
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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**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)

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2023 WORK REPORT OF THE BOARD OF SUPERVISORS
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PROFIT DISTRIBUTION PLAN FOR 2023
RELEVANT ARRANGEMENT FOR 2024 INTERIM PROFIT DISTRIBUTION
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AND
NOTICE OF THE 2023 ANNUAL GENERAL MEETING
INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT BOARD COMMITTEE
AND THE INDEPENDENT SHAREHOLDERS

ALTUS CAPITAL LIMITED

Postal Savings Bank of China Co., Ltd. will convene the AGM at 10:00 a.m. on Friday, June 28, 2024 on-site at Block A, Jinjia Plaza, No. 6 Financial Street, Xicheng District, Beijing. The letter from the Board of Directors is set out on pages 5 to 45 of this circular. The notice of the AGM is set out on pages 46 to 49 of this circular.

Whether or not you are able to attend the AGM, you are advised to read the notice of the AGM. If you intend to appoint a proxy to attend the AGM, you are required to complete and return the enclosed proxy form in accordance with the instructions printed thereon. The proxy form should be returned to Computershare Hong Kong Investor Services Limited (17M Floor, Hopewell Center, 183 Queen's Road East, Wan Chai, Hong Kong) for H Shareholders, in any event served by hand or by post not less than 24 hours before the time designated for holding the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish.

* 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.

June 7, 2024

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DEFINITIONS

In this circular, unless the context otherwise requires, the following terms and expressions have the following meanings:

“A Share(s)”	ordinary share(s) in the share capital of the Bank with a nominal value of RMB1.00 each, which is (are) subscribed for and traded in RMB and listed on the Shanghai Stock Exchange
“AGM”	the 2023 annual general meeting to be convened by the Bank at 10:00 a.m. on Friday, June 28, 2024 on-site at Block A, Jinjia Plaza, No. 6 Financial Street, Xicheng District, Beijing
“Altus Capital” or “Independent Financial Adviser”	Altus Capital Limited, a corporation licensed to carry on Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Transfer
“Articles of Association”	the Articles of Association of Postal Savings Bank of China Co., Ltd., as amended, supplemented or otherwise modified from time to time
“Asset Management Contract”	the Asset Management Contract Relating to CR Yuanta Runying No. 2 Special Asset Management Plan (華潤元大資產潤盈2號專項資產管理計劃資產管理合同) entered into between the Bank (as the trustor) and CR Yuanta Asset Management Co., Ltd. (深圳華潤元大資產管理有限公司) (as the manager)
“Asset Management Plan Beneficial Interest Transfer Agreement”	the asset management plan beneficial interest transfer agreement entered into between the Bank and China Post Capital in relation to the transfer of the Beneficial Interest of the Target Asset Management Plan
“Bank/PSBC/Postal Savings Bank of China”	Postal Savings Bank of China Co., Ltd., a joint stock limited liability company incorporated in the PRC in accordance with PRC laws, including its predecessors, branches and sub-branches, directly-operated outlets and agency outlets (to the extent of agency outlets’ operations, risk management and licenses in relation to agency banking businesses they conduct) and subsidiaries (where the context so requires)

DEFINITIONS

“Beneficial Interest of the Target Asset Management Plan”	all the beneficial interest of the asset management plan enjoyed by the Bank under the Asset Management Contract
“Beneficial Interest of the Target Trusts”	all the beneficial interest of the Target Trusts enjoyed by the Bank under the Trust Contracts
“Board” or “Board of Directors”	the board of directors of the Bank
“Board of Supervisors”	the board of supervisors of the Bank
“China Post Group”	China Post Group Co., Ltd., a wholly state-owned company restructured from the former China Post Group Corporation in accordance with the Company Law of the People’s Republic of China, is the controlling Shareholder of the Bank
“China Post Capital”	China Post Capital Management Co., Ltd., a wholly-owned subsidiary of China Post Group
“Director(s)”	the director(s) of the Bank
“H Share(s)”	ordinary share(s) in the share capital of the Bank with a nominal value of RMB1.00 each, which is (are) subscribed for and traded in Hong Kong dollars and listed on the Hong Kong Stock Exchange
“H Shareholder(s)”	holder(s) of H Shares
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Board Committee”	the independent board committee comprising Mr. Wen Tiejun, Mr. Chung Shui Ming Timpson, Mr. Hu Xiang, Ms. Pan Yingli and Mr. Tang Zhihong, the Independent Non-executive Directors
“Independent Non-executive Director(s)” or “Independent Director(s)”	the independent non-executive director(s) of the Bank

DEFINITIONS

“Independent Valuers”	independent valuers, being Vocation (Beijing) International Assets Appraisal Co., Ltd. (沃克森(北京)國際資產評估有限公司), Chungrui Worldunion Assets Appraisal Group Co., Ltd. (中瑞世聯資產評估集團有限公司), Guozhonglian Asset Valuation and Land and Real Estate Appraisal Co., Ltd. (國眾聯資產評估土地房地產估價有限公司), Beijing Pan-China Assets Appraisal Co., Ltd. (北京天健興業資產評估有限公司) and China Enterprise Appraisals Co., Ltd. (北京中企華資產評估有限責任公司)
“Latest Practicable Date”	June 4, 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Ministry of Finance” or “MOF”	Ministry of Finance of the PRC
“Non-executive Director(s)”	the non-executive director(s) of the Bank
“Sannong”	agriculture, rural areas and rural residents
“Share(s)” or “Ordinary Share(s)”	the A Share(s) and H Share(s) of the Bank
“Shareholder(s)”	holder(s) of Shares of the Bank
“SSE”	Shanghai Stock Exchange
“Supervisor(s)”	the supervisor(s) of the Bank
“Target Asset Management Plan” or “Asset Management Plan”	the asset management plan established under the Asset Management Contract
“Target Trusts” or “Trusts”	the trust schemes established under the Trust Contracts
“Transfer”	the Bank intends to transfer the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan to China Post Capital pursuant to the Trust Beneficial Interest Transfer Agreements and the Asset Management Plan Beneficial Interest Transfer Agreement
“Trust Beneficial Interest Transfer Agreements”	a series of trust beneficial interest transfer agreements entered into between the Bank and China Post Capital in relation to the transfer of the Beneficial Interest of the Target Trusts

DEFINITIONS

“Trust Contracts”	a series of trust contracts entered into between the Bank (as the beneficiary of the trust) and the trustee of the trust, including the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1) (《建信信託-梧桐樹集合資金信託計劃資產配置類5號投資單元1期信託合同》), the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) (《建信信託-梧桐樹集合資金信託計劃資產配置類5號投資單元2期信託合同》), the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit (《建信信託-梧桐樹集合資金信託計劃資產配置類15號投資單元信託合同》), the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit (《建信信託-梧桐樹集合資金信託計劃資產配置類20號投資單元信託合同》), the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit (《建信信託-梧桐樹集合資金信託計劃資產配置類26號投資單元信託合同》), the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit (《建信信託-梧桐樹集合資金信託計劃資產配置類28號投資單元信託合同》), the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit (《建信信託-梧桐樹集合資金信託計劃資產配置類29號投資單元信託合同》), the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit (《建信信託-梧桐樹集合資金信託計劃資產配置類31號投資單元信託合同》) with CCB Trust Co., Ltd. (建信信託有限責任公司) (as the trustee of the trust) and the Trust Contract Relating to the CR Trust • Runying No. 15 Collective Fund Trust Scheme (《華潤信託•潤盈15號集合資金信託計劃信託合同》) with China Resources SZITIC Trust Co., Ltd. (as the trustee of the trust)
“Valuation Benchmark Date”	December 31, 2023
“Valuation Reports”	a series of valuation reports dated May 20, 2024 issued by the Independent Valuers for the valuation of the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan

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)

Board of Directors:

Executive Directors:

Mr. Liu Jianjun (*Acting on behalf
of the Chairman of the Board*)

Ms. Yao Hong

Non-executive Directors:

Mr. Han Wenbo

Mr. Chen Donghao

Mr. Wei Qiang

Mr. Huang Jie

Mr. Liu Yue

Mr. Ding Xiangming

Registered Office:

No. 3 Financial Street,
Xicheng District,
Beijing, PRC

Principal Place of Business in Hong Kong:

40th Floor,
Dah Sing Financial Centre,
No. 248 Queen's Road East,
Wan Chai,
Hong Kong

Independent Non-executive Directors:

Mr. Wen Tiejun

Mr. Chung Shui Ming Timpson

Mr. Hu Xiang

Ms. Pan Yingli

Mr. Tang Zhihong

To the Shareholders:

Dear Sir or Madam,

I. INTRODUCTION

On behalf of the Board of Directors, I would like to invite you to attend the AGM to be convened at 10:00 a.m. on Friday, June 28, 2024 on-site at Block A, Jinjia Plaza, No. 6 Financial Street, Xicheng District, Beijing.

The purpose of this circular is to provide you with the notice of the AGM and all reasonably necessary information to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the AGM.

LETTER FROM THE BOARD OF DIRECTORS

II. MATTERS TO BE CONSIDERED AT THE AGM

Ordinary resolutions which will be proposed at the AGM for approval include: (1) 2023 Work Report of the Board of Directors; (2) 2023 Work Report of the Board of Supervisors; (3) Final Financial Accounts for 2023; (4) Profit Distribution Plan for 2023; (5) Relevant Arrangement for 2024 Interim Profit Distribution; (6) Budget Plan of Fixed Asset Investment for 2024; (7) Re-appointment of Accounting Firms to Provide Interim Review Services for 2024; (8) The Transfer of the Beneficial Interest of the Trusts and the Beneficial Interest of the Asset Management Plan; (9) Amendments to the Measures for Equity Management of Postal Savings Bank of China; (10) Re-election of Mr. Liu Jianjun as an Executive Director of the Bank; (11) Re-election of Ms. Yao Hong as an Executive Director of the Bank; (12) Election of Mr. Liu Xin'an as a Non-executive Director of the Bank; (13) Election of Mr. Zhang Xuanbo as a Non-executive Director of the Bank; (14) Election of Mr. Hu Yuting as a Non-executive Director of the Bank; (15) Re-election of Mr. Ding Xiangming as a Non-executive Director of the Bank; (16) Election of Mr. Yu Mingxiong as a Non-executive Director of the Bank; (17) Election of Mr. Hong Xiaoyuan as an Independent Non-executive Director of the Bank; (18) Directors' Remuneration Settlement Plan for 2022; and (19) Supervisors' Remuneration Settlement Plan for 2022.

Pursuant to the relevant regulatory requirements, the Articles of Association and the Plan on Authorization of the Shareholders' General Meeting to the Board of Directors of Postal Savings Bank of China, 2023 Work Report of Independent Directors of Postal Savings Bank of China Co., Ltd., Report on the 2023 Evaluation of the Substantial Shareholder of Postal Savings Bank of China, 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 2023 and Report on the 2023 Special Report on Related Party Transactions of Postal Savings Bank of China are matters to be reported to the AGM and do not require Shareholders' approval.

1. 2023 Work Report of the Board of Directors

The 2023 Work Report of the Board of Directors was considered and approved by the Board of Directors on March 28, 2024 and is hereby proposed to the AGM for consideration and approval. For details of the Work Report of the Board of Directors, please refer to Appendix I.

2. 2023 Work Report of the Board of Supervisors

The 2023 Work Report of the Board of Supervisors was considered and approved by the Board of Supervisors on March 28, 2024 and is hereby proposed to the AGM for consideration and approval. For details of the Work Report of the Board of Supervisors, please refer to Appendix II.

LETTER FROM THE BOARD OF DIRECTORS

3. Final Financial Accounts for 2023

The Final Financial Accounts for 2023 was considered and approved by the Board of Directors on March 28, 2024 and is hereby proposed to the AGM for consideration and approval. For details of the Final Financial Accounts for 2023, please refer to the annual results announcement published by the Bank on March 28, 2024.

4. Profit Distribution Plan for 2023

Pursuant to relevant laws, regulatory requirements and the audited annual financial statements as of December 31, 2023, the Profit Distribution Plan for 2023 has been formulated as follows:

- (I) RMB8.532 billion will be appropriated as the statutory surplus reserve pursuant to the Company Law of the People's Republic of China.
- (II) RMB22.664 billion will be appropriated as the general risk reserve pursuant to relevant requirements, including the Administrative Measures for Provisioning of Financial Enterprises issued by the Ministry of Finance.
- (III) On the basis of 99,161,076,038 Ordinary Shares of the total share capital of the Bank, RMB25.881 billion (tax included) of cash dividends will be distributed to all ordinary Shareholders whose names appeared on the share register on the record date at RMB2.610 (tax included) per ten Ordinary Shares, accounting for 30% of the net profit attributable to equity holders of the Bank under the consolidated statements.
- (IV) No capital reserve will be converted to increase the share capital of the Bank.

The Profit Distribution Plan for 2023 was considered and approved by the Board of Directors on March 28, 2024 and is hereby proposed to the AGM for consideration and approval.

5. Relevant Arrangement for 2024 Interim Profit Distribution

Pursuant to the provisions of relevant laws and regulatory requirements, the Relevant Arrangement for 2024 Interim Profit Distribution is proposed as follows:

Based on the reviewed financial report for the first half of 2024, after reasonable consideration of current result performance, and subject to the availability of distributable profits for the first half of 2024, the Bank implements the 2024 interim dividend distribution, with the total interim dividend accounting for no higher than 30% of the net profit attributable to equity holders of the Bank under the consolidated statements for the first half of 2024. The amount of distributed interim profit will be taken into consideration when formulating the following 2024 profit distribution plan. The 2024 interim profit distribution plan will be implemented after the fulfillment of corporate governance procedures in accordance with relevant laws and regulations and relevant requirements under the Articles of Association.

The Relevant Arrangement for 2024 Interim Profit Distribution was considered and approved by the Board of Directors on May 30, 2024 and is hereby proposed to the AGM for consideration and approval.

LETTER FROM THE BOARD OF DIRECTORS

6. Budget Plan of Fixed Asset Investment for 2024

To cope with the development strategies of the Bank, the Bank's fixed asset investment in 2024 aims to focus on the "5+1" transformation and development strategy, build and improve major capabilities in six aspects, develop the five differentiated growth poles. It intends to arrange a fixed asset investment budget of RMB13.233 billion, focusing on supporting investment in technology and making every effort to promote digital transformation; improving the intensive operation capability of the Head Office and ensuring the construction investment for the Head Office projects in Hefei and Baodi; and focusing on improving the operation sites of branches and sub-branches in urban areas, supporting the operation and development of branches and sub-branches, and promoting high-quality development of the Bank. In order to realize coordinated management of the fixed asset investment budget for 2024, it is proposed that the Shareholders' general meeting authorizes the Board of Directors and the Board of Directors authorizes the President of the Bank to appropriately allocate and manage the budget within the overall budget, so as to ensure the implementation of the total investment budget.

The Budget Plan of Fixed Asset Investment for 2024 was considered and approved by the Board of Directors on March 28, 2024 and is hereby proposed to the AGM for consideration and approval.

7. Re-appointment of Accounting Firms to Provide Interim Review Services for 2024

The Bank intends to re-appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP and Deloitte Touche Tohmatsu to provide the Bank with professional services such as review of the 2024 interim financial report, with related service fees of RMB8.94 million. Based on the recent market condition, the Bank is considering whether to appoint Deloitte Touche Tohmatsu Certified Public Accountants LLP and Deloitte Touche Tohmatsu to continue to act as annual auditors, and the Bank needs more time to complete the relevant procedures for appointment of annual auditors. Such matter will be considered at a separate extraordinary general meeting and will be disclosed in accordance with the relevant requirements of the Hong Kong Listing Rules in due course.

The proposal on the Re-appointment of Accounting Firms to Provide Interim Review Services for 2024 was considered and approved by the Board of Directors on June 4, 2024 and is hereby proposed to the AGM for consideration and approval.

8. The Transfer of the Beneficial Interest of the Trusts and the Beneficial Interest of the Asset Management Plan

Reference is made to the announcement of the Bank dated June 3, 2024 in relation to, among other things, the Trust Beneficial Interest Transfer Agreements and the Asset Management Plan Beneficial Interest Transfer Agreement entered into between the Bank and China Post Capital, pursuant to which the Bank agreed to transfer and China Post Capital agreed to acquire the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan. The total consideration for the Transfer was RMB51,576,209,500 (subject to the valuation results confirmed by the Ministry of Finance). In case of any adjustments to the consideration for the Transfer according to the valuation results as confirmed by the Ministry of Finance, the Bank will make further announcement(s) accordingly and will comply with the requirements under Chapters 14 and 14A of the Hong Kong Listing Rules (if applicable).

LETTER FROM THE BOARD OF DIRECTORS

A. Transfer of the Beneficial Interest of the Trusts

(I) Trust Beneficial Interest Transfer Agreements

The details of the Trust Beneficial Interest Transfer Agreements are set out below:

Date : June 3, 2024

Contracting Parties : the Bank (as the transferor); and
China Post Capital (as the transferee)

Target of the Transfer	Consideration for the Transfer ¹ and payment	The book value of the Beneficial Interest of the Target Trusts held by the Bank as of December 31, 2023	The appraised value based on cost approach ² as at the Valuation Benchmark Date according to the Valuation Reports	Page numbers of Appendix III to this circular where the valuation details are set out
12,000,000,000.00 collective fund trust beneficial interest units (corresponding principal: RMB12,000,000,000.00) that the Bank is entitled to under the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1) (《建信信託-梧桐樹集合資金信託計劃資產配置類5號投資單元1期信託合同》) and all rights and obligations attached thereto.	RMB13,782,289,200, which shall be paid by China Post Capital in one lump sum to the Bank within 20 business days from the date on which the Trust Beneficial Interest Transfer Agreements take effect.	RMB13,051,929,200	RMB13,782,289,200	Pages 109 to 131

¹ The consideration of each of the transfers under the Trust Beneficial Interest Transfer Agreements is subject to the valuation results confirmed by the Ministry of Finance.

² According to the Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35), the cost approach includes restoration replacement cost method, updating replacement cost method, asset-based method and so on.

LETTER FROM THE BOARD OF DIRECTORS

Target of the Transfer	Consideration for the Transfer and payment	The book value of the Beneficial Interest of the Target Trusts held by the Bank as of December 31, 2023	The appraised value based on cost approach as at the Valuation Benchmark Date according to the Valuation Reports	Page numbers of Appendix III to this circular where the valuation details are set out
30,000,000.00 collective fund trust beneficial interest units (corresponding principal: RMB30,000,000.00) that the Bank is entitled to under the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) (《建信信 託-梧桐樹集合資金信 託計劃資產配置類5號 投資單元2期信託合 同》) and all rights and obligations attached thereto.	RMB37,054,900, which shall be paid by China Post Capital in one lump sum to the Bank within 20 business days from the date on which the Trust Beneficial Interest Transfer Agreements take effect.	RMB33,329,000	RMB37,054,900	Pages 132 to 156

LETTER FROM THE BOARD OF DIRECTORS

Target of the Transfer	Consideration for the Transfer and payment	The book value of the Beneficial Interest of the Target Trusts held by the Bank as of December 31, 2023	The appraised value based on cost approach as at the Valuation Benchmark Date according to the Valuation Reports	Page numbers of Appendix III to this circular where the valuation details are set out
4,814,301,000.00 collective fund trust beneficial interest units (corresponding principal: RMB4,814,301,000.00) that the Bank is entitled to under the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit (《建信信託-梧桐樹集合資金信託計劃資產配置類15號投資單元信託合同》) and all rights and obligations attached thereto.	RMB5,160,008,500, which shall be paid by China Post Capital in one lump sum to the Bank within 20 business days from the date on which the Trust Beneficial Interest Transfer Agreements take effect.	RMB5,377,545,600	RMB5,160,008,500	Pages 157 to 181
4,584,652,690.15 collective fund trust beneficial interest units (corresponding principal: RMB4,584,652,690.15) that the Bank is entitled to under the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit (《建信信託-梧桐樹集合資金信託計劃資產配置類20號投資單元信託合同》) and all rights and obligations attached thereto.	RMB6,174,131,500, which shall be paid by China Post Capital in one lump sum to the Bank within 20 business days from the date on which the Trust Beneficial Interest Transfer Agreements take effect.	RMB6,369,327,400	RMB6,174,131,500	Pages 182 to 209

LETTER FROM THE BOARD OF DIRECTORS

Target of the Transfer	Consideration for the Transfer and payment	The book value of the Beneficial Interest of the Target Trusts held by the Bank as of December 31, 2023	The appraised value based on cost approach as at the Valuation Benchmark Date according to the Valuation Reports	Page numbers of Appendix III to this circular where the valuation details are set out
17,500,000,000.00 collective fund trust beneficial interest units (corresponding principal: RMB17,500,000,000.00) that the Bank is entitled to under the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit (《建信信託-梧桐樹集合資金信託計劃資產配置類26號投資單元信託合同》) and all rights and obligations attached thereto.	RMB19,586,701,100, which shall be paid by China Post Capital in one lump sum to the Bank within 20 business days from the date on which the Trust Beneficial Interest Transfer Agreements take effect.	RMB19,684,981,600	RMB19,586,701,100	Pages 210 to 232
2,001,223,412.28 collective fund trust beneficial interest units (corresponding principal: RMB2,001,223,412.28) that the Bank is entitled to under the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit (《建信信託-梧桐樹集合資金信託計劃資產配置類28號投資單元信託合同》) and all rights and obligations attached thereto.	RMB1,863,484,900, which shall be paid by China Post Capital in one lump sum to the Bank within 20 business days from the date on which the Trust Beneficial Interest Transfer Agreements take effect.	RMB1,989,077,600	RMB1,863,484,900	Pages 233 to 258

LETTER FROM THE BOARD OF DIRECTORS

Target of the Transfer	Consideration for the Transfer and payment	The book value of the Beneficial Interest of the Target Trusts held by the Bank as of December 31, 2023	The appraised value based on cost approach as at the Valuation Benchmark Date according to the Valuation Reports	Page numbers of Appendix III to this circular where the valuation details are set out
424,000,000.00 collective fund trust beneficial interest units (corresponding principal: RMB424,000,000.00) that the Bank is entitled to under the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit (《建信信託-梧桐樹集合資金信託計劃資產配置類29號投資單元信託合同》) and all rights and obligations attached thereto.	RMB402,622,300, which shall be paid by China Post Capital in one lump sum to the Bank within 20 business days from the date on which the Trust Beneficial Interest Transfer Agreements take effect.	RMB391,813,000	RMB402,622,300	Pages 259 to 280

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Target of the Transfer	Consideration for the Transfer and payment	The book value of the Beneficial Interest of the Target Trusts held by the Bank as of December 31, 2023	The appraised value based on cost approach as at the Valuation Benchmark Date according to the Valuation Reports	Page numbers of Appendix III to this circular where the valuation details are set out
1,258,069,649.10 collective fund trust beneficial interest units (corresponding principal: RMB1,258,069,649.10) that the Bank is entitled to under the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit (《建信信託-梧桐樹集合資金信託計劃資產配置類31號投資單元信託合同》) and all rights and obligations attached thereto.	RMB1,654,362,500, which shall be paid by China Post Capital in one lump sum to the Bank within 20 business days from the date on which the Trust Beneficial Interest Transfer Agreements take effect.	RMB1,653,199,200	RMB1,654,362,500	Pages 281 to 304

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Target of the Transfer	Consideration for the Transfer and payment	The book value of the Beneficial Interest of the Target Trusts held by the Bank as of December 31, 2023	The appraised value based on cost approach as at the Valuation Benchmark Date according to the Valuation Reports	Page numbers of Appendix III to this circular where the valuation details are set out
966,799,573.41 collective fund trust beneficial interest units (corresponding principal: RMB966,799,573.41) that the Bank is entitled to under the Trust Contract Relating to the CR Trust • Runying No. 15 Collective Fund Trust Scheme (《華潤信託•潤盈15號集合資金信託計劃信託合同》) and all rights and obligations attached thereto.	RMB2,559,444,200, which shall be paid by China Post Capital in one lump sum to the Bank within 20 business days from the date on which the Trust Beneficial Interest Transfer Agreements take effect.	RMB1,992,147,600	RMB2,559,444,200	Pages 305 to 329

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Basis for Determining the Consideration : The consideration for the transfer of the Beneficial Interest of the Target Trusts is determined based on the appraised value of the Beneficial Interest of the Target Trusts as at the Valuation Benchmark Date.

The Bank has engaged the Independent Valuers to value the Beneficial Interest of the Target Trusts. The appraised value of the Beneficial Interest of the Target Trusts as at the Valuation Benchmark Date is determined using the cost approach, which is considered as the most appropriate approach for the valuation of the Beneficial Interest of the Target Trusts after taking into account the following reasons:

- (1) Analysis of the applicability of the income approach:

Considering that the primary business of the valuation target is financial investment, for which the investment and returns of future projects are unpredictable, the Independent Valuers are unable to make accurate forecasts regarding the investment management scale and investment returns of future projects. Therefore, the income approach is not applicable.

- (2) Analysis of the applicability of the market approach:

Considering the insufficient number of comparable listed companies in the same industry as the valuation targets in China's capital market, the limited availability of market transaction cases in the same industry, and inadequate disclosure of information, the market approach is also not applicable.

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- (3) Analysis of the applicability of the cost approach:

Considering that various types of assets and liabilities entrusted for valuation can be inspected on-site, and sufficient information is available for the valuation and estimation. Therefore, the cost approach is adopted for appraisal of the valuation targets.

A summary of the Valuation Reports is set out in Appendix III, which includes, inter alia, the details of the scope of the valuation, the valuation approaches (including the reasons for the selection), the valuation assumptions and the valuation conclusions.

