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中原銀行股份有限公司*
ZHONGYUAN BANK CO., LTD.*

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

(Stock Code of H Shares: 1216)

(Stock Code of Preference Shares: 4617)

PROPOSED ISSUANCE OF UNDATED CAPITAL BONDS

The board (the “**Board**”) of directors (the “**Directors**”) of Zhongyuan Bank Co., Ltd. (the “**Bank**”) is pleased to announce that, on 5 August 2022, the Board has approved the proposed issuance of undated capital bonds (the “**Proposed Issuance of Bonds**”). The details of the Proposed Issuance of Bonds are set out below.

PROPOSED ISSUANCE OF UNDATED CAPITAL BONDS

In order to further improve Bank’s capital strength, optimize capital structure, enrich tier-one capital replenishment tools, enhance its ability of risk-offsetting and achieve sustainable development, the Bank proposed to issue write-down undated capital bonds, the details of such proposal are as follows:

Details of the proposal

- (1) **Size and means of issuance:** Not more than RMB30 billion (inclusive of RMB30 billion); applications for and issuance of undated capital bonds can take place in installments depending on capital needs, market conditions and regulatory requirements;
- (2) **Type of capital instruments:** The write-down undated capital bonds which satisfy the relevant requirements under the Capital Rules for Commercial Banks (Provisional) (《商業銀行資本管理辦法(試行)》) and the Guiding Opinions on Commercial Banks’ Innovation in Capital Instruments (Revision) (《關於商業銀行資本工具創新的指導意見(修訂)》), and can be used to replenish additional tier-one capital of commercial banks;
- (3) **Target market:** Domestic market;
- (4) **Maturity of bonds:** The maturity period of the bonds shall be consistent with the duration of the Bank’s ongoing operation;
- (5) **Means of loss absorption:** Upon the occurrence of the triggering events specified in the issuing document(s), losses will be absorbed by means of write-down;
- (6) **Interest rate:** To be determined based on the market interest rates;

- (7) **Use of proceeds:** To replenish the Bank’s other tier-one capital;
- (8) **Validity term of the resolution:** Valid for a period of 36 months, commencing from the date of approval of the issuance of undated capital bonds at the general meeting.

Authorization contents

The proposal in relation to the issuance of undated capital bonds will be made at the general meeting to authorize the Board, which shall in turn authorize the operation management of the Bank to handle the specific matters and procedures related to the issuance of undated capital bonds in accordance with the operation of the Bank under the framework and principles considered and approved by the shareholders of the Bank (the “**Shareholders**”) at the general meeting, including but not limited to:

- 1. The determination of the specific conditions and terms on the issuance of write-down undated capital bonds, including but not limited to the application tranche, issuance tranche, issuance time, means of issuance, size of issuance, issuance currencies, issuance interest rates, target issuance markets, etc.; and
- 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 of approval procedures of relevant regulatory authorities, etc.

The valid period of the above authorization is 36 months commencing from the date of approval by the Shareholders of the issuance of undated capital bonds at the general meeting. The issuance proposal shall be reported to the relevant regulatory authorities including the China Banking and Insurance Regulatory Commission Henan Office and the People’s Bank of China for approval(s), where the final approved proposal shall prevail.

GENERAL

Relevant resolution(s) will be proposed at the general meeting for the Shareholders to consider and approve, if thought fit, among other things, matters in respect of the issue of undated capital bonds.

A circular containing information on the proposed issue of undated capital bonds will be dispatched to the Shareholders in due course.

The completion of the proposed issuance of undated capital bonds is subject to the satisfaction of certain conditions precedent, including but not limited to the approvals from the Shareholders and relevant regulatory authorities, and such conditions may or may not be satisfied. There is no assurance that the Bank will continue to issue undated capital bonds. Shareholders and potential investors of the Bank should exercise caution when they deal or contemplate dealing in the Shares or other securities (if any) of the Bank.

By Order of the Board
Zhongyuan Bank Co., Ltd.*
XU Nuojin
Chairman

Zhengzhou, the PRC
August 5, 2022

As at the date of this announcement, the Board comprises Mr. XU Nuojin, Mr. WANG Jiong and Mr. LI Yulin as executive Directors, Ms. ZHANG Qiuyun and Mr. MI Hongjun as non-executive Directors, and Ms. PANG Hong, Mr. LI Hongchang, Mr. JIA Tingyu and Mr. CHAN Ngai Sang Kenny as independent non-executive Directors.

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