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

14 May, 2020

SUPPLEMENTAL NOTICE OF THE 2019 ANNUAL GENERAL MEETING



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 2019 ANNUAL GENERAL MEETING

References are made to the notice of the 2019 Annual General Meeting of Postal Savings Bank of China Co., Ltd. (the “**Bank**”) dated 14 April, 2020 which set out, among other things, resolutions to be considered and approved by the Shareholders at the 2019 Annual General Meeting to be convened at the head office of the Bank (No.3 Financial Street, Xicheng District, Beijing) at 2:30 p.m. on Thursday, 28 May, 2020.

SUPPLEMENTAL NOTICE IS HEREBY GIVEN that the 2019 Annual General Meeting will be held as originally scheduled, to consider and, if thought fit, approve the following resolution in addition to those as set out in the notice of the 2019 Annual General Meeting of the Bank dated 14 April, 2020:

SPECIAL RESOLUTION

11. To consider and approve the Issuance of Write-down Undated Capital Bonds.

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

Beijing, PRC
14 May, 2020

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. Guo Xinshuang, Mr. Zhang Xuwen and Ms. Yao Hong as Executive Directors; Mr. Han Wenbo, Mr. Liu Yaogong, Mr. Liu Yue and Mr. Ding Xiangming as Non-executive Directors; Mr. Fu Tingmei, Mr. Wen Tiejun, Mr. Chung Shui Ming Timpson, Mr. Hu Xiang and Ms. Pan Yingli as Independent Non-executive Directors.

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Notes:

1. For the details and other matters in relation to other resolutions to be considered at the 2019 Annual General Meeting, please refer to the notice and circular of the 2019 Annual General Meeting of the Bank dated 14 April, 2020. Please note that, “2019 Work Report of Independent Directors of Postal Savings Bank of China Co., Ltd.”, “Report on the Implementation of the Plan on Authorization of the Shareholders’ General Meeting to the Board of Directors of Postal Savings Bank of China Co., Ltd. in 2019” and “Report on the 2019 Special Report on Connected Transactions of Postal Savings Bank of China Co., Ltd.”, which were original numbered 11, 12 and 13, respectively, in the notice of the 2019 Annual General Meeting, shall be numbered as 12, 13 and 14, respectively.

SUPPLEMENTAL NOTICE OF THE 2019 ANNUAL GENERAL MEETING

2. Since the form of proxy sent by the Bank together with the circular on 14 April, 2020 (the “**First Form of Proxy**”) does not contain the additionally proposed resolution as set out in this supplemental notice, a supplemental form of proxy (the “**Supplemental Form of Proxy**”) which contains the additionally proposed resolution mentioned above has been prepared and is enclosed with this supplemental notice. The Supplemental Form of Proxy is applicable to the supplemental resolution 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.
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 resolution 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 resolution 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 2019 Annual General Meeting and vote in respect thereof.
5. Shareholders or their proxies shall present their identity documents when attending the 2019 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. According to the Articles of Association of the Bank, if the number of shares of the Bank pledged by the shareholder is equal to or exceeds 50% of the shares held by such shareholder in the Bank, the voting right attached to the pledged shares may not be exercised at the shareholders’ meeting. Upon completion of the share pledge registration, the shareholder shall timely provide the Bank with information relating to the share pledge.
7. The 2019 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.
8. 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.
9. The address of the Bank’s Registered Office is No. 3 Financial Street, Xicheng District, Beijing.

Tel.: 86-10-68858158

Fax: 86-10-68858165
10. Unless otherwise specified, the dates and time contained in this supplemental notice are in Hong Kong time.