Based on the Valuation Reports, and taking into account (i) the scope of the valuation; (ii) the reasons for adopting the cost approach for valuation rather than other approaches; and (iii) reasonable and common approaches and assumption adopted by the Independent Valuers for this type of valuation, the Directors (including the Independent Non-executive Directors) are of the view that the valuation conclusions have reflected the value of the Beneficial Interest of the Target Trusts in a fair and reasonable manner, and that the consideration of the Beneficial Interest of the Target Trusts determined based on valuation conclusions is on normal commercial terms, fair, reasonable and in the interests of the Bank and the Shareholders as a whole.

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Condition Precedent : The Trust Beneficial Interest Transfer Agreements shall take effect from the later of the followings:

- (1) the date of consideration and approval at the Shareholders' general meeting of the Bank;
- (2) the date of approval by the superior entity of China Post Capital¹ upon effective decision-making process;
- (3) the date on which the transfer of the Beneficial Interest of the Target Trusts is approved by state-owned assets supervision and administration authorities;
- (4) the date on which the valuation results relating to the transfer of the Beneficial Interest of the Target Trusts are confirmed by the Ministry of Finance.

None of the conditions precedent above could be waived. The Trust Beneficial Interest Transfer Agreements shall take effect upon the fulfillment of all the conditions precedent above. As of the Latest Practicable Date, the condition (2) above had been fulfilled.

Delivery : The Bank and China Post Capital shall, in accordance with the provisions of the transfer of beneficial interest set out in the Trust Contracts, go to the trustee of the Target Trusts to handle the procedures for the transfer of the Beneficial Interest of the Target Trusts within 5 business days from the date of completion of the payment of the consideration for the transfer. Upon the completion of the procedures for the transfer, a written document confirming the transfer of the Beneficial Interest of the Target Trusts shall be issued by the trustee of the Target Trusts.

¹ The superior entity of China Post Capital is China Post Group.

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The delivery of the Beneficial Interest of the Target Trusts is completed (the “**Completion of Delivery**”) when the following conditions are all satisfied:

- (1) the Trust Beneficial Interest Transfer Agreements are established and become effective;
- (2) the payment of the transfer consideration is completed;
- (3) the trustee of the Target Trusts issues a written document confirming the transfer of the Beneficial Interest of the Target Trusts.

**Transition Period
Arrangement**

: The transition period is from January 1, 2024 (inclusive) to the date on which all the deliveries of the Beneficial Interest of the Target Trusts are completed (inclusive). During the transition period, the distributed and undistributed principal, dividends and income arising from the Beneficial Interest of the Target Trusts shall be attributed to China Post Capital, and the Bank shall pay the distributed principal, dividends and income arising from the aforesaid Beneficial Interest of the Target Trusts to the designated account of China Post Capital within the month of Completion of Delivery.

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(II) Information about the Target Trusts and the Beneficial Interest of the Target Trusts

The details of the Target Trusts and the Beneficial Interest of the Target Trusts are set out below:

(1) The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1) (建信信託-梧桐樹集合資金信託計劃資產配置類5號投資單元1期)

The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1) (建信信託-梧桐樹集合資金信託計劃資產配置類5號投資單元1期) was established on March 24, 2016 and shall be due on March 24, 2046. The initial principal of the trust scheme is RMB12 billion, and its trustee is CCB Trust Co., Ltd. (建信信託有限責任公司). There are no other beneficiaries of the trust scheme other than the Bank. The underlying assets of the trust scheme are equity income right corresponding to the capital contribution of RMB12 billion to China Public-Private Partnership Foundation Co., Ltd. (中國政企合作投資基金股份有限公司), which has a registered capital of RMB180 billion and mainly invests in the infrastructure and public services sectors related to the country's stability and people's well-being.

As of December 31, 2023, the book value of the beneficial interest held by the Bank in the trust was RMB13,051,929,200. The followings set out the audited pre-tax and after-tax profits attributable to the beneficial interest of the trust for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>RMB million</i>	For the year ended December 31, 2023 <i>RMB million</i>
Pre-tax profits	455	337
After-tax profits	341	253

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(2) *The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2)* (建信信託-梧桐樹集合資金信託計劃資產配置類5號投資單元2期)

The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) (建信信託-梧桐樹集合資金信託計劃資產配置類5號投資單元2期) was established on June 24, 2016 and shall be due on June 24, 2046. The initial principal of the trust scheme is RMB30 million, and its trustee is CCB Trust Co., Ltd. (建信信託有限責任公司). There are no other beneficiaries of the trust scheme other than the Bank. The underlying assets of the trust scheme are equity income right corresponding to the capital contribution of RMB30 million to China Public-Private Partnership Foundation Management Co., Ltd. (中國政企合作投資基金管理有限責任公司), which has a registered capital of RMB180 million and mainly invests in the infrastructure and public services sectors related to the country's stability and people's well-being.

As of December 31, 2023, the book value of the beneficial interest held by the Bank in the trust was RMB33,329,000. The followings set out the audited pre-tax and after-tax profits (or losses) attributable to the beneficial interest of the trust for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>RMB million</i>	For the year ended December 31, 2023 <i>RMB million</i>
Pre-tax profits/(losses)	1	(2)
After-tax profits/(losses)	1	(2)

(3) *The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit* (建信信託-梧桐樹集合資金信託計劃資產配置類15號投資單元)

The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類15號投資單元) was established on September 6, 2016 and shall be due on August 21, 2029. The initial principal of the trust scheme is RMB4,814.301 million, and its trustee is CCB Trust Co., Ltd. (建信信託有限責任公司). There are no other beneficiaries of the trust scheme other than the Bank. The underlying assets of the trust scheme are equity income rights corresponding to the capital contribution of RMB4,814.301 million to China State-Owned Venture Capital Fund Co., Ltd. (中國國有資本風險投資基金股份有限公司), which has a registered capital of RMB102 billion and mainly invests in, among others, new-generation information technology, intelligent and green manufacturing, space and marine industries, efficient use of resources and ecological protection, smart cities and digital society; advanced

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semiconductors, robots, Internet of Things, intelligent systems, new-generation airborne equipment, space technology integrated service systems, intelligent transportation, energy conservation and environmental protection.

As of December 31, 2023, the book value of the beneficial interest held by the Bank in the trust was RMB5,377,545,600. The followings set out the audited pre-tax and after-tax profits (or losses) attributable to the beneficial interest of the trust for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>RMB million</i>	For the year ended December 31, 2023 <i>RMB million</i>
Pre-tax profits/(losses)	480	(47)
After-tax profits/(losses)	360	(35)

- (4) *The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類20號投資單元)*

The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類20號投資單元) was established on December 21, 2016 and shall be due on September 20, 2027. The initial principal of the trust scheme is RMB5,118.75 million, and its trustee is CCB Trust Co., Ltd. (建信信託有限責任公司). There are no other beneficiaries of the trust scheme other than the Bank. The underlying assets of the trust scheme are limited partnership share income right corresponding to the capital contribution of RMB5,118.75 million to CICC Genesis Emerging Industry Fund of Funds (Limited Partnership) (中金啟元國家新興產業創業投資引導基金(有限合夥)), which has a subscription size of RMB25,768.75 million and mainly invests in innovative enterprises in the preliminary and intermediate stage as well as the start-up stage in the emerging industries to push forward entrepreneurship, innovation and industrial upgrading.

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As of December 31, 2023, the book value of the beneficial interest held by the Bank in the trust was RMB6,369,327,400. The followings set out the audited pre-tax and after-tax profits (or losses) attributable to the beneficial interest of the trust for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>RMB million</i>	For the year ended December 31, 2023 <i>RMB million</i>
Pre-tax (losses)/profits	(708)	1,025
After-tax (losses)/profits	(531)	769

(5) *The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit* (建信信託-梧桐樹集合資金信託計劃資產配置類26號投資單元)

The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類26號投資單元) was established on October 28, 2016 and shall be due on November 20, 2026. The initial principal of the trust scheme is RMB25 billion, and its trustee is CCB Trust Co., Ltd. (建信信託有限責任公司). There are no other beneficiaries of the trust scheme other than the Bank. The underlying assets of the trust scheme are equity income right corresponding to the capital contribution of RMB25 billion to China Structural Reform Fund Corporation Limited (中國國有企業結構調整基金股份有限公司), which has a registered capital of RMB69,178 million and invests 80% of its funds in projects relating to transformation and upgrading of central enterprises and the other 20% in projects with economic returns and social benefits.

As of December 31, 2023, the book value of the beneficial interest held by the Bank in the trust was RMB19,684,981,600. The followings set out the audited pre-tax and after-tax profits attributable to the beneficial interest of the trust for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>RMB million</i>	For the year ended December 31, 2023 <i>RMB million</i>
Pre-tax profits	1,595	367
After-tax profits	1,196	275

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(6) *The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit* (建信信託-梧桐樹集合資金信託計劃資產配置類28號投資單元)

The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類28號投資單元) was established on January 9, 2017 and shall be due on January 8, 2027. The initial principal of the trust scheme is RMB5,625 million, and its trustee is CCB Trust Co., Ltd. (建信信託有限責任公司). There are no other beneficiaries of the trust scheme other than the Bank. The underlying assets of the trust scheme are limited partnership share income right corresponding to the capital contribution of RMB5,625 million to Shenzhen GuoXie Phase I Equity Investment Fund (Limited Partnership) (深圳市國協一期股權投資基金合夥企業(有限合夥)), which has a subscription size of RMB30,009.5 million and mainly invests in, among others, modern logistics industry, urban infrastructure construction, logistics park development, information technology, high-end equipment, intelligent manufacturing and new forms of consumption.

As of December 31, 2023, the book value of the beneficial interest held by the Bank in the trust was RMB1,989,077,600. The followings set out the audited pre-tax and after-tax profits (or losses) attributable to the beneficial interest of the trust for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>RMB million</i>	For the year ended December 31, 2023 <i>RMB million</i>
Pre-tax (losses)/profits	(377)	278
After-tax (losses)/profits	(283)	209

(7) *The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit* (建信信託-梧桐樹集合資金信託計劃資產配置類29號投資單元)

The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類29號投資單元) was established on February 28, 2017 and shall be due on February 27, 2029. The initial principal of the trust scheme is RMB424 million, and its trustee is CCB Trust Co., Ltd. (建信信託有限責任公司). There are no other beneficiaries of the trust scheme other than the Bank. The underlying assets of the trust scheme are equity income right corresponding to

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the capital contribution of RMB424 million to Shenzhen China Merchants Yinhe Equity Investment Fund Management Co., Ltd. (深圳市招商銀和股權投資基金有限公司), which has a registered capital of RMB10 billion and mainly invests in, among others, new-generation information technology, intelligent and green manufacturing, high-end manufacturing, space and marine industries, efficient use of resources and ecological protection, urban development, smart cities and digital society, health technology, finance, modern services and trade.

As of December 31, 2023, the book value of the beneficial interest held by the Bank in the trust was RMB391,813,000. The followings set out the audited pre-tax and after-tax profits (or losses) attributable to the beneficial interest of the trust for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>RMB million</i>	For the year ended December 31, 2023 <i>RMB million</i>
Pre-tax profits/(losses)	19	(13)
After-tax profits/(losses)	14	(10)

(8) *The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類31號投資單元)*

The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類31號投資單元) was established on June 30, 2017 and shall be due on June 30, 2032. The initial principal of the trust scheme is RMB1,380 million, and its trustee is CCB Trust Co., Ltd. (建信信託有限責任公司). There are no other beneficiaries of the trust scheme other than the Bank. The underlying assets of the trust scheme are limited partnership share income right corresponding to the capital contribution of RMB1,380 million to SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership) (國投創合國家新興產業創業投資引導基金(有限合夥)), which has a subscription size of RMB10,343.4 million and mainly invests in, among others, innovative enterprises in the preliminary and intermediate stage as well as the start-up stage in the emerging industries to push forward entrepreneurship, innovation and industrial upgrading.

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As of December 31, 2023, the book value of the beneficial interest held by the Bank in the trust was RMB1,653,199,200. The followings set out the audited pre-tax and after-tax profits attributable to the beneficial interest of the trust for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>RMB million</i>	For the year ended December 31, 2023 <i>RMB million</i>
Pre-tax profits	1,808	214
After-tax profits	1,356	160

(9) *The CR Trust • Runying No. 15 Collective Fund Trust Scheme* (華潤信託•潤盈15號集合資金信託計劃)

The CR Trust • Runying No. 15 Collective Fund Trust Scheme (華潤信託•潤盈15號集合資金信託計劃) was established on December 20, 2016 and shall be due on December 20, 2026. The initial principal of the trust scheme is RMB1,155 million, and its trustee is China Resources SZITIC Trust Co., Ltd. (華潤深國投信託有限公司), of which the share of the Bank is RMB1,154 million while Shenzhen Mangrove Venture Capital Co., Ltd. (深圳紅樹林創業投資有限公司) holds the remaining share of RMB1 million. The underlying assets of the trust scheme are limited partnership share income right corresponding to the capital contribution of RMB1,155 million to SDIC (Shanghai) Technology Achievement Transformation Venture Capital Fund (Limited Partnership) (國投(上海)科技成果轉化創業投資基金(有限合夥)), which has a subscription size of RMB10 billion and mainly invests in strategic goals of national science and technology achievement transformation and national major science and technology projects.

As of December 31, 2023, the book value of the beneficial interest held by the Bank in the trust was RMB1,992,147,600. The followings set out the audited pre-tax and after-tax profits attributable to the beneficial interest of the trust for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>RMB million</i>	For the year ended December 31, 2023 <i>RMB million</i>
Pre-tax profits	337	482
After-tax profits	253	362

For further details of the Target Trusts, please refer to Appendix III.

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B. Transfer of the Beneficial Interest of the Asset Management Plan

(I) Asset Management Plan Beneficial Interest Transfer Agreement

The details of the Asset Management Plan Beneficial Interest Transfer Agreement are set out below:

- Date** : June 3, 2024
- Contracting Parties** : the Bank (as the transferor); and
China Post Capital (as the transferee)
- Target of the Transfer** : 371,077,134.29 asset management plan beneficial interest units (corresponding principal: RMB371,077,134.29) that the Bank is entitled to under the Asset Management Contract.
- Consideration for the Transfer and Payment** : RMB356,110,400 (the consideration for the transfer shall be subject to the valuation results confirmed by the Ministry of Finance), which shall be paid by China Post Capital in one lump sum to the Bank within 20 business days from the date on which the Asset Management Plan Beneficial Interest Transfer Agreement take effect.

As of December 31, 2023, the book value of the beneficial interest held by the Bank in the Asset Management Plan was RMB185,850,100; According to the Valuation Report, the appraised value of the Beneficial Interest of the Target Asset Management Plan as at the Valuation Benchmark Date based on the cost approach was RMB356,110,400. The valuation details are set out on pages 330 to 355 of Appendix III to this circular.

- Basis for Determining the Consideration** : The consideration for the transfer of the Beneficial Interest of the Target Asset Management Plan is determined based on the appraised value of the Beneficial Interest of the Target Asset Management Plan as at the Valuation Benchmark Date.

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The Bank has engaged the Independent Valuers to value the Beneficial Interest of the Target Asset Management Plan. The appraised value of the Beneficial Interest of the Target Asset Management Plan as at the Valuation Benchmark Date is determined using the cost approach, which is considered as the most appropriate approach for the valuation of the Beneficial Interest of the Target Asset Management Plan after taking into account the following reasons:

- (1) Analysis of the applicability of the income approach:

Considering that the primary business of the valuation target is financial investment, for which the investment and returns of future projects are unpredictable, the Independent Valuers are unable to make accurate forecasts regarding the investment management scale and investment returns of future projects. Therefore, the income approach is not applicable.

- (2) Analysis of the applicability of the market approach:

Considering the insufficient number of comparable listed companies in the same industry as the valuation targets in China's capital market, the limited availability of market transaction cases in the same industry, and inadequate disclosure of information, the market approach is also not applicable.

- (3) Analysis of the applicability of the cost approach:

Considering that various types of assets and liabilities entrusted for valuation can be inspected on-site, and sufficient information is available for the valuation and estimation. Therefore, the cost approach is adopted for appraisal of the valuation targets.

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A summary of the Valuation Reports is set out in Appendix III, which includes, inter alia, the details of the scope of the valuation, the valuation approaches (including the reasons for the selection), the valuation assumptions and the valuation conclusions.

Based on the Valuation Reports, and taking into account (i) the scope of the valuation; (ii) the reasons for adopting the cost approach for valuation rather than other approaches; and (iii) reasonable and common approaches and assumption adopted by the Independent Valuers for this type of valuation, the Directors (including the Independent Non-executive Directors) are of the view that the valuation conclusions have reflected the value of the Beneficial Interest of the Target Asset Management Plan in a fair and reasonable manner, and that the consideration of the Beneficial Interest of the Target Asset Management Plan determined based on valuation conclusions is on normal commercial terms, fair, reasonable and in the interests of the Bank and the Shareholders as a whole.

Condition Precedent : The Asset Management Plan Beneficial Interest Transfer Agreement shall take effect from the later of the followings:

- (1) the date of consideration and approval at the Shareholders' general meeting of the Bank;
- (2) the date of approval by the superior entity of China Post Capital¹ upon effective decision-making process;
- (3) the date on which the transfer of the Beneficial Interest of the Target Asset Management Plan is approved by state-owned assets supervision and administration authorities;

¹ The superior entity of China Post Capital is China Post Group.

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- (4) the date on which the valuation results relating to the transfer of the Beneficial Interest of the Target Asset Management Plan are confirmed by the Ministry of Finance.

None of the conditions precedent above could be waived. The Asset Management Plan Beneficial Interest Transfer Agreement shall take effect upon the fulfillment of all the conditions precedent above. As of the Latest Practicable Date, the condition (2) above had been fulfilled.

Delivery : The Bank shall issue a corresponding transfer notice to the manager of the Target Asset Management Plan within 5 business days upon the payment of the consideration for the transfer and request the manager of the Target Asset Management Plan to issue a written document in a timely manner to confirm that the Beneficial Interest of the Target Asset Management Plan has been transferred to China Post Capital.

The delivery of the Beneficial Interest of the Target Asset Management Plan is completed (the “**Completion of Delivery**”) when the following conditions are all satisfied:

- (1) the Asset Management Plan Beneficial Interest Transfer Agreement is established and becomes effective;
- (2) the payment of the transfer consideration is completed;
- (3) the manager of the Target Asset Management Plan issues a written document confirming the transfer of the Beneficial Interest of the Target Asset Management Plan after the Bank issued a transfer notice to the manager of the Target Asset Management Plan.

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Transition Period Arrangement : The transition period is from January 1, 2024 (inclusive) to the date on which all the deliveries of the Beneficial Interest of the Target Asset Management Plan are completed (inclusive). During the transition period, the distributed and undistributed principal, dividends and income arising from the Beneficial Interest of the Target Asset Management Plan shall be attributed to China Post Capital, and the Bank shall pay the distributed principal, dividends and income arising from the aforesaid Beneficial Interest of the Target Asset Management Plan to the designated account of China Post Capital within the month of Completion of Delivery.

(II) Information About the Target Asset Management Plan and the Beneficial Interest of the Target Asset Management Plan

The details of the Target Asset Management Plan and the Beneficial Interest of the Target Asset Management Plan are set out below:

CR Yuanta Runying No. 2 Special Asset Management Plan (華潤元大資產潤盈2號專項資產管理計劃) was established on January 11, 2017 and shall be due on January 11, 2027. The initial principal of the asset management plan is RMB400 million, and its manager is CR Yuanta Asset Management Co., Ltd. (深圳華潤元大資產管理有限公司). There are no other trustors of the asset management plan other than the Bank. The underlying assets of the asset management plan are limited partnership share income right corresponding to the capital contribution of RMB400 million to Infotech National Emerging Industry Venture Investment Guidance Fund (Limited Partnership) (盈富泰克國家新興產業創業投資引導基金(有限合夥)), which has a subscription size of RMB5,600 million and mainly invests in innovative enterprises in the preliminary and intermediate stage as well as the start-up stage in the emerging industries to push forward entrepreneurship, innovation and industrial upgrading.

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As of December 31, 2023, the book value of the beneficial interest held by the Bank in the asset management plan was RMB185,850,100. The followings set out the audited pre-tax and after-tax profits attributable to the beneficial interest of the asset management plan for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>RMB million</i>	For the year ended December 31, 2023 <i>RMB million</i>
Pre-tax profits	251	11
After-tax profits	188	8

For further details of the Target Asset Management Plan, please refer to Appendix III.

C. Financial impacts of the Transfer and use of proceeds

Upon completion of the Transfer, the Bank shall cease to hold the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan. As a result of the Transfer, the Bank expects to recognize gains totalling approximately RMB847,009,200, which is calculated based on the total transfer consideration of the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan of RMB51,576,209,500 minus the book value of the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan as at the Valuation Benchmark Date of RMB50,729,200,300. The details are as follows:

- (1) Upon the transfer of the trust beneficial interest of the Bank under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1) (建信信託-梧桐樹集合資金信託計劃資產配置類5號投資單元1期), the Bank expects to recognize gains of approximately RMB730,360,000, which is calculated based on the transfer consideration of RMB13,782,289,200 minus the book value of the trust beneficial interest as at the Valuation Benchmark Date of RMB13,051,929,200;
- (2) Upon the transfer of the trust beneficial interest of the Bank under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) (建信信託-梧桐樹集合資金信託計劃資產配置類5號投資單元2期), the Bank expects to recognize gains of approximately RMB3,725,900, which is calculated based on the transfer consideration of RMB37,054,900 minus the book value of the trust beneficial interest as at the Valuation Benchmark Date of RMB33,329,000;
- (3) Upon the transfer of the trust beneficial interest of the Bank under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類15號投資單元), the Bank expects to recognize losses of approximately RMB217,537,100, which is calculated based on the transfer consideration of RMB5,160,008,500 minus the book value of the trust beneficial interest as at the Valuation Benchmark Date of RMB5,377,545,600;

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- (4) Upon the transfer of the trust beneficial interest of the Bank under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類20號投資單元), the Bank expects to recognize losses of approximately RMB195,195,900, which is calculated based on the transfer consideration of RMB6,174,131,500 minus the book value of the trust beneficial interest as at the Valuation Benchmark Date of RMB6,369,327,400;
- (5) Upon the transfer of the trust beneficial interest of the Bank under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類26號投資單元), the Bank expects to recognize losses of approximately RMB98,280,500, which is calculated based on the transfer consideration of RMB19,586,701,100 minus the book value of the trust beneficial interest as at the Valuation Benchmark Date of RMB19,684,981,600;
- (6) Upon the transfer of the trust beneficial interest of the Bank under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類28號投資單元), the Bank expects to recognize losses of approximately RMB125,592,700, which is calculated based on the transfer consideration of RMB1,863,484,900 minus the book value of the trust beneficial interest as at the Valuation Benchmark Date of RMB1,989,077,600;
- (7) Upon the transfer of the trust beneficial interest of the Bank under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類29號投資單元), the Bank expects to recognize gains of approximately RMB10,809,300, which is calculated based on the transfer consideration of RMB402,622,300 minus the book value of the trust beneficial interest as at the Valuation Benchmark Date of RMB391,813,000;
- (8) Upon the transfer of the trust beneficial interest of the Bank under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類31號投資單元), the Bank expects to recognize gains of approximately RMB1,163,300, which is calculated based on the transfer consideration of RMB1,654,362,500 minus the book value of the trust beneficial interest as at the Valuation Benchmark Date of RMB1,653,199,200;
- (9) Upon the transfer of the trust beneficial interest of the Bank under the CR Trust • Runying No. 15 Collective Fund Trust Scheme (華潤信託•潤盈15號集合資金信託計劃), the Bank expects to recognize gains of approximately RMB567,296,600, which is calculated based on the transfer consideration of RMB2,559,444,200 minus the book value of the trust beneficial interest as at the Valuation Benchmark Date of RMB1,992,147,600; and

LETTER FROM THE BOARD OF DIRECTORS

- (10) Upon the transfer of the Beneficial Interest of the Target Asset Management Plan, the Bank expects to recognize gains of approximately RMB170,260,300, which is calculated based on the transfer consideration of the Beneficial Interest of the Target Asset Management Plan of RMB356,110,400 minus the book value of the Beneficial Interest of the Target Asset Management Plan as at the Valuation Benchmark Date of RMB185,850,100.

The proceeds from the Transfer will be used to serve the real economy, which means that the proceeds will be used to increase credit supply in key areas and support the business development of the Bank. Through the Transfer, the Bank will further revitalize the existing assets, enhance its credit support capabilities in key areas such as Sannong, consumption, and micro and small-sized enterprises, help build differentiated competitive advantages and achieve high-quality development.

D. Reasons for and benefits of the Transfer

The Bank is committed to high-quality development and continuously advances refined capital management. According to the current capital measurement rules, the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan occupy a relatively large portion of the Bank's capital. In order to revitalize the existing assets, reduce the occupation of capital, and enhance the ability to support the Bank's differentiated credit growth in key areas such as Sannong, consumption, and micro and small-sized enterprises and promote high-quality development, the Bank intends to transfer the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan.

E. Hong Kong Listing Rules implications

China Post Group, as the controlling Shareholder of the Bank, holds approximately 62.78% of the total issued ordinary share capital of the Bank as at the Latest Practicable Date. China Post Capital is a wholly-owned subsidiary of China Post Group and therefore constitutes a connected person of the Bank under Chapter 14A of the Hong Kong Listing Rules, and the transfer of the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan constitutes connected transactions of the Bank under Chapter 14A of the Hong Kong Listing Rules.

Pursuant to Rule 14.22 and Rule 14A.81 of the Hong Kong Listing Rules, if a series of (connected) transactions are all entered into or completed within a 12-month period or are otherwise related, they shall be aggregated and treated as if they were one transaction. As the counterparties of the Transfer are all China Post Capital and the nature of the transactions is the same, the Transfer shall be aggregated.

As the highest applicable percentage ratio of the Transfer in aggregation exceeds 5% but is below 25% as prescribed under Chapter 14 of the Hong Kong Listing Rules, the Transfer constitutes a discloseable transaction of the Bank under Chapter 14 of the Hong Kong Listing Rules, and is subject to annual reporting and announcement requirements under Chapter 14 of the Hong Kong Listing Rules, but is exempted from the shareholders' approval requirements.

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As the highest applicable percentage ratio of the Transfer in aggregation exceeds 5%, the Transfer, as connected transaction of the Bank, is also subject to the annual reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

F. Board confirmation

The Directors (including the Independent Non-executive Directors) believe that though the Transfer was not entered into in the ordinary and usual course of business of the Bank, the terms of the Trust Beneficial Interest Transfer Agreements and the Asset Management Plan Beneficial Interest Transfer Agreement and the transactions contemplated thereunder are on normal commercial terms, fair, reasonable and in the interests of the Bank and the Shareholders as a whole. For the Transfer, except for Directors Liu Jianjun, Yao Hong, Han Wenbo, Chen Donghao and Wei Qiang, none of the Directors has a material interest in the above matters and is required to abstain from voting on the board resolution approving the above matters. The above Directors have abstained from voting on the resolution.

G. Independent Board Committee and the Independent Financial Adviser

An Independent Board Committee comprising all Independent Non-executive Directors has been established to advise the Independent Shareholders on the Transfer. The Independent Financial Adviser has been appointed by the Bank to advise the Independent Board Committee and the Independent Shareholders in relation to the Transfer.

H. General information

The Bank is a leading large-scale retail bank in China with the largest distribution network, customer base and superior asset quality among commercial banks in China. The major businesses of the Bank include personal banking, corporate banking and treasury business.

In accordance with the national regulations, China Post Group conducts diversified operations with postal services, express logistics, finance and e-commerce as its main businesses. China Post Group is principally engaged in domestic and international mail delivery, domestic and international parcel express delivery, distribution of publications such as newspapers, journals and books, stamp issuance, postal remittance, confidential correspondence, postal financial business, postal logistics, e-commerce, postal agency and other businesses conducted as stipulated by the state.

China Post Capital is a wholly-owned subsidiary of China Post Group. As a strategic capital operation platform of China Post Group, China Post Capital focuses on the development strategy of China Post Group and leverage its brand and resource advantages to promote the high-quality development of China Post Group through capital operation and professional investment operation. China Post Capital is principally engaged in internal asset restructuring, introduction of strategic investors, restructuring, strategic mergers and acquisitions, direct equity investment, private equity investment funds, private securities investment funds and other investments.

LETTER FROM THE BOARD OF DIRECTORS

To complete the Transfer in an efficient and orderly manner, it is hereby proposed to the Shareholders' general meeting to authorize the Board to delegate full authority to the Chairman and the President or other persons authorized by the Chairman and the President, to jointly or individually, deal with matters relevant to the Transfer subject to the framework and principles approved at the Shareholders' general meeting and in compliance with the requirements of relevant laws, regulations and normative documents as well as opinions and recommendations of regulatory authorities. The content and scope of the authorization include but are not limited to: to agree to transfer the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan held by the Bank to China Post Capital in one lump sum at the total consideration for transfers of RMB51,576,209,500, which is subject to final adjustment based on the valuation results confirmed by the Ministry of Finance (if needed); and to enter into with relevant parties or issue necessary legal documents and handle other matters related to the Transfer such as specific regulatory filings (if necessary).

The proposal on the Transfer of the Beneficial Interest of the Trusts and the Beneficial Interest of the Asset Management Plan was considered and approved by the Board on May 30, 2024, and is hereby proposed to the AGM for consideration and approval.

9. Amendments to the Measures for Equity Management of Postal Savings Bank of China

In order to further standardize the equity management of the Bank, the Bank intends to amend the Measures for Equity Management of Postal Savings Bank of China in accordance with relevant regulatory requirements.

The Measures for Equity Management of Postal Savings Bank of China is comprised of five chapters: general provisions, equity management, equity pledge, information disclosure and supplementary provisions. The key amendments include: **firstly**, for general provisions chapter, applicable rule basis for original provisions of the Measures, the definition of the substantial shareholder and shareholders' responsibilities are added; **secondly**, for equity management chapter, the Board's responsibilities to evaluate the substantial shareholder are added, and duties of relevant departments are further specified; **thirdly**, for equity pledge chapter, new requirements on pledge made by the substantial shareholder are added; **fourthly**, the supplementary provisions amend the effective conditions and date. For details of the Measures for Equity Management of Postal Savings Bank of China, please refer to Appendix IV.

The proposal on the Amendments to the Measures for Equity Management of Postal Savings Bank of China was considered and approved by the Board on October 27, 2023, and is hereby proposed to the AGM for consideration and approval.

LETTER FROM THE BOARD OF DIRECTORS

10. Re-election of Mr. Liu Jianjun as an Executive Director of the Bank

Reference is made to the announcement of the Bank dated May 30, 2024 in relation to, among others, the proposed re-election of Directors of the Bank. The proposal on the re-election of Mr. Liu Jianjun as the candidate for Executive Director of the Bank was considered and approved by the Board. The term of office of Mr. Liu Jianjun as a Director is three years commencing from the date of the consideration and approval by the Shareholders' general meeting. Mr. Liu Jianjun will not receive remuneration from the Bank. For the biographical details and other relevant information of Mr. Liu Jianjun, please refer to Appendix V.

The proposal on the re-election of Mr. Liu Jianjun as an Executive Director of the Bank was considered and approved by the Board of Directors on May 30, 2024, and the re-election of Mr. Liu Jianjun as an Executive Director of the Bank is hereby proposed to the AGM for consideration and approval.

11. Re-election of Ms. Yao Hong as an Executive Director of the Bank

Reference is made to the announcement of the Bank dated May 30, 2024 in relation to, among others, the proposed re-election of Directors of the Bank. The proposal on the re-election of Ms. Yao Hong as the candidate for Executive Director of the Bank was considered and approved by the Board. The term of office of Ms. Yao Hong as a Director is three years commencing from the date of the consideration and approval by the Shareholders' general meeting. The remuneration of Ms. Yao Hong will be determined in accordance with the Bank's relevant provisions on director remuneration management and based on the assessment results. For details of the remuneration, please refer to the annual report published by the Bank in due course. For the biographical details and other relevant information of Ms. Yao Hong, please refer to Appendix V.

The proposal on the re-election of Ms. Yao Hong as an Executive Director of the Bank was considered and approved by the Board of Directors on May 30, 2024, and the re-election of Ms. Yao Hong as an Executive Director of the Bank is hereby proposed to the AGM for consideration and approval.

12. Election of Mr. Liu Xin'an as a Non-executive Director of the Bank

Reference is made to the announcement of the Bank dated March 28, 2024 in relation to, among others, the proposed nomination of Directors of the Bank. The proposal on the nomination of Mr. Liu Xin'an as the candidate for Non-executive Director of the Bank was considered and approved by the Board. The term of office of Mr. Liu Xin'an as a Director is three years commencing from the date of approval of his qualifications by the National Financial Regulatory Administration. Mr. Liu Xin'an will not receive remuneration from the Bank. For the biographical details and other relevant information of Mr. Liu Xin'an, please refer to Appendix V.

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The proposal on the nomination of Mr. Liu Xin'an as a Non-executive Director of the Bank was considered and approved by the Board of Directors on March 28, 2024, and the election of Mr. Liu Xin'an as a Non-executive Director of the Bank is hereby proposed to the AGM for consideration and approval.

13. Election of Mr. Zhang Xuanbo as a Non-executive Director of the Bank

Reference is made to the announcement of the Bank dated March 28, 2024 in relation to, among others, the proposed nomination of Directors of the Bank. The proposal on the nomination of Mr. Zhang Xuanbo as the candidate for Non-executive Director of the Bank was considered and approved by the Board. The term of office of Mr. Zhang Xuanbo as a Director is three years commencing from the date of approval of his qualifications by the National Financial Regulatory Administration. From the date of Mr. Zhang Xuanbo taking office, Mr. Wei Qiang will no longer perform the duties as a Non-executive Director and a member of the Board committees of the Bank due to the reason of age. Mr. Zhang Xuanbo will not receive remuneration from the Bank. For the biographical details and other relevant information of Mr. Zhang Xuanbo, please refer to Appendix V.

The proposal on the nomination of Mr. Zhang Xuanbo as a Non-executive Director of the Bank was considered and approved by the Board of Directors on March 28, 2024, and the election of Mr. Zhang Xuanbo as a Non-executive Director of the Bank is hereby proposed to the AGM for consideration and approval.

14. Election of Mr. Hu Yuting as a Non-executive Director of the Bank

Reference is made to the announcement of the Bank dated May 30, 2024 in relation to, among others, the proposed nomination of Directors of the Bank. The proposal on the nomination of Mr. Hu Yuting as the candidate for Non-executive Director of the Bank was considered and approved by the Board. The term of office of Mr. Hu Yuting as a Director is three years commencing from the date of approval of his qualifications by the National Financial Regulatory Administration. Mr. Hu Yuting will not receive remuneration from the Bank. For the biographical details and other relevant information of Mr. Hu Yuting, please refer to Appendix V.

The proposal on the nomination of Mr. Hu Yuting as a Non-executive Director of the Bank was considered and approved by the Board of Directors on May 30, 2024, and the election of Mr. Hu Yuting as a Non-executive Director of the Bank is hereby proposed to the AGM for consideration and approval.

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15. Re-election of Mr. Ding Xiangming as a Non-executive Director of the Bank

Reference is made to the announcement of the Bank dated December 28, 2023 in relation to, among others, the proposed re-election of Directors of the Bank. The proposal on the re-election of Mr. Ding Xiangming as the candidate for Non-executive Director of the Bank was considered and approved by the Board. The term of office of Mr. Ding Xiangming as a Director is three years commencing from the date of the consideration and approval by the Shareholders' general meeting. Mr. Ding Xiangming will not receive remuneration from the Bank. For the biographical details and other relevant information of Mr. Ding Xiangming, please refer to Appendix V.

The proposal on the re-election of Mr. Ding Xiangming as a Non-executive Director of the Bank was considered and approved by the Board of Directors on December 28, 2023, and the re-election of Mr. Ding Xiangming as a Non-executive Director of the Bank is hereby proposed to the AGM for consideration and approval.

16. Election of Mr. Yu Mingxiong as a Non-executive Director of the Bank

Reference is made to the announcement of the Bank dated April 29, 2024 in relation to, among others, the proposed nomination of Directors of the Bank. The proposal on the nomination of Mr. Yu Mingxiong as the candidate for Non-executive Director of the Bank was considered and approved by the Board. The term of office of Mr. Yu Mingxiong as a Director is three years commencing from the date of approval of his qualifications by the National Financial Regulatory Administration. From the date of Mr. Yu Mingxiong taking office, Mr. Liu Yue will no longer perform the duties as a Non-executive Director and a member of the Board committees of the Bank due to the expiration of his term of office. Mr. Yu Mingxiong will not receive remuneration from the Bank. For the biographical details and other relevant information of Mr. Yu Mingxiong, please refer to Appendix V.

The proposal on the nomination of Mr. Yu Mingxiong as a Non-executive Director of the Bank was considered and approved by the Board of Directors on April 29, 2024, and the election of Mr. Yu Mingxiong as a Non-executive Director of the Bank is hereby proposed to the AGM for consideration and approval.

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17. Election of Mr. Hong Xiaoyuan as an Independent Non-executive Director of the Bank

Reference is made to the announcement of the Bank dated December 28, 2023 in relation to, among others, the proposed nomination of Directors of the Bank. The proposal on the nomination of Mr. Hong Xiaoyuan as the candidate for Independent Non-executive Director of the Bank was considered and approved by the Board. The term of office of Mr. Hong Xiaoyuan as a Director is three years commencing from the date of approval of his qualifications by the National Financial Regulatory Administration. From the date when Mr. Hong Xiaoyuan assumes office, Mr. Hu Xiang will cease to be an Independent Non-executive Director and the members of the special committees under the Board of the Bank due to the expiration of his term of office for six years. The remuneration of Mr. Hong Xiaoyuan as an Independent Non-executive Director of the Bank shall be implemented in accordance with the relevant resolution of the 2019 Annual General Meeting of Shareholders of the Bank on the Proposal on the Remuneration Adjustment Plan of Independent Non-executive Directors of Postal Savings Bank of China. For details of the remuneration, please refer to the annual report published by the Bank in due course. For the biographical details and other relevant information of Mr. Hong Xiaoyuan, please refer to Appendix V.

The proposal on the nomination of Mr. Hong Xiaoyuan as an Independent Non-executive Director of the Bank was considered and approved by the Board of Directors on December 28, 2023, and the election of Mr. Hong Xiaoyuan as an Independent Non-executive Director of the Bank is hereby proposed to the AGM for consideration and approval.

18. Directors' Remuneration Settlement Plan for 2022

According to the Directors' remuneration plan and the relevant regulations of the Bank, and taking into account the assessment on the performance of Directors, the remuneration settlement plan for the Bank's Directors for 2022 is formulated as follows:

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Unit: RMB10,000

Name	Title	Remuneration payable	Remuneration from the Bank before tax in 2022 Contribution by the employer to social insurance, housing provident fund, enterprise annuity, etc.	Other monetary income	Obtain remuneration from Shareholders' companies or other related parties or not during the tenure in 2022
Liu Jianjun	Executive Director, President	-	-	-	Yes
Yao Hong	Executive Director, Vice President, Chief Risk Officer	164.99	28.21	-	No
Han Wenbo	Non-executive Director	-	-	-	Yes
Chen Donghao	Non-executive Director	-	-	-	Yes
Wei Qiang	Non-executive Director	-	-	-	Yes
Huang Jie	Non-executive Director	-	-	-	-
Liu Yue	Non-executive Director	-	-	-	Yes
Ding Xiangming	Non-executive Director	-	-	-	Yes
Wen Tiejun	Independent Non-executive Director	46.00	-	-	No
Chung Shui Ming Timpson	Independent Non-executive Director	43.00	-	-	No
Hu Xiang	Independent Non-executive Director	44.00	-	-	Yes
Pan Yingli	Independent Non-executive Director	44.00	-	-	No
Tang Zhihong	Independent Non-executive Director	-	-	-	-
Resigned Personnel					
Zhang Jinliang	Former Chairman, Former Non-executive Director	-	-	-	Yes
Zhang Xuewen	Former Executive Director, Former Vice President	195.99	28.12	-	No
Fu Tingmei	Former Independent Non-executive Director	46.00	-	-	No

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Notes:

- (1) The remuneration disclosed in the above table is all pre-tax remuneration payable to Directors of the Bank during 2022 (excluding the performance-based annual remunerations paid in 2022 for the previous years), which includes the amount disclosed in the Bank's 2022 annual report.
- (2) Among the pre-tax remuneration of relevant Directors, the payment of part of performance-based annual remunerations is deferred for a three-year period and the proportion payable each year is one-third of the amount. The Bank will annul part or all of the unpaid amount should any excessive risk exposure emerge within their respective duties during the deferral period in accordance with the severity of the events. In case of serious events, the Bank will reclaim the relevant remuneration that has been paid.
- (3) Mr. Liu Jianjun, Executive Director and President of the Bank, held positions at and received remuneration from China Post Group Corporation Limited, the controlling shareholder of the Bank, and did not receive any remuneration from the Bank in 2022.
- (4) Non-executive Directors Mr. Han Wenbo, Mr. Chen Donghao, Mr. Wei Qiang, Mr. Liu Yue and Mr. Ding Xiangming did not receive remuneration from the Bank in 2022.
- (5) Mr. Huang Jie, who was appointed as a Non-executive Director of the Bank on January 19, 2024, and Mr. Tang Zhihong, who was appointed as an Independent Non-executive Director of the Bank on March 10, 2023, did not receive remuneration from the Bank in 2022.
- (6) Mr. Zhang Jinliang, former Chairman and Non-executive Director of the Bank who has resigned, held positions at and received remuneration from China Post Group Co., Ltd., the controlling Shareholder of the Bank, and did not receive any remuneration from the Bank in 2022.
- (7) Some of the Bank's Independent Non-executive Directors held positions as Independent Non-executive Directors at and received remuneration from other legal entities or organizations. Such circumstance does not constitute the receipt of remuneration from related parties under the regulatory rules of the listing places.
- (8) Please refer to the Bank's periodic reports for the terms of office of the Directors.

The proposal on the Directors' Remuneration Settlement Plan for 2022 was considered and approved by the Board meeting on March 28, 2024, and is hereby proposed to the AGM for consideration and approval.

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19. Supervisors' Remuneration Settlement Plan for 2022

According to the Supervisors' remuneration plan and the relevant regulations of the Bank, and taking into account the assessment on the performance of Supervisors, the remuneration settlement plan for the Supervisors for 2022 is formulated as follows:

Unit: RMB10,000

Name	Title	Remuneration from the Bank before tax in 2022			Obtain remuneration from Shareholders' companies or other related parties or not during the tenure in 2022
		Remuneration payable	Contribution by the employer to social insurance, housing provident fund, enterprise annuity, etc.	Other monetary income	
Chen Yuejun	Chairman of the Board of Supervisors, Shareholder Representative Supervisor	172.83	28.12	-	No
Bai Jianjun	External Supervisor	30.00	-	-	Yes
Chen Shimin	External Supervisor	30.00	-	-	Yes
Li Yue	Employee Supervisor	-	-	-	No
Gu Nannan	Employee Supervisor	-	-	-	No
Resigned Personnel					
Li Yujie	Former Shareholder Representative Supervisor	-	-	-	Yes
Zhao Yongxiang	Former Shareholder Representative Supervisor	-	-	-	Yes
Wu Yu	Former External Supervisor	30.00	-	-	Yes
Bu Dongsheng	Former Employee Supervisor	-	-	-	No

Notes:

- (1) The remuneration disclosed in the above table is all pre-tax remuneration payable to Supervisors of the Bank during 2022 (excluding the performance-based annual remunerations paid in 2022 for the previous years), which includes the amount disclosed in the Bank's 2022 annual report.

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- (2) Among the pre-tax remuneration of Mr. Chen Yuejun, Chairman of the Board of Supervisors and Shareholder Representative Supervisor, the payment of part of performance-based annual remunerations is deferred for a three-year period and the proportion payable each year is one-third of the amount. The Bank will annul part or all of the unpaid amount should any excessive risk exposure emerge within their respective duties during the deferral period in accordance with the severity of the events. In case of serious events, the Bank will reclaim the relevant remuneration that has been paid.
- (3) Employee Supervisors of the Bank did not receive remuneration as Employee Supervisors, and the remuneration due to them as employees of the Bank is not included here.
- (4) Mr. Li Yujie and Mr. Zhao Yongxiang, former Shareholder Representative Supervisor of the Bank who have resigned, did not receive remuneration from the Bank in 2022.
- (5) Mr. Bu Dongsheng, former Employee Supervisor of the Bank who has resigned, did not receive remuneration as Employee Supervisor, and the remuneration due to him as employee of the Bank is not included here.
- (6) Please refer to the Bank's periodic reports for the terms of office of the Supervisors.

The proposal on the Supervisors' Remuneration Settlement Plan for 2022 was considered by the Board of Supervisors on March 28, 2024. As the Supervisors who are not materially interested in the proposal account for less than two-thirds of all Supervisors, the Board of Supervisors agreed to submit the proposal to the Shareholders' general meeting for consideration. The proposal is hereby proposed to the AGM for consideration and approval.

III. THE AGM

Enclosed is the form of proxy for the AGM.

China Post Group and its associates (holding a total of approximately 62.78% of the issued Shares of the Bank as at the Latest Practicable Date) shall abstain from voting on the following proposal at the AGM: (8) To consider and approve the Transfer of the Beneficial Interest of the Trusts and the Beneficial Interest of the Asset Management Plan. Save as disclosed above, to the best of the Directors' knowledge, information and belief, there are no other Shareholders who have any material interest in the above resolutions and are required to abstain from voting on the resolutions at the AGM.

If you intend to appoint a proxy to attend the AGM, you are requested to complete and return the accompanying proxy form in accordance with the instructions printed thereon. H Shareholders shall return the proxy form to Computershare Hong Kong Investor Services Limited located at 17M Floor, Hopewell Center, 183 Queen's Road East, Wan Chai, Hong Kong by hand or by post as soon as possible and in any event not less than 24 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so desire.

LETTER FROM THE BOARD OF DIRECTORS

In order to determine the name list of H Shareholders who are entitled to attend the AGM, the Bank's H Share register of members will be suspended from Tuesday, June 25, 2024 to Friday, June 28, 2024 (both days inclusive). To attend the AGM, H Shareholders shall, before 4:30 p.m. on Monday, June 24, 2024, submit the share certificates and share transfer documents to the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Center, 183 Queen's Road East, Wan Chai, Hong Kong.

IV. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, any vote of Shareholders at a Shareholders' 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 AGM will be voted by poll.

V. RECOMMENDATIONS

The Board considers that all resolutions proposed at the AGM are in the interests of the Bank and its Shareholders as a whole. As such, the Board recommends you to vote in favour of all resolutions to be proposed at the AGM.

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

June 7, 2024

NOTICE OF THE 2023 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)

NOTICE OF THE 2023 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2023 annual general meeting (the “**AGM**”) of Postal Savings Bank of China Co., Ltd. (the “**Bank**”) will be held on-site at Block A, Jinjia Plaza, No. 6 Financial Street, Xicheng District, Beijing at 10:00 a.m. on Friday, June 28, 2024 to deal with the following matters:

ORDINARY RESOLUTIONS

1. To consider and approve the 2023 Work Report of the Board of Directors;
2. To consider and approve the 2023 Work Report of the Board of Supervisors;
3. To consider and approve the Final Financial Accounts for 2023;
4. To consider and approve the Profit Distribution Plan for 2023;
5. To consider and approve the Relevant Arrangement for 2024 Interim Profit Distribution;
6. To consider and approve the Budget Plan of Fixed Asset Investment for 2024;
7. To consider and approve the Re-appointment of Accounting Firms to Provide Interim Review Services for 2024;
8. To consider and approve the Transfer of the Beneficial Interest of the Trusts and the Beneficial Interest of the Asset Management Plan;
9. To consider and approve the Amendments to the Measures for Equity Management of Postal Savings Bank of China;
10. To consider and approve the Re-election of Mr. Liu Jianjun as an Executive Director of the Bank;
11. To consider and approve the Re-election of Ms. Yao Hong as an Executive Director of the Bank;

NOTICE OF THE 2023 ANNUAL GENERAL MEETING

12. To consider and approve the Election of Mr. Liu Xin'an as a Non-executive Director of the Bank;
13. To consider and approve the Election of Mr. Zhang Xuanbo as a Non-executive Director of the Bank;
14. To consider and approve the Election of Mr. Hu Yuting as a Non-executive Director of the Bank;
15. To consider and approve the Re-election of Mr. Ding Xiangming as a Non-executive Director of the Bank;
16. To consider and approve the Election of Mr. Yu Mingxiong as a Non-executive Director of the Bank;
17. To consider and approve the Election of Mr. Hong Xiaoyuan as an Independent Non-executive Director of the Bank;
18. To consider and approve the Directors' Remuneration Settlement Plan for 2022; and
19. To consider and approve the Supervisors' Remuneration Settlement Plan for 2022.

MATTERS TO BE REPORTED

20. 2023 Work Report of Independent Directors of Postal Savings Bank of China;
21. Report on the 2023 Evaluation of the Substantial Shareholder of Postal Savings Bank of China;
22. 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 2023; and
23. Report on the 2023 Special Report on Related Party Transactions of Postal Savings Bank of China.

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

Beijing, the PRC
June 7, 2024

As at the date of this notice, the Board of Directors of the Bank comprises Mr. Liu Jianjun and Ms. Yao Hong as Executive Directors; Mr. Han Wenbo, Mr. Chen Donghao, Mr. Wei Qiang, Mr. Huang Jie, Mr. Liu Yue and Mr. Ding Xiangming as Non-executive Directors; Mr. Wen Tiejun, Mr. Chung Shui Ming Timpson, Mr. Hu Xiang, Ms. Pan Yingli and Mr. Tang Zhihong as Independent Non-executive Directors.

* *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.*

NOTICE OF THE 2023 ANNUAL GENERAL MEETING

Notes:

1. According to the Hong Kong 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 AGM will be voted by poll. After the AGM, relevant voting results will be published on the website of the Bank as well as the disclosure website of Hong Kong Exchanges and Clearing Limited.
2. A Shareholder entitled to attend and vote at the AGM announced to be convened herein is entitled to appoint one or more proxies to attend and, in the event of a poll, vote in his/her stead. A proxy need not be a Shareholder of the Bank.
3. The proxy form together with notarized authorization letters of signatories or other authorization documents (if any) shall be invalid unless they are filled out and returned to the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited not less than 24 hours before the time designated for holding the AGM or any adjournment thereof. The address of Computershare Hong Kong Investor Services Limited is 17M Floor, Hopewell Center, 183 Queen's Road East, Wan Chai, Hong Kong. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish.
4. To determine the name list of H Shareholders entitled to attend the AGM, the Bank will suspend registration of transfer of H Shares from Tuesday, June 25, 2024 to Friday, June 28, 2024 (both days inclusive). To attend the AGM, H Shareholders shall, before 4:30 p.m. on Monday, June 24, 2024, submit the share certificates and share transfer documents to the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Center, 183 Queen's Road East, Wan Chai, Hong Kong.
5. For joint holders, only the one whose name stands first in the Register shall be entitled to attend the AGM and vote in respect thereof.
6. Shareholders or their proxies shall present their identity documents when attending the AGM:
 - (1) Legal representatives of legal entity Shareholders who attend the meeting shall provide their valid personal identification, valid proof of their capacity as legal representatives and proof of identity as a Shareholder; where the legal representatives delegate others to attend the meeting, proxies of the Shareholder shall provide, in addition to the documents above, their valid personal identification and written form of proxy provided by the legal representatives (including those signed by an authorized person) according to laws. Where the other persons are authorized to attend the meeting by the legal entity Shareholders, they shall provide their valid personal identification, resolution of the authorization by the board of directors or other decision-making institution of legal entity Shareholders and proof of identity as a Shareholder.
 - (2) Natural person Shareholders who attend the meeting in person shall provide their valid personal identification and proof of identity as a Shareholder; where others are delegated to attend the meeting, proxies of Shareholders shall provide their valid personal identification, letters of attorney from the Shareholders and proof of the identity of their principal as Shareholders.
7. If the AGM considers and approves the Profit Distribution Plan for 2023, the Bank is expected to distribute 2023 dividends to A Shareholders and H Shareholders on Thursday, July 11, 2024 and Thursday, August 8, 2024, respectively. To determine the name list of H Shareholders entitled to receive 2023 dividends, the Bank will suspend registration of transfer of H Shares from Friday, July 5, 2024 to Wednesday, July 10, 2024 (both days inclusive). Shareholders whose names appear on the register of members of H Shares of the Bank after closing of trading on Wednesday, July 10, 2024 are entitled to receive 2023 dividends. Unregistered H Shareholders of the Bank who wish to qualify for the entitlement to the cash dividends proposed to be distributed for 2023 are required to submit the share certificates and share transfer documents to the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Center, 183 Queen's Road East, Wan Chai, Hong Kong before 4:30 p.m. on Thursday, July 4, 2024.

NOTICE OF THE 2023 ANNUAL GENERAL MEETING

8. According to the Articles of Association, if the number of shares of the Bank pledged by the Shareholder is equal to or greater than 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' general meeting. Upon completion of the share pledge registration, the Shareholder shall timely provide the Bank with information relating to the share pledge.
9. Shareholders or their proxies attending the meeting shall be responsible for their own travelling and accommodation expenses.
10. The address of the Bank's Registered Office is No. 3 Financial Street, Xicheng District, Beijing, the PRC.

Tel.: 86-10-68858158

Fax: 86-10-68858165



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)

To the Independent Shareholders

Dear Sir or Madam,

**DISCLOSEABLE AND CONNECTED TRANSACTIONS: THE TRANSFER OF
THE BENEFICIAL INTEREST OF THE TRUSTS AND THE BENEFICIAL
INTEREST OF THE ASSET MANAGEMENT PLAN**

We refer to the circular of the Bank dated June 7, 2024 (the “**Circular**”). Unless otherwise defined, terms used herein shall have the same meanings as those defined in the Circular.

We have formed the Independent Board Committee to advise you as to whether, the Trust Beneficial Interest Transfer Agreement and the Asset Management Plan Beneficial Interest Transfer Agreement and the transactions contemplated thereunder, details of which are set out in the Letter from the Board of Directors in the Circular, have been entered into in the ordinary and usual course of business of the Bank on normal commercial terms, and are fair and reasonable and in the interests of the Bank and the Shareholders as a whole.

Altus Capital has been appointed as the Independent Financial Adviser to advise you and us in this regard. The details of the recommendations, together with the major considerations and reasons for reaching the recommendations, are set out in the Letter from Altus Capital on pages 52 to 82 of the Circular.

We also wish to draw your attention to the Letter from the Board of Directors set out on pages 5 to 45 of the Circular. After considering the information contained in the Letter from the Board of Directors, the interests of Independent Shareholders and the opinions and suggestions of Altus Capital, we are of the opinion that though the transfer of the Beneficial Interest of the Trusts and the Beneficial Interest of the Asset Management Plan is not entered into in the ordinary and usual course of business of the Bank, the terms of the Trust Beneficial Interest Transfer Agreements and the Asset Management Plan Beneficial Interest Transfer Agreement and the transactions contemplated thereunder are fair, reasonable and in the interests of the Bank and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Accordingly, we recommend that the Independent Shareholders vote in favour of the matters regarding the transfer of the Beneficial Interest of the Trusts and the Beneficial Interest of the Asset Management Plan at the AGM.

Yours faithfully,

Independent Board Committee

Wen Tiejun	Chung Shui Ming Timpson	Hu Xiang	Pan Yingli	Tang Zhihong
<i>Independent</i>	<i>Independent</i>	<i>Independent</i>	<i>Independent</i>	<i>Independent</i>
<i>Non-executive</i>	<i>Non-executive</i>	<i>Non-executive</i>	<i>Non-executive</i>	<i>Non-executive</i>
<i>Director</i>	<i>Director</i>	<i>Director</i>	<i>Director</i>	<i>Director</i>

LETTER FROM ALTUS CAPITAL

The following is the text of a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Transfer, which has been prepared for the purpose of incorporation in this circular.

ALTUS

Altus Capital Limited

21 Wing Wo Street

Central

Hong Kong

June 7, 2024

To the Independent Board Committee and the Independent Shareholders

Dear Sirs,

**DISCLOSEABLE AND CONNECTED TRANSACTION
TRANSFER OF THE BENEFICIAL INTEREST OF THE TRUSTS
AND
THE BENEFICIAL INTEREST OF THE ASSET MANAGEMENT PLAN**

OVERVIEW

Altus Capital Limited has been engaged to prepare an independent financial adviser's report (the "**Report**") for the purpose of providing a written opinion in relation to the discloseable and connected transaction relating to the Transfer, involving the Beneficial Interest of the Trusts and the Beneficial Interest of the Asset Management Plan, which has been prepared for the purpose of incorporation into the circular of Postal Savings Bank of China Co., Ltd. (the "**Bank**") dated June 7, 2024 (the "**Circular**"). Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

PRINCIPAL FACTORS AND REASONS CONSIDERED

1. Basic information on the connected transaction

1.1. Subject matter

Reference is made to the announcement of the Bank dated June 3, 2024 in relation to, among others things, the Trust Beneficial Interest Transfer Agreements and the Asset Management Plan Beneficial Interest Transfer Agreement entered into between the Bank and China Post Capital, pursuant to which the Bank agreed to transfer and China Post Capital agreed to acquire the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan. The total consideration for the Transfer

LETTER FROM ALTUS CAPITAL

was RMB51,576,209,500 (subject to the valuation result as confirmed by the Ministry of Finance). In case of any adjustments to the consideration for the Transfer according to the valuation results as confirmed by the Ministry of Finance, the Bank will make further announcement(s) accordingly and will comply with the requirements under Chapters 14 and 14A of the Hong Kong Listing Rules (if applicable).

1.2. General information on the Bank and China Post Capital

The Bank is a leading large-scale retail bank in China with the largest distribution network, customer base and superior asset quality among commercial banks in China. The major businesses of the Bank include personal banking, corporate banking and treasury business.

In accordance with the national regulations, China Post Group conducts diversified operations with postal services, express logistics, finance and e-commerce as its main businesses. China Post Group is principally engaged in domestic and international mail delivery, domestic and international parcel express delivery, distribution of publications such as newspapers, journals and books, stamp issuance, postal remittance, confidential correspondence, postal financial business, postal logistics, e-commerce, postal agency and other businesses conducted as stipulated by the state.

China Post Capital is a wholly-owned subsidiary of China Post Group. As a strategic capital operation platform of China Post Group, China Post Capital focuses on the development strategy of China Post Group and leverage its brand and resource advantages to promote the high-quality development of China Post Group through capital operation and professional investment operation. China Post Capital is principally engaged in internal asset restructuring, introduction of strategic investors, restructuring, strategic mergers and acquisitions, direct equity investment, private equity investment funds, private securities investment funds and other investments.

2. Implications of the Hong Kong Listing Rules

China Post Group, as the controlling Shareholder of the Bank, holds approximately 62.78% of the total issued ordinary share capital of the Bank as at the Latest Practicable Date. China Post Capital is a wholly-owned subsidiary of China Post Group and therefore constitutes a connected person of the Bank under Chapter 14A of the Hong Kong Listing Rules, and the transfer of the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan constitutes connected transactions of the Bank under Chapter 14A of the Hong Kong Listing Rules.

Pursuant to Rule 14.22 and Rule 14A.81 of the Hong Kong Listing Rules, if a series of (connected) transactions are all entered into or completed within a 12-month period or are otherwise related, they shall be aggregated and treated as if they were one transaction. As the counterparties of the Transfer are all China Post Capital and the nature of the transactions is the same, the Transfer shall be aggregated.

LETTER FROM ALTUS CAPITAL

As the highest applicable percentage ratio of the Transfer in aggregation exceeds 5% but is below 25% as prescribed under Chapter 14 of the Hong Kong Listing Rules, the Transfer constitutes a discloseable transaction of the Bank under Chapter 14 of the Hong Kong Listing Rules, and is subject to annual reporting and announcement requirements under Chapter 14 of the Hong Kong Listing Rules, but is exempted from the shareholders' approval requirements.

As the highest applicable percentage ratio of the Transfer in aggregation exceeds 5%, the Transfer, as connected transaction of the Bank, is also subject to the annual reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

3. Independent Financial Adviser

3.1. Purpose of the Report and the role of the Independent Financial Adviser

Altus Capital, a corporation licensed to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of the Hong Kong Special Administrative Region), has been appointed as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders.

As the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, our role is to give an independent opinion to the Independent Board Committee and the Independent Shareholders as to (i) whether the Transfer is entered into in the ordinary and usual course of business of the Bank; (ii) whether the Transfer, and the entering into and the terms of the Trust Beneficial Interest Transfer Agreements and the Asset Management Plan Beneficial Interest Transfer Agreement are fair and reasonable and in the interests of the Bank and the Shareholders as a whole; and (iii) how the Independent Shareholders should vote in respect of the resolution to be proposed at the AGM.

Altus Capital acted as the independent financial adviser of the Bank with regard to its connected transaction in relation to the adjustment of deposit agency fee rates, the details of which were set out in the circular of the Bank dated October 14, 2022. Save for the aforesaid transaction, Altus Capital has not acted as an independent financial adviser nor financial adviser in respect of any transactions of the Bank in the last two years from the date of the Circular. In accordance with Rule 13.84 of the Hong Kong Listing Rules, and given that the remuneration of Altus Capital for its engagement to opine on the Transfer is at market level and not conditional upon the successful passing of the resolution to be proposed at the AGM, and that the engagement of Altus Capital is on normal commercial terms, Altus Capital is independent of and not associated with the Bank, its controlling Shareholder(s) or connected person(s).

LETTER FROM ALTUS CAPITAL

3.2. Basis and assumptions of the opinion of the Independent Financial Adviser

In formulating our opinion, we have carried out the following work: (i) reviewing the relevant materials, including (1) the annual report for H Shares of the Bank for the year ended December 31, 2023 (“**2023 Annual Report**”); (2) the Trust Beneficial Interest Transfer Agreements and the Asset Management Plan Beneficial Interest Transfer Agreement; (3) the Valuation Reports prepared by the Independent Valuers; and (4) other materials provided by the Bank; (ii) communicating with all Independent Non-executive Directors; and (iii) interviewing the Independent Valuers to understand the methodologies, assumptions and procedures adopted in the Valuation Reports.

We have also relied on the information, opinions and representations provided by the Bank, its Independent Non-executive Directors and the management. We have assumed that all the information, opinions and representations provided by the Bank, its Independent Non-executive Directors and the management in relation to the Bank were reasonably made after due and careful enquiry and were true, accurate and complete at the time they were made and up to the Latest Practicable Date. We consider that we have been provided with, and have reviewed, sufficient information to reach an informed view and provide a reasonable basis for our opinion.

4. Financial information of the Bank

4.1. Financial performance of the Bank

Set out below is a table summarising certain key financial information for the financial years (“FY”) ended December 31, 2022 and December 31, 2023 extracted from the 2023 Annual Report.

Consolidated statement of profit or loss

<i>RMB million</i>	FY2023	FY2022
	<i>(audited)</i>	<i>(audited)</i>
Net interest income	281,803	273,593
Net fee and commission income	28,252	28,434
Net other non-interest income	32,857	33,364
Operating income	342,912	335,391
Operating expenses	(225,142)	(208,680)
Impairment loss on assets (including credit impairment losses and impairment losses on other assets)	(26,171)	(35,347)
Profit before income tax	91,599	91,364
Income tax expenses	(5,175)	(6,009)
Net profit	86,424	85,355

LETTER FROM ALTUS CAPITAL

FY2023 vs. FY2022

The Bank realised a net interest income of RMB281,803 million in FY2023, representing an increase of RMB8,210 million, or a 3.00% increase compared with FY2022, of which an increase of RMB30,261 million in net interest income was driven by the scale expansion, and a decrease of RMB22,051 million in net interest income was brought by the changes in interest rates. Net interest spread decreased from 2.18% in FY2022 to 1.99% in FY2023. Net fee and commission income had remained stable in FY2023. If the one-off factor of transformation to net-value wealth management products in FY2022 is excluded, this income would have recorded 12.05% year-on-year increase for FY2023. Net other non-interest income decreased marginally by 1.52% in FY2023 due mainly to lower net other operating gains following fluctuation of US\$/RMB exchange rates. Consequent to the combined effects of the above, operating income increased by 2.24% from FY2022 to FY2023. Taking into account the 7.89% increase in operating expenses, profit before income tax and net profit increased 0.26% and 1.25% in FY2023 compared with FY2022.

4.2. Key financial indicators of the Bank

Set out below is a table summarising certain key financial indicators from FY2019 to FY2023. Details of their calculation can be found on page 15 of the 2023 Annual Report.

	FY2023	FY2022	FY2021	FY2020	FY2019
Asset quality (%)					
Non-performing loan ratio	0.83	0.84	0.82	0.88	0.86
Allowance to loans ratio	2.88	3.26	3.43	3.60	3.35
Capital adequacy ratio (%)					
Core tier 1 capital adequacy ratio	9.53	9.36	9.92	9.60	9.90
Risk-weighted assets (“RWAs”) to total assets ratio	52.06	51.65	50.85	49.78	48.64
Total equity to total assets ratio	6.08	5.87	6.32	5.93	5.33

Between FY2019 and FY2023, the Bank’s non-performing loan ratio had remained largely stable between 0.82% and 0.88%.

LETTER FROM ALTUS CAPITAL

In terms of capital adequacy, the Bank's core tier 1 capital adequacy ratio had recently improved to 9.53% in FY2023 from 9.36% in FY2022, having decreased from 9.9% level previously. Total equity to total assets ratio also improved from 5.87% in FY2022 to 6.08% in FY2023.

RWAs consist of credit risk-weighted assets, market risk-weighted assets and operational risk-weighted assets. There has been an increase of RWAs to total assets ratio from 48.64% in FY2019 to 52.06% in FY2023 as there had been increases in all categories of RWAs over the period, in particular credit risk-weighted assets. The Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan which are the subject of the Transfer fall under the category of credit risk-weighted assets.

The Bank's financial performance had remained stable in the past two financial years. Its asset quality and capital adequacy had also remained stable. It is observed at RWAs as a percentage to total assets had been on an increasing trend. The Transfer will release part of the Bank's RWAs to become liquid assets, further strengthening its liquidity and capital adequacy positions.

5. The Bank's rationale of the Transfer

The Bank is committed to high-quality development and continuously advances refined capital management. According to the current capital measurement rules, the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan occupy a relatively large portion of the Bank's capital. In order to revitalize existing assets, reduce the occupation of capital, and enhance the ability to support the Bank's differentiated credit growth in key areas such as Sannong, consumption, and micro and small-sized enterprises and promote high-quality development, the Bank intends to transfer the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan.

Based on the analysis set out under the paragraph headed "4.2 Key financial indicators of the Bank" in this letter above, we are of the view that the Transfer will release part of the Bank's RWAs to become liquid assets, further strengthening its liquidity and capital adequacy positions. Accordingly, we are of the view that the Transfer, despite not being in the ordinary and usual course of business of the Bank, is in the interests of the Bank and the Shareholders as a whole.

LETTER FROM ALTUS CAPITAL

6. Principal terms of the Trust Beneficial Interest Transfer Agreements and the Asset Management Plan Beneficial Interest Transfer Agreement

6.1. Principal terms of the Trust Beneficial Interest Transfer Agreements

Set out below is the principal terms of the Trust Beneficial Interest Transfer Agreements.

Date : June 3, 2024

Contracting Parties : The Bank (as the transferor); and
China Post Capital (as the transferee)

No.	Target of the Transfer	Consideration for the Transfer ¹ and payment	The Book value of the Beneficial Interest of the Target Trusts held by the Bank as of December 31, 2023	The appraised value based on cost approach ² as at the Valuation Benchmark Date according to the Valuation Reports
1	12,000,000,000.00 collective fund trust beneficial units (corresponding principal: RMB12,000,000,000.00) that the Bank is entitled to under the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1) (《建信信託-梧桐樹集合資金信託計劃資產配置類5號投資單元1期信託合同》) and all rights and obligations attached thereto.	RMB13,782,289,200, which shall be paid by China Post Capital in one lump sum within 20 business days from the date on which the Trust Beneficial Interest Transfer Agreements take effect.	RMB13,051,929,200	RMB13,782,289,200

1 The consideration of each of the transfers under the Trust Beneficial Interest Transfer Agreements is subject to the valuation results confirmed by the Ministry of Finance.

2 According to the Valuation Standards – Valuation Approach (China Appraisal Society 2019 No.35), the cost approach includes restoration replacement cost method, updating replacement cost method, asset-based method and so on.

LETTER FROM ALTUS CAPITAL

No.	Target of the Transfer	Consideration for the Transfer and payment	The Book value of the Beneficial Interest of the Target Trusts held by the Bank as of December 31, 2023	The appraised value based on cost approach as at the Valuation Benchmark Date according to the Valuation Reports
2	30,000,000.00 collective fund trust beneficial units (corresponding principal: RMB30,000,000.00) that the Bank is entitled to under the Trust Contract Relating to the CCB Trust – Firmiana Collective fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) (《建信信託-梧桐樹集合資金信託計劃資產配置類5號投資單元2期信託合同》) and all rights and obligations attached thereto.	RMB37,054,900, which shall be paid by China Post Capital in one lump sum within 20 business days from the date on which the Trust Beneficial Interest Transfer Agreements take effect.	RMB33,329,000	RMB37,054,900
3	4,814,301,000.00 collective fund trust beneficial units (corresponding principal: RMB4,814,301,000.00) that the Bank is entitled to under the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit (《建信信託-梧桐樹集合資金信託計劃資產配置類15號投資單元信託合同》) and all rights and obligations attached thereto.	RMB5,160,008,500, which shall be paid by China Post Capital in one lump sum within 20 business days from the date on which the Trust Beneficial Interest Transfer Agreements take effect.	RMB5,377,545,600	RMB5,160,008,500

LETTER FROM ALTUS CAPITAL

No.	Target of the Transfer	Consideration for the Transfer and payment	The Book value of the Beneficial Interest of the Target Trusts held by the Bank as of December 31, 2023	The appraised value based on cost approach as at the Valuation Benchmark Date according to the Valuation Reports
4	4,584,652,690.15 collective fund trust beneficial units (corresponding principal: RMB4,584,652,690.15) that the Bank is entitled to under the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit (《建信信託-梧桐樹集合資金信託計劃資產配置類20號投資單元信託合同》) and all rights and obligations attached thereto.	RMB6,174,131,500, which shall be paid by China Post Capital in one lump sum within 20 business days from the date on which the Trust Beneficial Interest Transfer Agreements take effect.	RMB6,369,327,400	RMB6,174,131,500
5	17,500,000,000.00 collective fund trust beneficial units (corresponding principal: RMB17,500,000,000.00) that the Bank is entitled to under the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit (《建信信託-梧桐樹集合資金信託計劃資產配置類26號投資單元信託合同》) and all rights and obligations attached thereto.	RMB19,586,701,100, which shall be paid by China Post Capital in one lump sum within 20 business days from the date on which the Trust Beneficial Interest Transfer Agreements take effect.	RMB19,684,981,600	RMB19,586,701,100

LETTER FROM ALTUS CAPITAL

No.	Target of the Transfer	Consideration for the Transfer and payment	The Book value of the Beneficial Interest of the Target Trusts held by the Bank as of December 31, 2023	The appraised value based on cost approach as at the Valuation Benchmark Date according to the Valuation Reports
6	2,001,223,412.28 collective fund trust beneficial units (corresponding principal: RMB2,001,223,412.28) that the Bank is entitled to under the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit (《建信信託-梧桐樹集合資金信託計劃資產配置類28號投資單元信託合同》) and all rights and obligations attached thereto.	RMB1,863,484,900, which shall be paid by China Post Capital in one lump sum within 20 business days from the date on which the Trust Beneficial Interest Transfer Agreements take effect.	RMB1,989,077,600	RMB1,863,484,900
7	424,000,000.00 collective fund trust beneficial units (corresponding principal: RMB424,000,000.00) that the Bank is entitled to under the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit (《建信信託-梧桐樹集合資金信託計劃資產配置類29號投資單元信託合同》) and all rights and obligations attached thereto.	RMB402,622,300, which shall be paid by China Post Capital in one lump sum within 20 business days from the date on which the Trust Beneficial Interest Transfer Agreements take effect.	RMB391,813,000	RMB402,622,300

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No.	Target of the Transfer	Consideration for the Transfer and payment	The Book value of the Beneficial Interest of the Target Trusts held by the Bank as of December 31, 2023	The appraised value based on cost approach as at the Valuation Benchmark Date according to the Valuation Reports
8	1,258,069,649.10 collective fund trust beneficial units (corresponding principal: RMB1,258,069,649.10) that the Bank is entitled to under the Trust Contract Relating to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit (《建信信託-梧桐樹集合資金信託計劃資產配置類31號投資單元信託合同》) and all rights and obligations attached thereto.	RMB1,654,362,500, which shall be paid by China Post Capital in one lump sum within 20 business days from the date on which the Trust Beneficial Interest Transfer Agreements take effect.	RMB1,653,199,200	RMB1,654,362,500
9	966,799,573.41 collective fund trust beneficial units (corresponding principal: RMB966,799,573.41) that the Bank is entitled to under the Trust Contract Relating to the CR Trust • Runying No. 15 Collective Fund Trust Scheme (《華潤信託•潤盈15號集合資金信託計劃信託合同》) and all rights and obligations attached thereto.	RMB2,559,444,200, which shall be paid by China Post Capital in one lump sum within 20 business days from the date on which the Trust Beneficial Interest Transfer Agreements take effect.	RMB1,992,147,600	RMB2,559,444,200

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Basis for Determining the Consideration : The consideration for the transfer of the Beneficial Interest of the Target Trusts is determined based on the appraised value of the Beneficial Interest of the Target Trusts as at the Valuation Benchmark Date.

The Bank has engaged the Independent Valuers to value the Beneficial Interest of the Target Trusts. The appraised value of the Beneficial Interest of the Target Trusts as at the Valuation Benchmark Date is determined using the cost approach.

Condition Precedent : The Trust Beneficial Interest Transfer Agreements shall take effect from the later of the followings:

- (1) the date of consideration and approval at the Shareholders' general meeting of the Bank;
- (2) the date on which the superior entity of China Post Capital³ approves with effective decision-making process;
- (3) the date on which the transfer of the Beneficial Interest of the Target Trusts is approved by state-owned assets supervision and administration authorities;
- (4) the date on which valuation result relating to the transfer of the Beneficial Interest of the Target Trusts is confirmed by the Ministry of Finance.

None of the conditions precedent above could be waived. The Trust Beneficial Interest Transfer Agreements shall take effect upon the fulfillment of all conditions precedent above. As of the Latest Practicable Date, the condition (2) above had been fulfilled.

Delivery : The Bank and China Post Capital shall, in accordance with the provisions of the transfer of the beneficial interests set out in the Trust Contracts, go to the trustee of the Target Trusts to handle the procedures for the transfer of the Beneficial Interest of the Target Trusts within 5 business days from the date of completion of payment of the consideration for the transfer. Upon completion of the procedures for the transfer, a written confirmation confirming the transfer of the Beneficial Interest of the Target Trusts shall be issued by the trustee of the Target Trusts.

³ The superior entity of China Post Capital is China Post Group.

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The delivery of the Beneficial Interest of the Target Trusts is completed (“**Completion of Delivery**”) when the following conditions are all satisfied:

- (1) the Trust Beneficial Interest Transfer Agreements are established and become effective;
- (2) the payment of the transfer consideration is completed;
- (3) the trustee of the Target Trusts issues a written document confirming of the transfer of the Beneficial Interest of the Target Trusts.

Transition Period Arrangement : The transition period is from January 1, 2024 (inclusive) to the date on which all the deliveries of the Beneficial Interest of the Target Trusts are completed (inclusive). During the transition period, the distributed and undistributed principal, dividends and income arising from the Beneficial Interest of the Target Trusts shall be attributed to China Post Capital, and the Bank shall pay the distributed principal, dividends and income arising from the aforesaid Beneficial Interest of the Target Trusts to the designated account of China Post Capital within the month of Completion of Delivery.

Set out below are the details of the Target Trusts and the Beneficial Interest of the Target Trusts.

- (1) *The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1)* (建信信託-梧桐樹集合資金信託計劃資產配置類5號投資單元1期)

The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1) (建信信託-梧桐樹集合資金信託計劃資產配置類5號投資單元1期) was established on March 24, 2016 and shall be due on March 24, 2046. The initial principal of the trust scheme is RMB12 billion, and its trustee is CCB Trust Co., Ltd. (建信信託有限責任公司). There are no other beneficiaries of the trust scheme other than the Bank. The underlying assets of the trust scheme are equity income right corresponding to the capital contribution of RMB12 billion to China Public-Private Partnership Foundation Co., Ltd. (中國政企合作投資基金股份有限公司), which has a registered capital of RMB180 billion and mainly invests in the infrastructure and public services sector related to the country’s stability and people’s well-being.

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As of December 31, 2023, the book value of the beneficial interest held by the Bank in the trust was RMB13,051,929,200. The following sets out the audited pre-tax and after-tax profits attributable to the beneficial interest of the trust for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>(RMB million)</i>	For the year ended December 31, 2023 <i>(RMB million)</i>
Pre-tax profits	455	337
After-tax profits	341	253

- (2) *The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) (建信信託-梧桐樹集合資金信託計劃資產配置類5號投資單元2期)*

The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) (建信信託-梧桐樹集合資金信託計劃資產配置類5號投資單元2期) was established on June 24, 2016 and shall be due on June 24, 2046. The initial principal of the trust scheme is RMB30 million, and its trustee is CCB Trust Co., Ltd. (建信信託有限責任公司). There are no other beneficiaries of the trust scheme other than the Bank. The underlying assets of the trust scheme are equity income right corresponding to the capital contribution of RMB30 million to China Public-Private Partnership Foundation Management Co., Ltd. (中國政企合作投資基金管理有限責任公司), which has a registered capital of RMB180 million and mainly invests in the infrastructure and public services sector related to the country’s stability and people’s well-being.

As of December 31, 2023, the book value of the beneficial interest held by the Bank in the trust was RMB33,329,000. The following sets out the audited pre-tax and after-tax profit (or losses) attributable to the beneficial interest of the trust for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>(RMB million)</i>	For the year ended December 31, 2023 <i>(RMB million)</i>
Pre-tax profits/(losses)	1	(2)
After-tax profits/(losses)	1	(2)

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(3) *The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類15號投資單元)*

The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類15號投資單元) was established on September 6, 2016 and shall be due on August 21, 2029. The initial principal of the trust scheme is RMB4,814.301 million, and its trustee is CCB Trust Co., Ltd. (建信信託有限責任公司). There are no other beneficiaries of the trust scheme other than the Bank. The underlying assets of the trust scheme are equity income rights corresponding to the capital contribution of RMB4,814.301 million to China State-Owned Venture Capital Fund Co., Ltd. (中國國有資本風險投資基金股份有限公司), which has a registered capital of RMB102 billion and mainly invests in, among others, new-generation information technology, intelligent and green manufacturing, space and marine industries, efficient use of resources and ecological protection, smart cities and digital society; advanced semiconductors, robots, Internet of Things, intelligent systems, new-generation airborne equipment, space technology integrated service systems, intelligent transportation, energy conservation and environmental protection.

As of December 31, 2023, the book value of the beneficial interest held by the Bank in the trust was RMB5,377,545,600. The following sets out the audited pre-tax and after-tax profits (or losses) attributable to the beneficial interest of the trust for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>(RMB million)</i>	For the year ended December 31, 2023 <i>(RMB million)</i>
Pre-tax profits/(losses)	480	(47)
After-tax profits/(losses)	360	(35)

(4) *The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類20號投資單元)*

The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類20號投資單元) was established on December 21, 2016 and shall be due on September 20, 2027. The initial principal of the trust scheme is RMB5,118.75 million, and its trustee is CCB Trust Co., Ltd. (建信信託有限責任公司). There are no other beneficiaries of the trust scheme other than the Bank. The underlying assets of the trust scheme are limited partnership share income right corresponding to the capital contribution of RMB5,118.75 million to CICC Genesis Emerging Industry Fund of Funds (Limited Partnership) (中金啟元國家新興產業創業投資引導基金(有限合夥)), which has a subscription size of RMB25,768.75 million and mainly invests in innovative enterprises in the preliminary and intermediate stage as well as the start-up stage in the emerging industries to push forward entrepreneurship, innovation and industrial upgrading.

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As of December 31, 2023, the book value of the beneficial interest held by the Bank in the trust was RMB6,369,327,400. The following sets out the audited pre-tax and after-tax profits (or losses) attributable to the beneficial interest of the trust for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>(RMB million)</i>	For the year ended December 31, 2023 <i>(RMB million)</i>
Pre-tax profits/(losses)	(708)	1,025
After-tax profits/(losses)	(531)	769

- (5) *The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類26號投資單元)*

The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類26號投資單元) was established on October 28, 2016 and shall be due on November 20, 2026. The initial principal of the trust scheme is RMB25 billion, and its trustee is CCB Trust Co., Ltd. (建信信託有限責任公司). There are no other beneficiaries of the trust scheme other than the Bank. The underlying assets of the trust scheme are equity income right corresponding to the capital contribution of RMB25 billion to China Structural Reform Fund Corporation Limited (中國國有企業結構調整基金股份有限公司), which has a registered capital of RMB69,178 million and invests 80% of its funds in projects relating to transformation and upgrading of central enterprises and the other 20% in projects with economic returns and social benefits.

As of December 31, 2023, the book value of the beneficial interest held by the Bank in the trust was RMB19,684,981,600. The following sets out the audited pre-tax and after-tax profits attributable to the beneficial interest of the trust for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>(RMB million)</i>	For the year ended December 31, 2023 <i>(RMB million)</i>
Pre-tax profits	1,595	367
After-tax profits	1,196	275

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- (6) *The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit* (建信信託-梧桐樹集合資金信託計劃資產配置類28號投資單元)

The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類28號投資單元) was established on January 9, 2017 and shall be due on January 8, 2027. The initial principal of the trust scheme is RMB5,625 million, and its trustee is CCB Trust Co., Ltd. (建信信託有限責任公司). There are no other beneficiaries of the trust scheme other than the Bank. The underlying assets of the trust scheme are limited partnership share income right corresponding to the capital contribution of RMB5,625 million to Shenzhen GuoXie Phase I Equity Investment Fund (Limited Partnership) (深圳市國協一期股權投資基金合夥企業(有限合夥)), which has a subscription size of RMB30,009.5 million and mainly invests in, among others, modern logistics industry, urban infrastructure construction, logistics park development, information technology, high-end equipment, intelligent manufacturing and new forms of consumption.

As of December 31, 2023, the book value of the beneficial interest held by the Bank in the trust was RMB1,989,077,600. The following sets out the audited pre-tax and after-tax profits (or losses) attributable to the beneficial interest of the trust for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>(RMB million)</i>	For the year ended December 31, 2023 <i>(RMB million)</i>
Pre-tax profits/(losses)	(377)	278
After-tax profits/(losses)	(283)	209

- (7) *The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit* (建信信託-梧桐樹集合資金信託計劃資產配置類29號投資單元)

The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類29號投資單元) was established on February 28, 2017 and shall be due on February 27, 2029. The initial principal of the trust scheme is RMB424 million, and its trustee is CCB Trust Co., Ltd. (建信信託有限責任公司). There are no other beneficiaries of the trust scheme other than the Bank. The underlying assets of the trust scheme are equity income right corresponding to the capital contribution of RMB424 million to Shenzhen China Merchants Yinhe Equity Investment Fund Management Co., Ltd. (深圳市招商銀和股權投資基金有限公司), which has a registered capital of RMB10 billion and mainly invests in, among others, new-generation information technology, intelligent and green manufacturing, high-end manufacturing, space and marine industries, efficient use of resources and ecological protection, urban development, smart cities and digital society, health technology, finance, modern services and trade.

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As of December 31, 2023, the book value of the beneficial interest held by the Bank in the trust was RMB391,813,000. The following sets out the audited pre-tax and after-tax profits (or losses) attributable to the beneficial interest of the trust for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>(RMB million)</i>	For the year ended December 31, 2023 <i>(RMB million)</i>
Pre-tax profits/(losses)	19	(13)
After-tax profits/(losses)	14	(10)

(8) *The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類31號投資單元)*

The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit (建信信託-梧桐樹集合資金信託計劃資產配置類31號投資單元) was established on June 30, 2017 and shall be due on June 30, 2032. The initial principal of the trust scheme is RMB1,380 million, and its trustee is CCB Trust Co., Ltd. (建信信託有限責任公司). There are no other beneficiaries of the trust scheme other than the Bank. The underlying assets of the trust scheme are limited partnership share income right corresponding to the capital contribution of RMB1,380 million to SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership) (國投創合國家新興產業創業投資引導基金(有限合夥)), which has a subscription size of RMB10,343.4 million and mainly invests in, among others, innovative enterprises in the preliminary and intermediate stage as well as the start-up stage in the emerging industries to push forward entrepreneurship, innovation and industrial upgrading.

As of December 31, 2023, the book value of the beneficial interest held by the Bank in the trust was RMB1,653,199,200. The following sets out the audited pre-tax and after-tax profits (or losses) attributable to the beneficial interest of the trust for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>(RMB million)</i>	For the year ended December 31, 2023 <i>(RMB million)</i>
Pre-tax profits/(losses)	1,808	214
After-tax profits/(losses)	1,356	160

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(9) *The CR Trust • Runying No. 15 Collective Fund Trust Scheme (華潤信託•潤盈15號集合資金信託計劃)*

The CR Trust • Runying No. 15 Collective Fund Trust Scheme (華潤信託•潤盈15號集合資金信託計劃) was established on December 20, 2016 and shall be due on December 20, 2026. The initial principal of the trust scheme is RMB1,155 million, and its trustee is China Resources SZITIC Trust Co., Ltd. (華潤深國投信託有限公司), of which the share of the Bank is RMB1,154 million while Shenzhen Mangrove Venture Capital Co., Ltd. (深圳紅樹林創業投資有限公司) holds the remaining share of RMB1 million. The underlying assets of the trust scheme are limited partnership share income right corresponding to the capital contribution of RMB1,154 million to SDIC (Shanghai) Technology Achievement Transformation Venture Capital Fund (Limited Partnership) (國投(上海)科技成果轉化創業投資基金(有限合夥)), which has a subscription size of RMB10 billion and mainly invest in strategic goals of national science and technology achievement transformation and national major science and technology projects.

As of December 31, 2023, the book value of the beneficial interest held by the Bank in the trust was RMB1,992,147,600. The followings set out the audited pre-tax and after-tax profits attributable to the beneficial interest of the trust for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>(RMB million)</i>	For the year ended December 31, 2023 <i>(RMB million)</i>
Pre-tax profits	337	482
After-tax profits	253	362

6.2. Principal terms of the Asset Management Plan Beneficial Interest Transfer Agreement

Set out below is the principal terms of the Asset Management Plan Beneficial Interest Transfer Agreement.

Date : June 3, 2024

Contracting Parties : The Bank (as the transferor); and
China Post Capital (as the transferee)

Target of the Transfer : 371,077,134.29 asset management plan beneficial interest units (corresponding principal amount RMB371,077,134.29) that the Bank is entitled to under the Asset Management Contract.

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Consideration for the Transfer and Payment : RMB356,110,400 (the consideration for the transfer shall be subject to the valuation results confirmed by the Ministry of Finance), which shall be paid by China Post Capital in one lump sum to the Bank within 20 business days from the date on which the Asset Management Plan Beneficial Interest Transfer Agreement take effect.

As of December 31, 2023, the book value of the beneficial interest held by the Bank in the Asset Management Plan was RMB185,850,100; According to the Valuation Report, the appraised value of the Beneficial Interest of the Target Asset Management Plan as at the Valuation Benchmark Date based on the cost approach was RMB356,110,400.

Basis for Determining the Consideration : The consideration for the transfer of the Beneficial Interest of the Target Asset Management Plan is determined based on the appraised value of the Beneficial Interest of the Target Asset Management Plan as at the Valuation Benchmark Date.

The Bank has engaged the Independent Valuers to value the Beneficial Interest of the Target Asset Management Plan. The appraised value of the Beneficial Interest of the Target Asset Management Plan as at the Valuation Benchmark Date is determined using the cost approach.

Condition Precedent : The Asset Management Plan Beneficial Interest Transfer Agreement shall take effect from the later of the followings:

- (1) the date of consideration and approval at the Shareholders' general meeting of the Bank;
- (2) the date on which the superior entity of China Post Capital⁴ approves with effective decision-making process;
- (3) the date on which the transfer of the Beneficial Interest of the Target Asset Management Plan is approved by state-owned assets supervision and administration authorities;

4 The superior entity of China Post Capital is China Post Group.

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- (4) the date on which valuation results relating to the transfer of the Beneficial Interest of the Target Asset Management Plan are confirmed by the Ministry of Finance.

None of the conditions precedent above could be waived. The Asset Management Plan Beneficial Interest Transfer Agreement shall take effect upon the fulfillment of all conditions precedent above. As of the Latest Practicable Date, condition (2) above had been fulfilled.

Delivery : The Bank shall issue a corresponding transfer notice to the manager of the Target Asset Management Plan within 5 business days upon the payment of the consideration for the Transfer and requires it to issue a written document in a timely manner to confirm that the Beneficial Interest of the Target Asset Management Plan has been transferred to China Post Capital.

The delivery of the Beneficial Interest of the Target Asset Management Plan is completed (“**Completion of Delivery**”) when the following conditions are all satisfied:

- (1) the Asset Management Plan Beneficial Interest Transfer Agreements are established and becomes effective;
- (2) the payment of the transfer consideration is completed;
- (3) the manager of the Target Asset Management Plan issues a written document confirming the transfer of the Beneficial Interest of the Target Asset Management Plan after the Bank issued a transfer notice to the manager of the Target Asset Management Plan.

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Transition Period Arrangement : The transition period is from January 1, 2024 (inclusive) to the date on which all the deliveries of the Beneficial Interest of the Target Asset Management Plan are completed (inclusive). During the transition period, the distributed and undistributed principal, dividends and income arising from the Beneficial Interest of the Target Asset Management Plan shall be attributed to China Post Capital, and the Bank shall pay the distributed principal, dividends and income arising from the aforesaid Beneficial Interest of the Target Asset Management Plan to the designated account of China Post Capital within the month of Completion of Delivery.

Set out below are the details of the Target Asset Management Plan and the Beneficial Interest of the Target Asset Management Plan.

CR Yuanta Runying No. 2 Special Asset Management Plan (華潤元大資產潤盈2號專項資產管理計劃) was established on January 11, 2017 and shall be due on January 11, 2027. The initial principal of the asset management plan is RMB400 million, and its manager is CR Yuanta Asset Management Co., Ltd. (深圳華潤元大資產管理有限公司). There are no other beneficiaries of the asset management plan other than the Bank. The underlying assets of the asset management plan are limited partnership share income right corresponding to the capital contribution of RMB400 million to Infotech National Emerging Industry Venture Investment Guidance Fund (Limited Partnership) (盈富泰克國家新興產業創業投資引導基金(有限合夥)), which has a subscription size of RMB5,600 million and mainly invests innovative enterprises in the preliminary and intermediate stage as well as start-up stage in the emerging industries to push forward entrepreneurship, innovation and industrial upgrading.

As of December 31, 2023, the book value of the beneficial interest held by the Bank in the asset management plan was RMB185,850,100. The followings set out the audited pre-tax and after-tax profits attributable to the beneficial interest of the asset management plan for the years ended December 31, 2022 and December 31, 2023:

	For the year ended December 31, 2022 <i>(RMB million)</i>	For the year ended December 31, 2023 <i>(RMB million)</i>
Pre-tax profits	251	11
After-tax profits	188	8

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7. Assessment of the consideration

According to the “Letter from the Board”, the total consideration for the Transfer is RMB51,576,209,500 (subject to the valuation result as confirmed by the Ministry of Finance), which is determined based on the appraised value of the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan as at the Valuation Benchmark Date. The Bank has engaged the Independent Valuers to appraise the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan.

7.1. Independent Valuers’ qualification

In assessing the competence of the Independent Valuers, we have reviewed and inquired into (i) the terms of their engagement as set out in the Valuation Reports; (ii) the qualifications and experiences of the Independent Valuers; and (iii) the steps and due diligence measures taken by the Independent Valuers in relation to the preparation of the Valuation Reports.

Regarding their qualifications, based on our interview with the Independent Valuers and having reviewed the relevant licenses cited from the website of the China Appraisal Society, we noted that the Independent Valuers possess relevant qualifications to undertake the asset valuation engagement. Our review includes verifying (i) their registration as members with the China Appraisal Society; (ii) their filings with the China Securities Regulatory Commission (“CSRC”) in relation to conducting securities and futures-related appraisal work; and (iii) the records of their filings with the Municipal Bureau of Finance of the city where the respective Independent Valuer is located at.

Set out below is the list of qualifications of the Independent Valuers.

Name of the Independent Valuer	Whether it has registered as a member of the China Appraisal Society	Whether it has completed filing with the CSRC in relation to conducting securities and futures-related appraisal work	Whether it has completed filing with the relevant Municipal Bureau of Finance
Vocation (Beijing) International Assets Appraisal Co., Ltd.	Yes	Yes	Yes
Chungrui Worldunion Assets Appraisal Group Co., Ltd.	Yes	Yes	Yes

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Name of the Independent Valuer	Whether it has registered as a member of the China Appraisal Society	Whether it has completed filing with the CSRC in relation to conducting securities and futures-related appraisal work	Whether it has completed filing with the relevant Municipal Bureau of Finance
Guozhonglian Assets Valuation and Land and Real Estate Appraisal Co., Ltd	Yes	Yes	Yes
Beijing Pan-China Assets Appraisal Co., Ltd.	Yes	Yes	Yes
China Enterprise Appraisals Co., Ltd.	Yes	Yes	Yes

Regarding the competence of the Independent Valuers, we have obtained and reviewed the respective project list provided by each of the Independent Valuers and noted that each Independent Valuer has relevant track record and experience in the appraisal of underlying assets of the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan. The underlying assets included listed and unlisted equity interests as well as private equity funds. Based on our interviews with each of the Independent Valuers, they have confirmed that they are independent of the Bank and China Post Capital.

Based on our findings set out in this sub-section above and our interviews with each of the Independent Valuers, we are satisfied with the terms of engagement of the Independent Valuers, their objectivity and qualifications, as well as their experience in respect of preparation of the Valuation Reports.

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7.2. Valuation methodology

The Valuation Reports have been prepared by adopting the cost approach to appraise the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan. As confirmed by each of the Independent Valuers, three generally accepted appraisal approaches have been considered. They are the income approach, market approach and cost approach.

For the appraisal of the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan, due to the similarity in nature of the underlying assets being transferred, all Independent Valuers have adopted a unified selection criteria of valuation methodology, considering that the underlying assets include both listed and unlisted equity interests as well as private equity sub-funds. Based on the Valuation Reports and our interview with the Independent Valuers:

- (i) Considering that the principal business of the appraisal target is financial investments, for which the investment and returns of future projects are unpredictable, the Independent Valuers are not in the position to make accurate and reasonable forecasts regarding the investment management scale and investment returns of future projects. Therefore, the income approach is not applicable.
- (ii) Due to the insufficient comparable listed companies operating within the same industry as the appraisal targets in China's capital market, the limited availability of market transaction cases in the same industry and inadequate relevant disclosures, the market approach is not applicable.
- (iii) Considering that various types of assets and liabilities entrusted for valuation can be inspected on-site, and sufficient information is available for the valuation and estimation, the cost approach is adopted.

We have reviewed the Valuation Reports and noted that the underlying assets or the valuation targets included a large number of listed and unlisted equity interests as well as private equity funds. Given the large volume and diverse nature of the underlying assets, we concur with the Independent Valuers that it is not practicable to (i) identify comparable listed companies for each of the appraisal targets needed for the use of market approach; and (ii) make accurate and reasonable financial forecasts for each of the appraisal targets needed for the use of income approach.

For considering the methodologies generally adopted for the valuation of similar types of assets by companies listed on the Stock Exchange, we have conducted research on announcements and circulars of companies listed on the Stock Exchange which involved asset transfers relating to listed and unlisted equity interests and private equity funds as the underlying assets of the transfer target. Our research covers the 12 months period from June 4, 2023 to June 3, 2024, being the date of the Trust Beneficial Interest Transfer Agreements and the Asset Management Plan Beneficial Interest Transfer Agreement. Our research identified one precedent⁵ (the “**Comparable Case**”) which adopted the asset-based approach (a subtype of the cost approach). We noted that its

⁵ Details of the Comparable Case, including its valuation report, are set out in the circular relating to the acquisition of interest in a fund published by ZERO2IPO Holdings Inc. dated January 26, 2024.

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significant inputs (such as the use of market price for listed securities, use of recent financing or transfer transactions as reference etc.) and the aforesaid asset-based approach adopted by the Comparable Case were similarly to the Valuation Report.

Conclusion of the sub-section

Having compared and considered the availability of observable data for each approach above and the approach adopted by the Comparable Case, we are of the view that the adoption of cost approach is reasonable.

7.3. Basis and assumptions

We noted that certain basic assumptions and general assumptions have been adopted across all Valuation Reports. We understand from the Independent Valuers that these assumptions, such as transaction assumption, open market assumption and the assumption of no significant changes in the macro-environment affecting operations, are commonly used in asset valuations.

As for our independent work done, we have reviewed the Comparable Case and observed that similar assumptions were adopted. Having reviewed these assumptions against similar valuation reports, we are of the view that the assumptions adopted by the Independent Valuers are fair and reasonable.

According to the Valuation Reports, the valuations adopted cost approach to evaluate the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan, appropriate methodologies are applied to evaluate the market value of assets under various asset classes. Thereafter, the total value is calculated and adjusted for any liabilities according to the percentage of share of the beneficial interest. In particular:

- (i) **Current assets:** For monetary funds denominated in RMB, the appraised value is determined by their verified book value. For foreign currency monetary funds, the appraised value is calculated by converting them into RMB using the benchmark exchange rate on the Valuation Benchmark Date. For current assets such as receivables, the Independent Valuers will determine the appraised value after verifying their rights and book value.

Our independent work done

Based on our review of the underlying working documents of the Valuation Reports, we noted that the majority of the current assets are cash and monetary funds. The appraised value has been determined based on the nominal value of the cash and the unit price of the monetary funds. We have randomly selected a monetary fund for review and obtained the statement issued by the manager of this monetary fund. We noted that the appraised value adopted by the Independent Valuer is consistent with the value set out on the statement.

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- (ii) **Trading financial assets and long-term equity investments:** These underlying assets include bank deposits and financial assets such as direct investment projects and interests in sub-funds. The Independent Valuers collect relevant legal documents to verify the authenticity and completeness of the investments. On this basis, the Independent Valuers individually calculate the fair value of the shares held by the master fund in each sub-fund or the direct investment projects, and combine these with other assets and liabilities at the master fund level to determine the fair value of the entire investment of the master fund's investors. The fair value of the equity shares corresponding to specific investors of the master fund is calculated based on their proportionate interest.

For the direct investment projects only, specific approaches are adopted for the valuation of different categories of assets, taking into account the appraisal targets and their conditions, as follows:

Current status of the project		Valuation approach	Our independent work done
Listed	Trading prices of the stocks are available as at the Valuation Benchmark Date	Calculate the market value by multiplying the arithmetic average of the weighted average price of the stocks for each of the 30 trading days prior to the Valuation Benchmark Date by the number of shares held	Sample checks on share prices
	The stocks are subject to a lock-up period	The AAP option pricing model is used to determine the value of restricted shares. The formula is: $FV = S \times (1 - LOMD)$ <i>Note: FV is the value of the restricted shares as at the valuation benchmark date. S is the fair value of the same shares traded on stock exchanges as at the valuation benchmark date. LOMD is the liquidity discount.</i>	Sample checks on share prices and the LOMD adopted based on the industry of the relevant direct investment projects. We have examined the computation of LOMD where we noted that the Independent Valuers first compiled the valuations (typically based on price-to-earnings multiples) of equity transfer transactions of non-listed companies. They then compare these valuations with prevailing valuations of listed companies in similar businesses and industries. The difference between the valuations of the aforesaid non-listed companies and those of the aforesaid listed companies is then used to compute the appropriate level of LOMD
Listed on NEEQ (Note)	The stocks have been trading frequently or there are private placement around the Valuation Benchmark Date	Calculate the enterprise value using prices from recent private placements occurring close to the Valuation Benchmark Date	Sample checks on the terms of the relevant transactions
	There was no trading activity or infrequent trading activity in the stocks around the Valuation Benchmark Date	Calculate the enterprise value using the market approach	Sample checks on the comparable cases used, including the number and their industry and operational conditions. We further noted the Independent Valuer used commonly used pricing multiples such as price-to-earnings and price-to-sales ratios for the valuation

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Current status of the project		Valuation approach	Our independent work done
Others	The company is undergoing a merger and acquisition process, and the draft merger agreement has been issued (as part of the acquisition of assets by a listed company through restructuring)	Refer to the valuation of the target company outlined in the merger and acquisition plan	Sample checks on the terms of the relevant transactions
	Recent financing prices are available	Refer to the prices of recent refinancing or transfer transactions	
	Repurchase agreement has been signed	Determine the valuation based on the redemption terms and recoverability outlined in the repurchase agreement	
Equity investment	Conditions satisfying the adoption of market approach	Market approach	Sample checks on the comparable cases used, including the number and their industry and operational conditions. We further noted the Independent Valuer used commonly used pricing multiples such as price-to-earnings and price-to-sales ratios for the valuation
	Conditions not satisfying the adoption of market approach	Final valuation level will be determined based on the net assets of the invested unit and other specific circumstances	Sample checks on the specific methods adopted. For example, for the funds allocated to certain project but not yet deployed, the appraised value is determined based on the net assets amount (i.e. cash value)
	Convertible debts	The current investment cost and recoverability will be used to confirm the valuation	Sample checks on the source of the investment costs and factors relating to the recoverability (e.g. market price of the relevant debts quoted on the relevant stock exchanges)
	Recent equity investments within one year	Valuation is based on current investment cost	Sample checks on the investment costs

Note: The National Equities Exchange and Quotations of China.

For the interests in sub-funds, the fair values were arrived at based on the fair value of the interests in the relevant sub-funds as reported in the periodic financial statements of the relevant sub-funds.

Our independent work done

We have obtained detailed explanations of various aspects of the Valuation Reports from the Independent Valuers and have further reviewed their workings in arriving at the respective valuation. In addition, we have obtained the breakdown of the appraised value of the direct investment projects and sub-funds, and noted that (i) the composition of the valuation subjects is highly fragmented; and (ii) no single project or sub-fund accounts for a material portion of the appraised value of any appraisal targets.

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For the direct investment projects in particular, from each of the 10 Valuation Reports, we have selected and reviewed the underlying working documents of one direct investment project of the largest value which would translate into coverage by value of between 2% and 15% under these Valuation Reports. On the basis that the direct investment projects within the appraisal assets are highly fragmented, we believe our selection and coverage are reasonable and sufficient. Based on our review, we noted that:

- (1) the valuation approaches were selected according to the specific valuation approach selection criteria for financial assets held for trading as set out above;
- (2) for valuations referencing to the share price of listed companies, the market values were calculated by multiplying the arithmetic average of the weighted average price of the stocks for each of the 30 trading days prior to the Valuation Benchmark Date by the number of shares held. The share price used by the Independent Valuers are consistent with those obtained by us from public sources;
- (3) for valuations referencing to private placement, mergers and acquisitions, repurchase or recent financing prices, relevant public information was obtained as supporting documents. We have reviewed the relevant supporting documents to verify the referencing prices; and
- (4) for valuations using the market approach, the market values of the stocks of more than three comparable listed companies were considered. We noted that the comparable companies used by the Independent Valuers operated in the same industry of the relevant direct investment project.

For the interests in sub-funds, as the fair values were arrived at based on the fair value of the interests in the relevant sub-funds as reported in the periodic financial statements of the relevant sub-funds, we have randomly selected 10 sub-funds and obtained their relevant periodic financial statements which were prepared by relevant investment managers and/or auditors. We noted that the appraised value adopted by the Independent Valuers are consistent with those set out on the periodic financial statements. Given the highly fragmented composition of the appraisal assets, we believe the number of samples selected is reasonable and sufficient.

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- (iii) **Liabilities:** Independent Valuers will verify the authenticity and accuracy of liabilities based on the collected historical payment vouchers and provisions made as of the Valuation Benchmark Date. The appraised value is determined based on the verified amounts. We noted the liabilities amounts are generally insignificant and are based on audited financial statements of the underlying assets.

Conclusion of the sub-section

During the course of our review, no material factors which may cast doubt on the fairness and reasonableness of the methodology, principal bases, assumptions and parameters adopted in the Valuation Reports have been identified.

Having considered our above independent work performed on the Valuation Reports, we are of the view that the consideration of the Transfer is fairly and reasonably determined.

8. Financial impacts on the Bank and use of proceeds

Upon the completion of the Transfer, the Bank shall cease to hold the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan. The Bank expects to recognise a total gain of approximately RMB847,009,200 under the Transfer, which is calculated based on the total consideration of RMB51,576,209,500 for the Transfer of the Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan, minus the book value of the corresponding Beneficial Interest of the Target Trusts and the Beneficial Interest of the Target Asset Management Plan as at the Valuation Benchmark Date, which is RMB50,729,200,300.

The proceeds from the Transfer will be deployed towards serving the real economy, which means that the proceeds will be used to increase credit supply in key areas and support the development of the Bank's business. Through the Transfer, the Bank will further revitalize the existing assets, enhance its credit support capabilities in key areas such as Sannong, consumption, and micro and small-sized enterprises, help build differentiated competitive advantages and achieve high-quality development.

We are of the view that the financial effects above are beneficial to the Bank and its intended deployment of proceeds is fair and reasonable.

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CONCLUSION ON THE REPORT AND RECOMMENDATION

Having considered the above principal factors and reasons, we are of the view that (i) despite the Transfer not being entered into in the ordinary and usual course of business of the Bank, the Trust Beneficial Interest Transfer Agreements and the Asset Management Plan Beneficial Interest Transfer Agreement and the transactions contemplated thereunder have been entered into on normal commercial terms; and (ii) the Transfer and the terms of the Trust Beneficial Interest Transfer Agreements and the Asset Management Plan Beneficial Interest Transfer Agreement are fair and reasonable and in the interests of the Bank and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the resolution approving the proposal regarding the Transfer to be proposed at the AGM.

Yours faithfully,
For and on behalf of
Altus Capital Limited
Sean Pey Chang
Responsible Officer

Mr. Chang Sean Pey (“Mr. Chang”) is a Responsible Officer of Altus Capital Limited licensed to carry on Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO and permitted to undertake work as a sponsor. He is also a Responsible Officer of Altus Investments Limited licensed to carry on Type 1 (dealing in securities) regulated activity under the SFO. Mr. Chang has over 25 years of experience in banking, corporate finance advisory and investment management. In particular, he has participated in sponsorship work for initial public offerings and acted as financial adviser or independent financial adviser in various corporate finance advisory transactions.

2023 WORK REPORT OF THE BOARD OF DIRECTORS

The year 2023 is the first year for the comprehensive implementation of the guiding principles from the 20th CPC National Congress, and a crucial year for continuing to implement the 14th Five-Year Plan. Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Board of Directors of the Bank steadfastly implemented the major decisions and plans of the CPC Central Committee and the State Council. Under the guidance of and receiving attention from the regulatory authorities, with the support of the shareholders and the oversight of the Board of Supervisors, we effectively performed responsibilities of “setting strategies, making decisions, preventing risks”. We seized opportunities, overcame challenges, fully supported the Management in maintaining strategic focus, advanced the “5 plus 1” transformation and development, cultivated five differentiated growth poles, showed the courage to innovate and change, strengthened capacity building, and accomplished the various tasks set at the beginning of the year.

In 2023, the Bank continued to consolidate the foundation for development, maintaining stable operating results. The asset quality remained excellent. The Bank achieved a net profit of RMB86,424 million, up by 1.25%; total assets grew to RMB15.73 trillion, marking an increase of 11.80%; the NPL ratio stood at 0.83%, and the allowance to NPLs ratio reached 347.57%, both leading the performance of major state-owned banks. The Bank’s ranking in The Banker’s Top 1000 World Banks list rose to 12th place (in terms of tier 1 capital), hitting a new record. The Bank continued to maintain the best credit ratings among commercial banks from the three major international rating agencies – Fitch Ratings, Moody’s Investors Service, and S&P. The Bank was honored with the China Securities Golden Bauhinia Award for “Outstanding Listed Companies”. The Bank was awarded “A” in MSCI’s ESG ratings for three years in a row.

I. CONTINUOUSLY INTEGRATING PARTY LEADERSHIP INTO CORPORATE GOVERNANCE AND ACTIVELY DEVELOPING CORPORATE GOVERNANCE IN THE MODERN FINANCIAL ENTERPRISE WITH CHINESE CHARACTERISTICS

Adhering to the centralized and unified leadership of the CPC Central Committee over financial work is the fundamental guarantee for ensuring effective financial work. In 2023, the Bank steadfastly deepened reforms of its institutions and mechanisms, integrated Party leadership into corporate governance and continuously solidified the leadership role of Party organizations within corporate governance. With a primary focus on in-depth integration of Party leadership and corporate governance, the Bank upheld the political and people-oriented nature of financial work, and integrated the implementation of major decisions and plans of the CPC Central Committee and the State Council with the corporate governance practices such as the planning of major strategies, formulation of significant policies, arrangement of major tasks, and advancement of key tasks, thus securing the political orientation of reform and development.

(i) **Adherence to Party leadership and continuously improving the modern corporate governance system**

In 2023, guided by the political building of the Party, the Bank consistently upheld and strengthened Party leadership, and continually refined and enhanced the corporate governance system, thus improving the normativity and effectiveness of corporate governance.

Firstly, with a clear emphasis on politics, the Bank resolutely implemented the “Two Upholds”, continuously advanced the integration of Party leadership into all aspects of corporate governance, and formulated a governance mechanism characterized by legally defined and transparent responsibilities, coordinated operation, and effective checks and balances, ensuring the Party Committee’s role in “setting the direction, overseeing the bigger picture, and ensuring implementation”. The Party Committee’s mechanism of prior study for significant issues is strictly enforced; major operational and management issues are discussed through prior study by the Party Committee before the Board of Directors makes decisions according to their responsibilities. The Board of Directors reviewed 99 proposals throughout the year, of which 50 proposals were pre-viewed by the Party Committee, ensuring the Board’s role in “setting strategies, making decisions, and preventing risks”. Adhering to the “two-way entry and cross-appointment”, the Bank regularly held routine meetings of the Management, i.e. briefing meetings of the Directors, Supervisors, and Management members, to exchange opinions on all key business management issues of the Bank. In addition, Directors, Supervisors, and Party Committee members discussed and exchanged opinions on major events, continuously enhancing the effectiveness of governance.

Secondly, in accordance with Party regulations, laws, and regulatory requirements, the Bank promoted the revision of the Articles of Association and supporting systems, strengthening the modern corporate governance system to ensure a foundation for standardized and efficient operations. The Bank’s Articles of Association was further refined to highlight the Party leadership over financial work. Comprehensive revisions were made to the Rules of Procedures of Shareholders’ General Meeting, Rules of Procedures of the Board of Directors, the President’s Working Rules, and the working rules of committees of the Board of Directors. The Bank further clarified the responsibilities of different governance entities and improved the decision-making mechanisms, established a modern corporate governance system under Party leadership where governance bodies perform their duties independently yet cooperatively, ensuring effective checks and balances. The Bank also supervised and promoted the Management to implement Party and national policies, and execute major strategic decisions by the CPC Central Committee and the State Council.

Thirdly, the Bank continued the optimization of organizational structures by establishing a Money Laundering Risk Management Committee under the senior management of the Head Office, enhancing the Bank’s governance structure for managing money laundering risks. Aligning with the Bank’s strategic development and operational management realities, the technology sector’s departmental setups and responsibilities were optimized, further strengthening the governance structure for technology. Optimization of branch financial institutions helped support the development of corporate financial services. Pilot projects in optimizing personnel at tier-2 branches made steady progress, with internal departments streamlined by about 36%, reducing administrative staff by 996 and increasing marketing personnel by 1,018.

Fourthly, the Bank optimized the unique operation model of “directly-operated outlets and agency outlets”. The Bank effectively utilized important policy support from the state for postal financial reform and development, and improved the institutions and mechanisms of using the postal network to provide inclusive and convenient financial services while benefiting the universal postal services in return. Through agency outlets, the Bank accumulated stable sources of liabilities, expanded the network for inclusive financial services and provided more convenient financial services to a broader range of counties as well as urban and rural areas. The Bank enhanced management systems and mechanisms of agency financial services, continuously promoted the collaboration between China Post Group and the Bank, and strengthened the construction of the integrated development mechanism of “directly-operated outlets and agency outlets”, collaborative service processes, and resource sharing.

(ii) Upholding social responsibilities and demonstrating the commitment as a major state-owned bank

The Bank comprehensively advanced the “customer-centered” innovation practice, genuinely put the people-centered development philosophy into action, actively fulfilled social responsibilities, and continuously transformed “matters of national importance” into “essential tasks of the Bank”, thereby fulfilling the responsibilities of a major state-owned bank.

Firstly, the Bank attached great importance to the protection of consumers’ rights and interests. Consumer rights protection was integrated into the corporate governance, the development of corporate culture, and business development strategies. The Bank continually improved the full-process work mechanisms of consumer protection that involves prevention, in-process management and control and post-event supervision, and effectively fulfilled the principal responsibility of protecting consumers’ rights and interests. The Bank complied with regulatory regulations such as the Administrative Measures for Consumer Protection in Banks and Insurance Institutions, amended the management measures for consumer rights protection, complaint management measures, and management measures for the protection of consumers’ personal information, and improved consumer protection system. As per the principle of “prevention-first”, the Bank conducted in-depth and detailed review of consumer protection, and brought forward the risk control ahead of the routine process. It optimized the complaint management mechanism, stepped up the complaint monitoring and alert efforts, and continuously improved the quality of products and services. It continuously intensified efforts in training, supervision and inspection, carried out educational activities for publicizing financial knowledge, advanced digital transformation, and endeavored to enhance the capabilities of consumer protection.

Secondly, the Bank fulfilled social responsibilities and built “PSBC Care Stations”. In 2023, the Bank formulated unified construction standards and service norms for “PSBC Care Stations”, with a total of 4,861 “PSBC Care Stations” being set up, serving as “heart-warming shelters” for more than 37 million person-times to take a rest, drink water, heat up the food, enjoy the cool in hot weather and warm themselves in cold weather. Among them, 49 stations were recognized as the “Most Beautiful Trade Union Service Stations for Outdoor Workers” in 2023 by All-China Federation of Trade Unions.

Thirdly, the Bank continuously advanced the development of green banking and made significant efforts in ensuring the development of green finance as one priority. The Bank implemented the national “carbon peaking and carbon neutrality” strategy and endeavored to build a first-class green and inclusive bank, climate-friendly bank and eco-friendly bank. The green banking system was further refined, with a total of 28 green financial institutions such as carbon-neutral branches, green branches and green finance departments established in 2023. The Bank increased its influence in green finance, completed the PBC’s pilot project for the comprehensive application of financial data titled “Big Data Technology-Based Green Credit Service”, released its first Environmental Information Disclosure (TCFD) Report, and joined the UN Sustainable Blue Economy Initiative, becoming the first state-owned major bank to do so. The Bank promoted the innovation in product and service, implemented the nation’s first just transition financial business and a “carbon emission reduction support tool + sustainable development-linked + e-CNY” loan scenario business, and issued the Bank’s first green financial bond. The Bank launched personal carbon accounts in the low-carbon section in the mobile banking app, and assisted 4,067 enterprises in completing carbon accounting. For two consecutive years, the Bank was awarded “Advanced Organization in Green Bank Evaluation” by China Banking Association, scoring at the top of the list.

II. ADHERING TO STRATEGIC POSITIONING, STRENGTHENING DECISION IMPLEMENTATION, AND ACTIVELY PROMOTING HIGH-QUALITY DEVELOPMENT OF THE BANK

In 2023, the Bank adhered to its strategic positioning of serving “Sannong (agriculture, rural areas, and farmers)”, urban and rural residents, and small- and medium-sized enterprises, and firmly followed the strategic vision of building a first-tier large-scale retail bank. Deeply implementing the “5 plus 1” transformation and development strategy, focusing on five differentiated growth poles, the Bank built the “major capabilities in six aspects” to promote innovation and transformation in business models, customer service methods, market operation models, and institutional mechanisms. The Bank actively responded to internal and external environmental changes, and continuously provided the intrinsic motivation for high-quality development through rapid enhancement of the fundamentals.

(i) Strengthening strategic leadership and achieving new breakthroughs in transformational development

Facing complex and severe domestic and international situations, the Bank’s Board of Directors effectively played a strategic guiding role, aligned with the strategic goals of the 14th Five-Year Plan, deepened financial reforms, accelerated business transformation and upgrading, further promoted technology empowerment, and continuously advanced the implementation of strategic planning measures.

Firstly, it promoted the transformation of “business models” through innovation. Proactive credit extension model for retail banking business was accelerated, with the loan balance exceeding RMB150 billion and the NPL rate below 0.5%. Intensive operations improved quality and expanded coverage, with the implementation of 10 major intensive projects being accelerated. The intensive review and approval process has been comprehensively enhanced, boosting the efficiency of consumer credit operations by 42%. Additionally, the manpower for review and approval of micro loans was reduced by approximately 60%.

Secondly, it promoted the transformation of “service modes” through innovation. The core retail customer groups expanded rapidly, with VIP customers of China Post Group and the Bank growing by 8.72%, including a 16.76% increase in Fujia customers and above; four private banking centers opened in cities such as Wuhan, Guangzhou, Hangzhou and Changchun. The Bank conducted effective cultivation of corporate lead-bank customers, with corporate and small enterprise lead-bank customers growing by 165.9% and 91.1% respectively, and the average number of products held per account exceeding five. The influence of the interbank ecosystem significantly strengthened, with over 2,400 clients signing with the “Together We Thrive” platform, accumulating transaction amounts exceeding RMB2 trillion. Outlet service and online services were continuously optimized, with over 5,000 self-operated outlets completing image renovation and nearly 8,000 self-service devices connected to the cloud counter. The mobile banking app 9.0 was launched, scoring first in user experience in the 2023 China Digital Finance Survey Report by the China Financial Certification Authority (CFCA). The number of contracted customers for corporate mobile banking reached 527,200, growing by over 700%.

Thirdly, it promoted the transformation of “institutions and mechanisms” through innovation. The “future-oriented” model for credit approval was put into operation and achieved remarkable results. The Bank approved business for nearly 10,000 customers by using the “future-oriented” model, with the amount exceeding RMB1.35 trillion. The mechanisms of collaboration between the China Post Group and Bank achieved new successes, completing the group market collaboration tasks comprehensively, acquiring over 2 million customers through collaboration.

(ii) Steadfastly supporting for the real economy, and facilitating rural revitalization and the development of the private economy

The Bank actively implemented national strategies, thoroughly applied new development philosophy, and deeply implemented the three financial tasks. The Bank always prioritized the service to the real economy, improved high-quality financial supply, served as a main force in supporting the real economy, and channelled “financial resources” to major strategies, key areas, and weak links in a targeted manner.

Firstly, the Bank actively responded to the call of the CPC Central Committee, and continued to provide major financial resources to the real economy. The Bank empowered technology-based enterprises to accelerate growth, with the annual growth rate of medium- and long-term loans to the manufacturing sector and loans to technology-based enterprises exceeding 37%. It implemented the “carbon peaking and carbon neutrality” strategy, the balance of green loans exceeded RMB630 billion, growing by 28.46%.

Secondly, the Bank spared no efforts to serve the national rural revitalization strategy and facilitated the realization of common prosperity. The Bank strengthened the financial services foundation for rural revitalization, and continued to provide excellent financial services to areas lifted out of poverty and key counties receiving government assistance. Newly granted agriculture-related loans reached RMB346,498 million, hitting a historic high in incremental volume; “Small and Quality” specialty agricultural loans rose by RMB113,120 million. All regulatory indicators fully met standards.

Thirdly, the Bank facilitated the development of micro-, small, and medium-sized enterprises and private enterprises. The balance of inclusive loans for small and micro enterprises accounted for nearly 18% of the Bank's total loan portfolio in 2023, with RMB274.8 billion newly granted in 2023, representing a growth rate of 23.25%, which met the "two increases" regulatory target for inclusive small and micro loans. It received the highest rating for small and micro enterprise financial services in regulatory evaluations for two consecutive years.

(iii) Accelerating the pace of building a digital ecosystem-based bank, with the level of technology empowerment reaching a new height

Financial technology is the core driving force to empower business development. In 2023, the Bank persisted in technological innovation, accelerated the implementation of IT planning in the "14th Five-Year", strengthened autonomous controllability, continuously accumulated new momentum and advantages for development, and accelerated the upgrading of information construction, taking the development level of digital ecosystem-based bank to a new height. **Firstly**, information technology projects were comprehensively advanced. The Bank deployed and launched 382 projects; the project of developing a distributed core system for large-sized banks based on business modeling received the first place of first prize of FinTech Development Award of PBC, marking the highest technological award received by the Bank since its establishment. **Secondly**, implementation of financial technology achievements was accelerated. The Bank launched digital employees and Internet of Things platforms; over a hundred scenarios including the PSBC Brain AI platform and RPA (Robotic Process Automation) technology were implemented. **Thirdly**, the Bank continuously unlocked the value of data, passed the DCMM quantitative management level (Level 4) certification, and completed 47 analysis projects involving customers, products, risks and other fields. **Fourthly**, the Bank significantly enhanced the system operations and maintenance capabilities, continued to increase the development of basic computing power to make it more independent and controllable. The Bank facilitated the development of the automated and intelligent operations and maintenance platform, and accelerated the digital transformation. New-generation network planning and other optimization and transformation were carried out smoothly, and the network defense-in-depth system was continuously improved. The Bank achieved full coverage of important information systems that should have disaster recovery capabilities, effectively improving business continuity level.

(iv) Advancing management quality and efficiency, further refining resource allocation

Management refinement has always been the theme of enterprise development, which is also an important guarantee to realize enduring business. In 2023, adhering to the principles of "precision, accuracy, detail, and strictness", the Bank continued to deepen the quality and efficiency of management. **Firstly**, human resources management played a driving role. Adhering to "performance orientation", the Bank optimized talent structure, and directed human resources towards high-value fields and core business areas, with the percentages of technology personnel and sales personnel increasing by 0.25 percentage point and 1.80 percentage points respectively. The Bank also strengthened the construction of leading talent

teams, with more standardized and effective selection, motivation, assessment, and exit mechanisms. The Bank improved the compensation distribution mechanism, adhered to the combined consideration of efficiency and fairness, promoted compensation distribution towards frontline employees and talents making significant contributions, and strengthened the guiding role of performance assessments, stimulating the enthusiasm of cadres and employees for innovation and entrepreneurship. **Secondly**, financial support capabilities were continuously improved. The Bank strengthened strategic performance as guidance in assessment, optimized financial resource allocation, and fully tapped potential for efficiency gains, facilitating “breakthroughs” in operating income. The centralized procurement rate rose to 94.09%, with Baodi and Hefei bases put into operation, and the Hefei base Phase III project received the National Quality Engineering Award.

III. CONTINUED STRENGTHENING OF COMPREHENSIVE RISK MANAGEMENT, FIRMLY HOLDING THE BOTTOM LINE AGAINST SYSTEMIC RISKS

The Bank consistently coordinated development and security, adhered to risk compliance throughout the business development process, focused on preventing and resolving major risks, accelerating the improvement of the “proactive prevention, intelligent control, comprehensive management” risk management system, enhancing the foresight of risk prevention and control, actively constructing internal control and internal audit management long-term mechanisms, standardizing related transaction management, rigorously addressing weak links, and effectively preventing and resolving risks, serving as a ballast stone to maintain financial stability.

(i) Enhancing risk safeguarding capabilities, balancing risk and reward

The Bank consistently adhered to a baseline mindset and prudent risk preferences, establishing a risk management system featuring “all aspects, whole process and entire staff”. **Firstly**, the comprehensive risk management ability was improved. The Bank deeply advanced the development of advanced capital management approaches and intelligent risk control, efficiently completed the implementation of new capital rules, strengthened the application of digital risk control, and conducted the process management and closed-loop management of comprehensive risks. The Bank also improved the refinement of capital measurement and expected credit loss measurement, serving risk-sensitive resource allocation. **Secondly**, risk-led management concepts were deepened. The Bank improved industry research mechanisms and strengthened regional credit policies and specialized industry research, providing differentiated policy support. The Bank strengthened the “future-oriented” capability building, optimized technical standards, and deepened application effectiveness. The Bank also accelerated the construction of intelligent credit review systems, enhancing data support for decision-making. **Thirdly**, the Bank consolidated and improved credit risk control mechanisms by constructing a multi-dimensional intelligent monitoring system, and perfected the joint prevention and control of asset quality, effectively enhancing credit risk identification and prevention capabilities.

(ii) Scientifically conducting capital management and replenishment to ensure stable business development

The Bank continuously strengthened intensive capital management, made coordinated arrangements for internal and external sources, and advanced capital replenishment through multiple channels and methods, effectively ensuring a stable capital adequacy ratio, which supported the continuous healthy development of various businesses. **Firstly**, the Bank strengthened internal source capital replenishment capabilities. The Bank firmly established the concept of capital constraints, continuously improved mechanisms for capital measurement, allocation, appraisal, and endogenous replenishment, enhanced the intensive management of capital, and promoted light transformation and development. It continued to tap the potential of structural optimization, maintained stable growth of net interest income, and constantly consolidated capital return levels. **Secondly**, the Bank carried out exogenous capital replenishment by taking multiple measures at the same time. The Bank successfully completed a RMB45 billion non-public issuance of A shares, introduced China Mobile as the Bank's second largest shareholder, achieving a strong alliance and collaborative win-win results. Meanwhile, it actively advanced diversified capital replenishment, optimized the capital structure, and successively completed the issuance of RMB20 billion in tier-2 capital bonds and RMB30 billion in undated capital bonds, further solidifying capital strength.

(iii) Urging the full play of the three lines of defense, strengthening internal control compliance management and audit supervision, and promoting enhanced supervisory efficiency

The Bank continued to enhance internal control and compliance management, improved internal control mechanisms, optimized audit management architecture, continuously perfected internal control's "three lines of defense", and enhanced internal control and audit supervision, comprehensively solidifying case prevention management responsibilities. **Firstly**, the Board regularly reviewed internal control and compliance reports, the rectification status of findings circulated by regulatory authorities, and anti-money laundering work reports, continued to strengthen compliance, case prevention, and anti-money laundering management, promoted the comprehensive improvement of management quality and efficiency, and consolidated management foundation for compliance operation. **Secondly**, the Board promoted the enhancement of the quality and efficiency in agency financial management. The Board listened to special reports on the management of agency financial services, strengthened guidance and supervision, and deepened the construction of a risk control and compliance system for agency finance, promoting the China Post Group and the Bank to enhance communication and consultation, creating a joint management effort. Focusing on regulatory concerns, the Bank intensified the management of key areas such as agency business branches' case prevention and consigned insurance services, accelerated the rectification of issues reported by regulators, and solidified the foundation for stable development of agency finance. **Thirdly**, the Board closely followed the decisions and plans of the CPC Central Committee, regulatory requirements, and key tasks of the Bank to conduct audit projects. It focused on identifying problems, exposing risks, and providing recommendations, deepening the rectification and application of findings from audits. The Board also promoted the integration and coordination of audit supervision with other types of supervision, forming a combined supervisory effort.

(iv) Actively implementing new regulatory rules, and strengthening related-party transaction management

The Bank strictly adhered to domestic and international regulatory provisions, strengthened related-party transaction management, controlled related-party transaction risks, and enhanced the management level of related-party transactions. **Firstly**, it placed high importance on and actively advanced the implementation of new regulatory rules applicable to the authorized agency banking services between China Post Group and the Bank. **Secondly**, it identified related parties according to the new regulatory standards, dynamically managed and maintained the list of related parties, and further improved the proactive management of related party information. **Thirdly**, the Bank continuously optimized its related-party transaction management system, further enhanced system functions according to new regulatory rules based on management needs, and elevated the level of refined management of related-party transactions. **Fourthly**, the Bank organized special training on the management of related party transactions, conducted special research on complicated business, raised compliance awareness of the Bank on related party transaction management, and improved the Bank's management of related party transactions. **Fifthly**, in line with regulatory requirements, the Board delivered special reports on the overall situation of related party transactions to the Shareholders' General Meeting annually to explain the implementation status of related party transaction policies and major transactions to ensure the standardized operation of related party transactions which are subject to market supervision.

IV STRENGTHENING THE CAPACITY BUILDING OF THE BOARD OF DIRECTORS, CONTINUOUSLY ENHANCING THE SCIENTIFIC AND EFFICIENT DECISION-MAKING OF THE BOARD OF DIRECTORS

In 2023, the Bank continuously improved the closed-loop operation management of the Board of Directors throughout all processes, fully assessed the challenges and opportunities faced, steadily advanced various tasks, enhanced operational management levels, and strengthened pre-meeting communications and post-meeting supervision and implementation. The special committees of the Board of Directors played their professional advantages, actively made suggestions to the Board of Directors, and supported the continuous improvement of the operational quality and efficiency of the Board. The capabilities of the directors to fulfill their duties continuously strengthened, and their value contributions continuously enhanced. The Bank was awarded the "Best Practice Case for Boards of Directors of Public Companies" by the China Association for Public Companies.

(i) Orderly conduct of director recruitment work, continuously advancing the professionalism and diversity of the Board of Directors

The Bank regularly reviewed the structure, personnel composition, and the implementation of diversity policy of the Board of Directors, with the appointment of Board members based on the skills and experiences required for the overall sound operation of the Board. In the recruitment of directors, especially Independent Directors, while meeting regulatory requirements, considerations such as directors' gender, age, cultural and educational backgrounds, regions, professional experiences, skills, and knowledge were fully taken into

account, continuously optimizing and adjusting the composition of personnel in the special committees of the Board of Directors, providing professional support for the scientific and efficient decision-making of the Board. In 2023, according to the provisions of the Articles of Association and work needs, the Board of Directors nominated one independent non-executive director and elected two non-executive directors. As at the end of 2023, the Board of Directors had two female directors and five independent non-executive directors, with the number of independent non-executive directors accounting for more than a third of the total members of the Board of Directors. The expertise, gender, age, and regional structure of the Board of Directors are reasonable, conducive to further enhancing the strategic decision-making capability of the Board.

(ii) Optimizing operating mechanisms, continuously enhancing the scientific decision-making ability of the Board of Directors

The Bank continuously improved the corporate governance mechanism, continuously enhancing the pre-meeting communication, decision-making, resolution implementation, and supervision and evaluation of the entire process operation of the Board of Directors.

Firstly, pre-meeting communication mechanisms of the Board of Directors were fully implemented and refined. In the incubation stage of proposals of Board of Directors, it is crucial to select those that are relatively complex, important, and unconventional. By inviting directors to participate in hearings early in the process, the Bank strictly controlled the content and related procedures of proposals, deeply participated in the formation process of proposals, and proposed related modifications. Communicating fully with the Party Committee and management through various methods, the Bank resolutely not allowed proposals with incomplete considerations or insufficient justifications to be submitted to the Board of Directors, solidified the quality of proposals, ensuring that the topics studied by the Board of Directors are fully justified and consensus is formed, and effectively enhanced the quality of deliberations.

Secondly, decision-making and professional support roles of the Board of Directors and special committees were fully leveraged. Throughout the year, the Board of Directors reviewed development plans and execution assessments, including the revision of IT planning in the “14th Five-Year”, the Five-Year Development Plan for Big Data, the 2024-2025 Development Plan and Long-range Objectives through the year 2035 for the development of Xiongan New Area. The Board of Directors formulated or revised over 20 risk and internal control systems such as the Management Measures for Systemically Important Banks, the Management Measures for Large Exposures, the Management Measures for Off-Balance Sheet Business Risks, and Management Policy on Stress Testing. It also addressed significant operational and management issues such as adjustments to internal institutions, director appointments, and senior management appointments. The Board of Directors regularly listened to updates on the implementation of the CPC Central Committee’s policy decisions within the PSBC, fully exercising its role in “setting strategies, making decisions, preventing risks”. The special committees of the Board of Directors leveraged their professional expertise within their respective fields, meticulously discussing proposals in line with their responsibilities, giving presentation after forming clear opinions at the Board meetings, offering many valuable

suggestions and effectively serving as professional support and advisory in decision-making. The Board of Directors held 7 meetings throughout the year, reviewing 99 proposals with two-thirds of all directors attended in person. The special committees of the Board of Directors convened 37 meetings, reviewed 113 proposals, and listened to 15 reports.

Thirdly, the Bank paid attention to the supervision and implementation of resolutions. By listening to special work reports, regularly reviewing the execution status of Board of Directors' resolutions, and conducting in-depth grassroots investigations and research, the Bank continuously urged senior management to strengthen the implementation of resolutions and deliberation opinions, ensuring the smooth execution of decisions at the final stage.

(iii) Emphasizing the capability building of the Board of Directors, continuously improving the quality and efficiency of directors' performance

In 2023, the Bank's Directors diligently performed their duties, extensively and deeply conducted research, actively participated in various training sessions, and engaged in deep and effective communication with other members of the Board of Directors, Supervisors, and senior management, proactively learned about all aspects of the Bank's operational management. The Bank's Directors participated in the research, discussion, and decision-making on major operational management matters of the Bank through attending senior management meetings, strategic discussion meetings of the Board of Directors, Board of Supervisors, and senior management, and other means, offering constructive suggestions and recommendations for the Bank's corporate governance, deep reforms, and transformational development. The Management forwarded research reports to relevant departments to study and implement the opinions and suggestions in the reports, effectively promoting the Bank's corporate governance and operational management.

Firstly, the Bank actively employed various methods to understand the actual situations at branch offices and frontline levels, conducting 94 person-times of investigations throughout the year, which focused on comprehensive risk management, the prevention and resolution of major financial risks, case prevention and security for agency finance, compliance management, support for rural revitalization in collaboration with China Post Group and the Bank, support for the private economy, online financial services, real estate business, budget management, implementation of regulatory corrections, construction of credit villages, and subsidiary management. High-quality investigation reports were produced, and the Bank's Directors fully executed directorial duties, provided proactive suggestions for the Board of Directors' decision-making and the Bank's reform and development, thereby contributing to the enhancement of operational and management levels.

Secondly, in strict compliance with relevant regulatory requirements, Directors actively participated in 92 person-times of special training sessions organized by the Ministry of Finance, Shanghai Stock Exchange, China Association for Public Companies, the Beijing Branch of the CSRC, other intermediary organizations, and the Bank itself. This ongoing training expanded their professional horizons and improved their professional qualifications and abilities. Training content closely followed domestic and international economic, financial and industry trends, and covered a wide range of topics including macroeconomics and policy,

corporate governance, information disclosure, investor relations management, the independent director system, anti-money laundering and anti-terrorism financing, ESG ratings and outlook, market value management, recovery and outlook of the consumer industry, and interpretation of regulatory policies.

Thirdly, Independent Directors diligently fulfilled their duties, playing an active role in decision-making, supervision and balance, and professional consulting within the Board of Directors. They thoroughly implemented Opinions of the State Council Office on the Reform of the Independent Director System of Listed Companies and the Administrative Measures for Independent Directors of Listed Companies, among other reforms. They participated earnestly in meetings of Board of Directors and special committees, leveraged their professional expertise and extensive experience, actively engaged in Board of Directors' decision-making, supervised potential major conflicts of interest, and provided professional advice on corporate operations and development. They maintained an objective and fair stance based on the overall interests of the Bank, focusing on safeguarding the rights and interests of minority investors and other stakeholders.

Fourthly, Directors placed great importance on communication and exchanges with the Supervisors and senior management. Through regular strategic discussions, reviewing documents submitted by the management, listening to special reports, participating in joint discussions, and conducting research, they gained deep insights into the Bank's management and operations. Utilizing their professional expertise and extensive experience, they offered valuable suggestions for the Board of Directors' decision-making and the Bank's transformation and development.

(iv) Enhancing information disclosure transparency, advancing full and effective communication with the capital market

The Bank continuously strengthened the construction of the information disclosure system, earnestly performing equity management duties, providing excellent services to small and medium investors, effectively safeguarding shareholder rights, and actively conveying the Bank's investment value to the capital market.

Firstly, the Bank continuously improved the quality of its information disclosure, showcasing its distinctive PSBC characteristics. It strictly adhered to the regulatory requirements for information disclosure in its listing places, focused on the central tasks of the Bank's reform and development, considering the current internal and external circumstances, and actively identified operational highlights and innovated in disclosure methods. The Bank emphasized the key points in its reports, enhanced readability and accessibility, and disclosed information truthfully, accurately, completely, timely, and fairly. It proactively expanded the breadth and depth of its voluntary disclosure content to highlight its distinctive investment value. In 2023, the Bank won several awards including the Silver Award for Cover Design at the ARC Awards in the International Annual Report Competition, the Gold Award for Commercial Banks at Vision Awards of LACP (League of American Communications

Professionals), and the Bronze Award for Cover Design at IADA (International Annual Report Design Awards). It also achieved the highest grade, A (Excellent), for three consecutive years in the Shanghai Stock Exchange's annual evaluation of listed companies' information disclosure.

Secondly, the Bank innovated investor relations management to enhance the quality and effectiveness of market communications. It engaged deeply in communication by organizing results releases and roadshows, participating in summits and forums, and hosting research visits to promote its value and promptly respond to market concerns. It hosted events such as the Capital Market Open Day under the theme "Deepening Blue Ocean in Finance for Sannong to Create Differentiated Growth Poles", continuously enhancing the effectiveness of communications and showcasing its competitive advantages. In 2023, the Bank held 4 results promotion meetings, utilizing live streaming, text broadcasts, and teleconferencing to highlight performance achievements. It ensured the rights of minority and individual investors were protected through channels like investor relations hotlines, mailbox, and SSE E-interaction platform.

Thirdly, the Bank continuously deepened its equity management to genuinely protect the rights of minority shareholders. It diligently fulfilled its duties in equity management, regulated shareholder behavior, and continually strengthened the look-through approach in the management of shareholdings. It revised the Measures for Equity Management to continually improve the equity management mechanism. Further strengthening shareholder management, the Bank carried out annual assessments of the substantial shareholder and major shareholders, regularly analyzed shareholder holdings, closely monitored shareholder equity pledges, and timely performed regulatory reporting and filing procedures. The Bank continued to deepen the long-term communication with shareholders and built bridges for shareholders, particularly minority shareholders, to participate in corporate governance. Before the Shareholders' General Meeting and results announcement conferences, the Bank collected investors' concerns and questions, and responded to them promptly, focusing on safeguarding the legitimate rights and interests of shareholders.

2024 is a pivotal year for implementing the 14th Five-Year Plan. The Bank's Board of Directors will adhere to and strengthen the comprehensive leadership of the Party, deeply understand the CPC Central Committee's scientific judgments on the economic situation, thoroughly implement the CPC Central Committee's decisions and plans on economic and financial work. We will adhere to the principle of seeking progress while maintaining stability, promoting stability through progress, and breaking new ground through establishment. With capability building as the foundation, innovation and reform as the driving force, and refined management as the safeguard, we will embrace "matters of national importance", actively taking responsibility, and fully advancing the high-quality development of the Bank. We are steadily moving towards the strategic vision of accelerating the construction of a first-tier large-scale retail bank!

2023 WORK REPORT OF THE BOARD OF SUPERVISORS

In 2023, the Board of Supervisors of the Bank steadfastly adhered to the guiding principles of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. We comprehensively implemented the guiding principles of the Party's 20th National Congress and the 2nd Plenary Session of the 20th CPC Central Committee, thoroughly studied and understood the guidelines of the Central Economic Work Conference and the Central Financial Work Conference. We maintained the Party's leadership, focused on strategic guidance, adopted a problem-oriented approach, and prioritized risk management. We resolutely executed the decisions and plans of the Central Party Committee and the State Council, strictly complied with regulatory requirements, focused on the central tasks across the Bank, effectively performed various supervisory functions, urged the Bank to focus on its primary responsibilities and business, and vigorously protected the lawful rights and interests of the Bank, shareholders, employees, creditors, and other stakeholders, providing strong support for the stable and sound development of the Bank.

In 2023, the Bank continued to consolidate the foundation for development, maintaining stable operating results. The asset quality remained excellent. The Bank achieved a net profit of RMB86,424 million, up by 1.25%; total assets grew to RMB15.73 trillion, marking an increase of 11.80%; the NPL ratio stood at 0.83%, and the allowance to NPLs ratio reached 347.57%. The Bank's ranking in The Banker's Top 1000 World Banks list rose to 12th place (in terms of tier 1 capital). The Bank continued to maintain the best credit ratings among commercial banks from the three major international rating agencies – Fitch Ratings, Moody's Investors Service, and S&P. The Bank was honored with the China Securities Golden Bauhinia Award for "Outstanding Listed Companies". The Bank was awarded "A" in MSCI's ESG ratings for three years in a row.

I. PERFORMANCE OF THE DUTIES OF SUPERVISION

In 2023, the Board of Supervisors accurately grasped changes in the internal and external environment, fully based its efforts on the current actual development, and effectively performed its supervisory responsibilities to support the Bank's high-quality development and significantly enhance its ability to prevent and resolve financial risks, effectively maintaining national financial security.

(i) The Board of Supervisors solidly carried out significant strategic supervision and effectively strengthened the Party's leadership over supervision

The Board of Supervisors adhered to the integration of the Party's leadership with corporate governance, strictly implemented the Party committee's procedures for prior study for major issues, promptly reported major supervisory findings to the principal members of the Party committee, actively reported on the work of the Board of Supervisors to the Party committee, and actively explored deepening the integration of the Party's leadership with corporate governance through performance evaluations, ensuring the implementation of Party committee decisions. We resolutely implemented the major decisions and plans of the CPC

Central Committee and the State Council, and executed these major decisions and plans a priority in our supervisory work, facilitating the implementation of key strategies. We continuously performed its supervisory responsibilities around the Bank's priorities, such as the implementation of the 14th Five-Year Plan and inclusive financial policies, enhancing the quality and efficiency of serving to the real economy and building a green bank. The Board of Supervisors focused on the strategy of building up China's strength in agriculture, carried out special inspections in the building of creditworthy villages, improved the quality and efficiency of serving Sannong finance, and promoted the rural revitalization across the board. It focused on the strategy of building China into a manufacturer of quality, carried out special supervision of risks in loans to the manufacturing sector, promoted the steady growth in loans to the manufacturing sector, and constantly improved the high-quality financial services for major strategies, key areas, and weak links. Focused on the green development concept, the Board of Supervisors continuously paid attention to the growth of green finance, ESG, and climate risk management, in a bid to accelerate the building of a green inclusive bank, climate-friendly bank and eco-friendly bank. The Board of Supervisors closely tracked the Bank's implementation of the "5 plus 1" strategic path and the building of the "Major Capabilities in Six Aspects", in a bid to facilitate the Bank's high-quality development.

(ii) The Board of Supervisors comprehensively implemented regulatory requirements and earnestly responded to key regulatory concerns

The Board of Supervisors benchmarked and implemented regulatory requirements, systematically analyzed responsibilities and work requirements for the Board of Supervisors and its supervisors defined in related laws, regulations and supervisory policies, and enhanced improvement in related areas in a targeted manner to continuously enhance its own standardized operation level. The Board of Supervisors promptly conveyed the latest regulatory policy requirements and the inspection notices and feedback by regulators, reviewed and listened to the Bank's reports on rectification based on regulatory notices, and urged the Board of Directors and the Senior Management to coordinate and advance rectification work, promoting the implementation and refinement of efforts to rectification requirements. We paid close attention to the implementation of new regulatory rules such as new capital rules, continuously conducted tracking and monitoring of key regulatory indicators such as NPL rate, capital adequacy, leverage ratio, liquidity ratio, and liquidity coverage ratio, ensuring that main indicators continuously meet regulatory policy requirements. We focused on strengthening supervision of regulatory penalties, regulatory data submission, case prevention and control, consolidated management, data governance, and other key regulatory concerns, promoting the enhancement of the overall compliance and operational capabilities of the Bank Group. We actively strengthened communication and reporting to regulatory authorities, fully cooperated with regulatory assessments, research, meetings, and interviews, ensuring the timeliness and quality of routine meetings and document submissions.

(iii) The Board of Supervisors continuously carried out risk management supervision and ensured no systematic risks arise

The Board of Supervisors carried out an in-depth study of the situation and risks, proactively performed duties of supervision, and ensured no systematic risks arise. It regularly debriefed work reports on comprehensive risk management, capital management and the implementation of the expected credit loss method, reviewed quarterly reports on the Bank's risks, internal control and financial supervision, and provided targeted supervisory opinions. The Board of Supervisors strengthened supervision over risks in key areas, exercised special supervision over Sannong Speedy Loan and residential mortgage loans to effectively prevent and mitigate financial risks. It carried out forward-looking risk studies for key industries, and conducted studies on risks in photovoltaic, real estate and construction industries. It intensified efforts to strengthen supervision over risk management capability, and conducted special supervision of capital management to promote the implementation of new rules on capital management and improve the capability of refined capital management. The Board of Supervisors strengthened the supervision of consolidated risk management, attached importance to operations and risk management of majority-owned subsidiaries, and improved the Bank's overall risk prevention capability. It closely monitored the changes in capital adequacy ratio, leverage ratio and other regulatory indicators to ensure the Bank's sound operations.

(iv) The Board of Supervisors solidly carried out financial supervision and helped to achieve efficiency of refined management

The Board of Supervisors earnestly carried out financial supervision, and helped to achieve efficiency of refined management. It monitored major financial decisions and implementation, reviewed periodic reports, final accounts plan, profit distribution plans, assets and liabilities plans, fixed asset investment budget, capital allocation plan and other proposals. It also carried out supervision on development efficiency, closely monitored revenue and profit, net interest margin, ROA, economic value added and other indicators, focused on operational efficiency of majority-owned subsidiaries, and provided targeted supervisory opinions. It carried out supervision over the balance of development, paid attention to income from intermediary business, profit per capita and other key financial indicators, and pushed forward business transformation and high-quality development. The Board of Supervisors carried out supervision over refined financial management, and completed special supervision over management of non-performing loan collection and insurance claims. It continuously strengthened supervision of key financial areas, drove the Bank to constantly improve its refined management capability, and contributed to improving development quality in step with the management level.

(v) The Board of Supervisors conducted in-depth supervision on internal control, and worked hard to improve the efficiency of compliance management

The Board of Supervisors conducted in-depth supervision on internal control, and worked hard to improve the efficiency of compliance management. It focused on the progress in establishing an internal control system, reviewed and debriefed proposals regarding the internal control evaluation, case prevention and management, consumer protection, and anti-money laundering, and constantly paid attention to the progress in establishing the internal control system. The Board of Supervisors pushed forward its monitoring of key areas for internal control, and carried out special supervision over regulatory penalties, and case prevention and management. It enhanced monitoring on the progress in information system building, and completed special supervision over the building of technological capability. The Board of Supervisors promoted supervision over employees' behaviors, and completed special supervision over the management of passive resigned employees. It strengthened the monitoring of consumer protection, and followed the handling of customer complaints and complaints forwarded by regulatory authorities. It strengthened the supervision of compliance management at agency institutions, and paid attention to the basic management of internal controls, position development, and law-compliant sales at agency outlets. It continuously enhanced the supervision over weak links in internal control, promoted the continuous improvement of the internal control management system across the Bank, further deepened the building of a compliance culture and laid a solid foundation for steady and sound business development.

(vi) The Board of Supervisors legally carried out duty performance supervision and promoted the enhancement of corporate governance quality and effectiveness

The Board of Supervisors carried out duty performance supervision and evaluation in accordance with law, constantly optimized duty performance evaluation procedures and indicators, and timely followed the procedures of reporting evaluation results to regulators. It strengthened the application of performance evaluation results, and conducted analyses of performance evaluation results for seven consecutive years. It communicated evaluation results and recommendations for improving performance on-site during meetings of the Board of Directors, and provided written feedback on evaluation results and related suggestions and advice to Directors and Supervisors. The Board of Supervisors strengthened the supervision of consolidated management, attached importance to the governance and operations of majority-owned subsidiaries, and carried out special supervision with the focus on the governance capability building of YOU⁺ BANK to improve the efficiency of corporate governance. It extended supervision to branches and sub-branches, and carried out special supervision on special committees of the senior management at tier-1 branches to improve the quality and effectiveness of governance at branches and sub-branches.

(vii) The Board of Supervisors continued to improve the work mechanism of supervision, and continuously improved supporting capability via services

The Board of Supervisors continued to improve the work mechanism of supervision, and continuously improved supporting capacity via services. It continuously improved the regular and long-effect supervision mechanisms of rectification, kept a record of the implementation of rectification measures, and intensified efforts to track and supervise the rectification of problems on a daily basis. It carried out evaluation on rectification for the seventh consecutive year, enhanced the quality and efficiency of rectification, and improved the closed-loop management mechanism of supervisory opinions. The Board of Supervisors made innovations in supervision methods, and utilized internal and external data platforms and data mining technology to regularly analyze and study the economic development and operation and the special audit reports. It carried out management of supervisors' term of office in an orderly manner, and correspondingly adjusted the composition of special committees to ensure a sensible organizational structure of the Board of Supervisors.

II. OPERATION OF THE BOARD OF SUPERVISORS

In 2023, the Board of Supervisors strictly followed relevant laws, regulations, regulatory requirements, and the provisions of the Articles of Association, earnestly executed the resolutions of the Shareholders' General Meetings, and organized and convened meetings of the Board of Supervisors and its special committees in a standardized manner. All Supervisors performed their duties faithfully and diligently, discussed matters and made decisions in compliance with laws and regulations, expressed comments and suggestions independently, professionally and objectively, and intensively participated in supervision, inspection, and surveys. Their time of duty performance for the Bank complied with regulatory requirements.

(i) Procedure-based operation

In 2023, the Board of Supervisors held seven meetings, at which it studied and reviewed 102 proposals and supervision items, including the 2023 work plan of the Board of Supervisors, the 2022 Annual Report, highlights and results announcement, the 2022 internal control evaluation report, the 2022 work report of the Board of Supervisors, the 2022 evaluation report on the performance of the Board of Directors, the senior management and their members by the Board of Supervisors. The special committees of the Board of Supervisors strengthened procedure-based operation and held 15 meetings to review 44 proposals and provided professional opinions and suggestions to the Board of Supervisors. Focusing on key fields such as transformation and development and risk prevention, the Board of Supervisors conducted in-depth and practical supervision. The Board of Directors and the senior management paid high attention to and actively responded to their supervisory opinions. Strictly following regulatory requirements and the listing rules of the SSE and the Hong Kong Stock Exchange, the Board of Supervisors disclosed matters including resolutions of its meetings and announcements on changes in Supervisors in a timely, complete and accurate way.

(ii) Duty performance by Supervisors

In 2023, all Supervisors strictly observed relevant laws, regulations, regulatory requirements, and the Articles of Association, loyally and diligently performed their duties and attended all on-site meetings of the Board of Supervisors in person. They fully studied and reviewed all proposals, effectively gave play to their professional expertise, and gave independent, professional, and objective opinions and suggestions. The Board of Supervisors conscientiously attended the Shareholders' General Meetings, attended the Board meetings and meetings of the senior management as observers, continued to pay attention to the operation and management of the Bank, and actively provided suggestions for the transformation and development of the Bank. The Board of Supervisors deeply conducted special supervision and research activities on Sannong Speedy Loan development, loans to the manufacturing sector and residential mortgage loans, the capability construction of subsidiaries' corporate governance, and other areas at the grassroots level, so as to fully understand and master first-hand information on risk management, business transformation and development, and refined management. The Board of Supervisors actively attended various training organized by the China Association of Public Companies, Listed Companies Association of Beijing and the Bank, which covered strategic management, financial management, compliance management, anti-money laundering and other fields, and strove to improve the professional ability and level of duty performance. In 2023, all Supervisors have been engaged in supervision for the Bank for more than 15 business days.

Supervisors who were members of the Party Committee strictly implemented the decisions of Party organizations and actively drove the integration of Party leadership and corporate governance, timely conveying the Party's instructions at the Board of Supervisors, and effectively feeding back other Supervisors' opinions and suggestions to the Party Committee. The Chairman of the Board of Supervisors led the Board of Supervisors to resolutely implement the decisions and plans of the CPC Central Committee, based on the overall situation of the Bank's reform and development, and effectively performed supervisory duties. Supervisors who chaired special committees timely organized special committee meetings, actively expanded the topic range and supervisory vision, strengthened the standardized and efficient operation of special committees. Shareholder Representative Supervisors adhered to the long-term interests of the Bank, actively safeguarded the overall interests of the Bank and the lawful rights and interests of all shareholders, treated all shareholders fairly, and actively assisted the Bank in communicating well with shareholder companies. External Supervisors adhered to an independent perspective, upheld fairness principles, and offered professional, rigorous, and independent opinions and suggestions on the Bank's fundraising fund use, related transactions, internal control, information disclosure, and other situations, focusing on safeguarding the lawful rights and interests of minority shareholders and other stakeholders. Employee Supervisors regularly reported to the employee representative assembly, listened to employees' opinions and suggestions on regulations and systems involving employees' vital interests or significant matters, and effectively safeguarded employees' lawful rights and interests.

Attendance of Supervisors at Meetings in 2023

Supervisors	Board of Supervisors		Nomination Committee	Duty Performance Supervision Committee	Finance and Internal Control Risk Supervision Committee
	Number of attendances in person/ Number of meetings that should be attended	Number of attendances by proxy	Number of attendances in person/ Number of meetings that should be attended	Number of attendances in person/ Number of meetings that should be attended	Number of attendances in person/ Number of meetings that should be attended
Shareholder Representative Supervisors					
Chen Yuejun	7/7	0	–	–	–
External Supervisors					
Bai Jianjun	7/7	0	2/2	–	4/4
Chen Shimin	7/7	0	–	6/6	–
Employee Supervisors					
Li Yue	7/7	0	2/2	6/6	7/7
Gu Nannan	7/7	0	2/2	6/6	7/7
Resigned Supervisor					
Zhao Yongxiang	7/7	0	–	6/6	–
Wu Yu	3/3	0	–	–	3/3
Bu Dongsheng	3/3	0	–	–	3/3

Notes:

- (1) “Attendance in person” includes on-site attendances and attendances by way of electronic communications, such as telephone and video conferencing.
- (2) Mr. Bai Jianjun was appointed as Chairman and member of the Finance and Internal Control Risk Supervision Committee of the Board of Supervisors since May 29, 2023.
- (3) Mr. Zhao Yongxiang resigned from his positions as a Shareholder Representative Supervisor and a member of the Duty Performance Supervision Committee of the Board of Supervisors of the Bank on March 8, 2024.
- (4) Mr. Bu Dongsheng resigned from his positions as Employee Supervisor and a member of the Finance and Internal Control Risk Supervision Committee of the Board of Supervisors of the Bank on May 29, 2023.
- (5) Mr. Wu Yu resigned from his positions as External Supervisor and Chairman and member of the Finance and Internal Control Risk Supervision Committee of the Board of Supervisors of the Bank on May 29, 2023.
- (6) In the year 2023, there were no instances of Supervisors being absent from the meetings of the Board of Supervisors, Supervisors failing to attend two consecutive meetings in person, or Supervisors failing to personally attend more than two-thirds of the on-site meetings of the Board of Supervisors.

III. EVALUATION OPINIONS ON THE DUTY PERFORMANCE FOR 2023

The Board of Supervisors carried out comprehensive evaluation mainly through self-assessments, analysis of duty-performance materials, observation of daily performance behaviors and scoring results of performance evaluation, took into account the regulatory assessment of corporate governance, regulatory notifications and opinions as well as the supervisory opinions of internal audit, took external opinions as reference, and gave the following evaluation opinions on the duty performance for 2023.

(i) Evaluation opinions on the duty performance of the Board of Directors and its members

During the evaluation period, the Bank's Board of Directors unswervingly followed the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, deeply implemented the guidelines of the Party's 20th National Congress, the 2nd Plenary Session of the 20th Central Committee, the Central Financial Work Conference, and the Central Economic Work Conference, comprehensively implemented the decisions and plans of the CPC Central Committee and the State Council, earnestly executed regulatory requirements, strictly followed laws and regulations and the Bank's Articles of Association, and executed the resolutions of the Shareholders' General Meeting, effectively performed the responsibilities of "setting strategy, making decisions, preventing risks", practiced the "5 plus 1" strategic path, dared to innovate and reform, made remarkable achievements in improving corporate governance, serving the real economy, advancing business transformation, strengthening risk management, and other aspects, leading the Bank to provide high-quality financial services for economic and social development. The Board of Directors adhered to integrating the Party's leadership into corporate governance, strictly implemented the Party Committee's work mechanism of prior study for major issues, and the leading position of the Party organization in corporate governance was continuously consolidated. The Board of Directors deeply pushed forward the construction of advanced approaches for capital management and internal capital adequacy assessment procedures, continuously strengthened the management of credit risk, operational risk, liquidity risk, on-balance sheet and off-balance sheet business risks, reputation risk, and public opinion, strengthened the construction of intelligent risk control system, further improving the quality and efficiency of comprehensive risk management. The Board of Directors guided and supervised the senior management to standardize the conduct of internal capital adequacy assessments, recovery and disposal plans, and other areas of stress testing, timely updated expected credit loss assessment model parameters, and continuously strengthened the implementation and management of the expected credit loss method. The Board of Directors strengthened capital-intensive management, carried out multiple measures to supplement external capital, continuously optimizing capital structure. The Board of Directors improved the money laundering risk management architecture, advanced the digitalization and intensification reform of anti-money laundering work, further improving the quality and efficiency of anti-money laundering efforts. The full-process work mechanisms of consumer rights protection continuously improved, consumer rights protection main responsibilities continuously solidified. The Board of Directors strengthened strategic performance assessment guidance, optimized financial resource allocation, continuously

enhancing financial support capabilities. The Board of Directors closely monitored capital situations, corporate governance, internal control compliance effectiveness, and consolidated risk management level of majority-owned subsidiaries, further improving data governance system, vigorously advanced data standard transformation, continuously releasing data value. The Board of Directors strengthened employee behavior management, continuously improving the quality and efficiency of internal control management. The Board of Directors established and improved a vertically independent, authoritative, and efficient audit management architecture, deepened the rectification and application of audit findings, continuously exerting audit supervision effectiveness. The Board of Directors enhanced the refinement level of equity management, earnestly performed information disclosure obligations, continuously deepened effective communication with shareholders, effectively safeguarding the lawful rights and interests of minority investors. The Board of Directors strengthened corporate culture construction, continuously advancing the deep and practical construction of clean finance culture, deeply rooting clean foundations. All special committees of the Board of Directors operated in a procedure-based manner within the authorization of the Board of Directors, gave full play to their expertise, provided professional opinions and suggestions, and vigorously supported the well-grounded and efficient decision-making of the Board of Directors.

The Board of Supervisors believes that during the evaluation period, all Directors of the Bank strictly complied with the requirements of laws, regulations, regulatory requirements and the Articles of Association, performed their obligations faithfully and diligently, adhered to high standards of ethics and professionalism, performed their duties independently and objectively, and guarded the bottom line of honest practice. No improper performance of duties or serious dereliction of duty such as illegal exercise of power, seeking improper benefits by taking advantage of positions, or damaging the legitimate interests of the Bank, was found. The Board of Supervisors evaluated the 12 Directors who participated in the performance evaluation for 2023 as “competent”.

It is recommended that, with respect to subsequent duty performance, the Board of Directors and its members continue to adhere to and strengthen the comprehensive leadership of the Party, continuously deepen the operating quality and effectiveness of corporate governance, continuously strengthen the self-building of the board of directors, actively respond to key concerns of all parties.

(ii) Evaluation opinions on the duty performance of the senior management and its members

During the evaluation period, the Bank’s senior management deeply studied and implemented Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and the guiding principles of the Party’s 20th National Congress and the 2nd Plenary Session of the 20th CPC Central Committee, the Central Financial Work Conference, and the Central Economic Work Conference, resolutely implemented the decisions and plans of the Central Party Committee and the State Council, strictly implemented regulatory requirements, earnestly executed the resolutions of the Shareholders’ General Meeting and the Board of Directors, and actively accepted the supervision of the Board of Supervisors. Focused on the strategic goals and strategic guidelines of the 14th Five-Year Plan, the senior management

accelerated capability building and innovation and reform, fully played its distinctive endowment advantages, and provided high-quality financial services for economic and social development, achieving stable and robust operational performance. The senior management adhered to a prudent and stable overall risk appetite, tightly controlled credit risk, market risk, liquidity risk, operational risk, information technology risk, off-balance sheet business risk, reputation risk, and other key areas of risk control, deeply advancing the construction of advanced approaches, efficiently implementing new capital regulation marking methods, continuously perfecting the “all aspects, whole process and entire staff” comprehensive risk management system, and risk levels were generally controllable. The refinement level of expected credit loss measurement steadily improved, risk offsetting capabilities were sufficient. The senior management scientifically coordinated fund sources and uses, maintaining a good liquidity situation. The senior management continuously optimized stress testing methods, further improving the forward-looking and accuracy of testing results. The senior management accelerated the construction of a digital ecosystem-based bank, deeply cultivated financial technology innovation and applications, powerfully promoting business process reengineering and product innovation. The senior management solidly conducted data governance, continuously improving data asset quality and value. The senior management actively explored intelligent applications for consumer rights protection, the long-term mechanisms of consumer rights protection continuously solidified. The senior management continuously consolidated money laundering risk control, and steadily improved the digital and intensive transformation of money laundering risk management. The senior management continuously enhanced rigid control by systems, further improving case prevention and control and the quality and effectiveness of employee behavior management work. The senior management efficiently implemented capital planning and capital instrument issuance, continuously meeting regulatory requirements on capital adequacy. The senior management continuously strengthened the strategy led by performance assessment, continuously optimizing financial resource allocation. The senior management enhanced consolidated management technology support, and consolidated management mechanisms further improved. The senior management complied with the high standard of professional ethics, actively created a clean financial culture atmosphere, and reported operation and management information to the Board of Directors and Board of Supervisors in a timely, accurate and complete manner. Each special committee of the senior management operated in a procedure-based manner, and assisted senior management in breaking down and communicating strategic objectives; and the frequency of meetings and the operation all met regulatory requirements and the requirements of working rules.

The Board of Supervisors believes that during the evaluation period, all senior management members of the Bank conscientiously abided by laws and regulations and the Bank’s Articles of Association, strictly complied with the authorization of the Board of Directors, conscientiously implemented the resolutions of the Board of Directors, worked diligently, fulfilled their duties faithfully, and adhered to the high standard of professional ethics and the bottom line of integrity. No improper performance of duties or serious dereliction of duty, such as illegal exercise of power, seeking improper benefits by taking advantage of positions, or damaging the legitimate interests of the Bank, was found. The Board of Supervisors evaluated the six senior management members who participated in the performance evaluation for 2023 as “competent”.

It is recommended that, with respect to subsequent duty performance, the senior management members should focus on “planning operations, grasping implementation, strengthening management” responsibilities, properly organize the implementation of resolutions of Board of Directors, strive to enhance strategic execution effectiveness, adhere to risk compliance throughout operations, fully promote the implementation of refined management, continuously improve data governance, consumer rights protection, consolidated management, and other areas of duty performance.

(iii) Self-evaluation by the Board of Supervisors and evaluation opinions on the duty performance by the Supervisors

During the evaluation period, the Bank’s Board of Supervisors adhered to the guiding principles of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, deeply studied and implemented the guiding principles of the 20th Party Congress and the 2nd Plenary Session of the Party’s 20th National Congress, the Central Financial Work Conference, and the Central Economic Work Conference of CPC , resolutely implemented the decisions and plans of the CPC Central Committee and the State Council, strictly implemented regulatory requirements, made decisions in accordance with laws and regulations, focused on the central tasks across the Bank, focused on the implementation of decisions of the CPC Central Committee, corporate governance, operation management, business development, information technology, implementation of regulatory requirements, and other key areas, solidly and effectively performed supervisory duties, fully played the supervisory checks and balances role, actively safeguarded the lawful rights and interests of the Bank, shareholders, employees, creditors, and other stakeholders, provided strong support for the Bank’s stable operation and high-quality development, and effectively safeguarded national financial security.

The Board of Supervisors believes that during the evaluation period, all evaluated Supervisors strictly followed relevant laws, regulations, regulatory requirements, and the Bank’s Articles of Association, performed their faithful and diligent obligations, practiced high standards of professional ethical norms, exercised supervisory powers in an independent, objective, professional and compliant manner, found no improper duty performance situations such as illegal exercise of supervisory powers, using positions to seek undue benefits, harming the Bank’s lawful interests, or serious dereliction of duty. The Board of Supervisors evaluated six Supervisors who participated in the performance evaluation for 2023 as “competent”.

It is recommended that, with respect to subsequent duty performance, the Board of Supervisors and its members should continuously deepen the effectiveness of supervisory checks and balances, continuously strengthen the application of supervisory results, continuously extend the reach of supervisory work, and further enhance the supervisory team’s capabilities.

IV. INDEPENDENT OPINIONS ISSUED BY THE BOARD OF SUPERVISORS**(i) Operation according to law**

During the reporting period, the Board of Directors and the senior management of the Bank continued to operate in compliance with applicable laws and regulations and improved internal control policies, with the decision-making procedures in compliance with laws, regulations, and the Articles of Association. Members of the Board of Directors and the senior management members performed their duties conscientiously. No violation of laws and regulations or any act that harmed the interests of the Bank was found in their performance of duties.

(ii) Annual report

The preparation and review procedures of this annual report of the Bank were in compliance with laws, regulations and regulatory provisions; and contents of this report reflected the actual conditions of the Bank truly, accurately, and completely.

(iii) Use of raised funds

During the reporting period, the use of raised funds was in line with the purposes as disclosed in the prospectuses.

(iv) Acquisition and sale of assets

During the reporting period, there was no insider dealing or any other act that impaired the Shareholders' interests or resulted in losses of the Bank's assets in the process of the Bank's acquisition or sale of assets.

(v) Connected transactions

During the reporting period, the Bank's connected transactions were conducted based on commercial principles. No act that impaired the interests of the Bank was found. The review, voting, disclosure, and implementation of connected transactions complied with applicable laws and regulations and the Articles of Association.

(vi) Implementation of resolutions passed at the Shareholders' General Meeting

During the reporting period, the Board of Supervisors had no objection to the reports or proposals presented by the Board of Directors to the Shareholders' General Meeting for consideration. The Board of Directors earnestly implemented the resolutions approved at the Shareholders' General Meeting.

(vii) Internal control

During the reporting period, the Board of Supervisors reviewed the Bank's annual internal control assessment report and had no objection to the report.

(viii) Implementation of information disclosure management rules

During the reporting period, the Bank performed its duty of information disclosure in strict compliance with the regulatory requirements, implemented the information disclosure management rules earnestly, and disclosed information in a timely and fair manner. Information disclosed during the reporting period was true, accurate, and complete.

(ix) Corporate social responsibilities

During the reporting period, the Bank earnestly performed its social responsibilities. The Board of Supervisors reviewed the Bank's Corporate Social Responsibility (Environmental, Social, and Governance) Report for the year and had no objection to the report.

(x) Performance evaluation of Directors, Supervisors, and senior management members

All the Directors, Supervisors, and senior management members who participated in the 2023 performance assessment were evaluated as "competent".

Save as disclosed above, the Board of Supervisors had no objection to other supervision issues during the reporting period.

In 2024, the Board of Supervisors will continue to adhere to the guiding principles of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, implement the new development philosophy in a complete, accurate and comprehensive manner, deeply grasp the political and people-oriented nature of financial work, take promoting high-quality financial development as the theme, take deepening financial supply-side structural reform as the main line, adhere to the general principle of seeking progress while maintaining stability, adhere to the Party's leadership, strategic guidance, problem-oriented approach, and risk-based principles, maintain a spirit of enthusiasm and proactivity, and take the initiative to fulfill responsibilities. The Board of Supervisors will strengthen coordination and cooperation, and promote quality transformation, efficiency transformation, and dynamic transformation. We will resolutely implement the decisions and plans of the CPC Central Committee and the State Council, deeply implement the guiding principles of the Central Financial Work Conference and the Economic Work Conference, strictly implement regulatory requirements, focus on the central tasks across the Bank. Focusing on strategy implementation, the Board of Supervisors will effectively perform the supervisory duties, actively safeguard the lawful rights and interests of the Bank, shareholders, employees, creditors, and other stakeholders, further enhance corporate governance level, fully promote the high-quality development of the Bank.

The following is the summary of the valuation reports from the Independent Valuers for inclusion in this circular. The summary of the valuation reports was prepared in Chinese and the English version is for reference only. If there is any discrepancy between the Chinese and English version of the summary of the valuation reports, the Chinese version shall prevail.

**The Market Value of the Beneficial Interest Units of the CCB Trust –
Firmiana Collective Fund Trust Scheme Asset Allocation Class
No. 5 Investment Unit (Phase 1) Owned and Considered for
Transfer by Postal Savings Bank of China Co., Ltd.
Summary of the Asset Valuation Report
Guo Zhong Lian Ping Bao Zi (2024) No. 2-0875**

POSTAL SAVINGS BANK OF CHINA CO., LTD.:

Guozhonglian Asset Valuation and Land and Real Estate Appraisal Co., Ltd. has accepted the entrustment from your company, and carried out necessary valuation procedures such as inspection and verification, market research and confirmation, and valuation estimates by formulating the corresponding valuation approaches and working plans based on the principles of independence, objectivity, and fairness and in accordance with the provisions of national laws and regulations, asset valuation standards, technical specifications, guidance and related documents. Based on specific valuation assumptions and constraints, we conduct market value valuation by using the cost approach¹ for your proposed transfer of the beneficial interest units of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No.5 Investment Unit (Phase 1) as of December 31, 2023. The valuation process is now reported as follows:

I. Valuation Subject

1. Basic Information

Name: The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1)

Trustor: Postal Savings Bank of China Co., Ltd.

Trustee: CCB Trust Co., Ltd.

Custodian: Guangdong Branch, Postal Savings Bank of China Co., Ltd.

Establishment Date of the Trust: March 24, 2016

Scope of the Trust: The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1) raised a total of RMB12,000,000,000, which was subscribed by Postal Savings Bank of China Co., Ltd. As of the Valuation Benchmark Date of December 31, 2023, the balance of the trust scheme was RMB12,000,000,000.

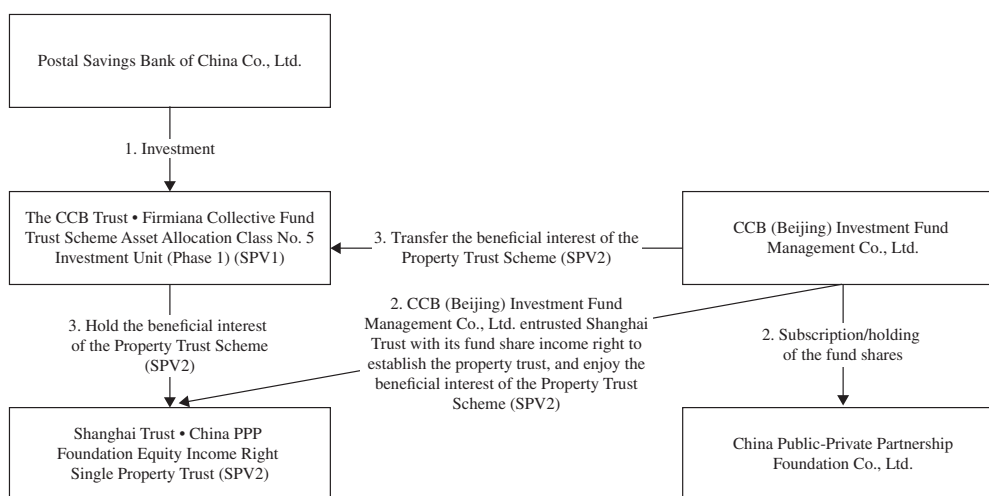
¹ According to the Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35), the cost approach includes restoration replacement cost method, updating replacement cost method and asset-based method, etc.

The Operational Status of the Investment Target: The trustee of the trust scheme has, in accordance with the provisions of the trust documents, completed the acquisition of the corresponding shares of trust funds for the trust beneficial interests of Shanghai Trust • China PPP Foundation Equity Income Right Single Property Trust held by CCB (Beijing) Investment Fund Management Co., Ltd.

2. Transaction Structure

The underlying asset corresponding to “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1)” is the 16% share of China PPP Foundation Co., Ltd. held by CCB (Beijing) Investment Fund Management Co., Ltd. as a shareholder of China PPP Foundation Co., Ltd.

The specific transaction structure is set out below:



- (1) PSBC invested in the trust scheme the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1). (see step 1)
- (2) CCB (Beijing) Investment Fund Management Co., Ltd., as a shareholder, participated in the establishment of China Public-Private Partnership Foundation Co., Ltd. and subscribed for the fund shares. CCB (Beijing) Investment Fund Management Co., Ltd. entrusted Shanghai International Trust Co., Ltd. to establish Shanghai Trust • China PPP Foundation Equity Income Rights Single Property Trust with the income right of its subscribed share of China Public-Private Partnership Foundation Co., Ltd. as the trust property, and is entitled to the beneficial interest of the property trust scheme. (see step 2)
- (3) The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1) used the investment fund from PSBC as consideration for acquiring Shanghai Trust • China PPP Foundation Equity Income Right Single Property Trust from CCB (Beijing) Investment Fund Management Co., Ltd. (see step 3)

Based on the abovementioned transaction structure, PSBC ultimately invested in China Public-Private Partnership Foundation Co., Ltd. through investing in Shanghai Trust • China PPP Foundation Equity Income Rights Single Property Trust.

3. Underlying Assets

(1) *Property Trust: Shanghai Trust • China PPP Foundation Equity Income Right Single Property Trust*

1) Introduction to the Property Trusts

Trustor/beneficiary: CCB (Beijing) Investment Fund Management Co., Ltd.

Trustee: Shanghai International Trust Co., Ltd.

Trust Property: The trust property under this contract is the equity income right for which CCB (Beijing) Investment Fund Management Co., Ltd. has entrusted Shanghai International Trust Co., Ltd. with its lawful disposal right based on its trust in Shanghai International Trust Co., Ltd. The trustee of the property trust has completed the acquisition of the equity income right held by CCB (Beijing) Investment Fund Management Co., Ltd. in accordance with the provisions of the equity income right transfer contract. Therefore, the trustee has the right to receive an equal amount of cash income (future cash flow generated by the equity) from the cash income generated by the equity of the China PPP Foundation.

Effective date of trust: March 24, 2016

On March 24, 2016, CCB (Beijing) Investment Fund Management Co., Ltd. and CCB Trust Co., Ltd. have signed the Shanghai Trust • China PPP Foundation Equity Income Right Single Property Trust Unit Transfer Contract 1 with the number X3-13-16052-3-1. CCB (Beijing) Investment Fund Management Co., Ltd. has transferred the income right of Shanghai Trust • China PPP Foundation Equity Income Right Single Property Trust to CCB Trust Co., Ltd.

2) Financial Status

The asset status of Shanghai Trust • China PPP Foundation Equity Income Right Single Property Trust on the Valuation Benchmark Date for valuating the beneficial interest is shown in the table below:

Unit: RMB

Asset	December 31, 2023 Book Value
Bank deposits	47,729.63
Trading financial assets	12,000,000,000.00
Total assets	12,000,047,729.63
Manager compensation payable	1,216,666.67
Accounts payable to trustee for advance payments	1,000.00
Total liabilities	1,217,666.67
Net asset value	11,998,830,062.96

Note: The above financial data is the financial statement data (unaudited) provided by the corresponding manager of the trust scheme.

(2) *Fund Name: China Public-Private Partnership Foundation Co., Ltd.*

1) Company registration matters

Name: China Public-Private Partnership Foundation Co., Ltd.

Legal address: Room 404-5, Building 5, 59 Gaoliangqiao Xiejie Street, Haidian District, Beijing

Legal representative: Wang Zhendong

Registered capital: RMB180,000,000,000

Paid-up capital: RMB75,000,000,000

Unified Social Credit Code: 91110000MA003XRC3X

Business scope: Investment, investment management, and consulting for non-securities businesses; equity investment; bond investment; project investment; investment management; asset management; enterprise management; economic information consultation. (Market entities shall independently choose their business projects and carry out business activities in accordance with the law. For projects that require approval under the law, business activities shall be conducted according to the approved content after approval by relevant departments. Business activities that are prohibited or restricted by national or local industrial policies shall not be engaged in.)

4. *Financial Status of the Entity Being Valuated*

The asset status of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1) on the Valuation Benchmark Date is shown in the table below:

Unit: RMB

Asset	December 31, 2023 Book Value
Bank deposits	1.41
Trading financial assets	12,000,000,000.00
Total assets	12,000,000,001.41
Trustee remuneration payable	10,652,055.23
Payable management fees	1,183,561.20
Total liabilities	11,835,616.43
Net asset value⁽²⁾	11,988,164,384.98

Notes:

- (1) The above financial data is the financial statement data (unaudited) provided by the corresponding manager of the trust scheme.
- (2) The net asset value stated herein refers to the net asset value at the level of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1). Due to the same accounting treatment, the amount of the above net asset value is the same as that of the remaining invested principal of trust equity stated in the table under section VIII. Valuation Conclusion – (I) Valuation Results by Cost Approach in this Summary of the Asset Valuation Report.

II. Valuation Subject and Scope

The entrusted valuation subject and valuation scope are consistent with those involved in economic behavior.

(1) Valuation Subject

The valuation subject is the market value of the Beneficial Interest Units of CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1) owned by Postal Savings Bank of China Co., Ltd.

(2) Valuation Scope

The specific scope of the valuation is the 12,000,000,000 beneficial interest units held by Postal Savings Bank of China Co., Ltd. under CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1) on the Valuation Benchmark Date. The financial statements as of the Valuation Benchmark Date for the beneficial interest units under the Trust Contract of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1) are based on the financial data provided by the enterprise.

As of the Valuation Benchmark Date of December 31, 2023, the book value of beneficial interest units of this trading financial asset held by Postal Savings Bank of China Co., Ltd. is RMB13,051,929,200.

The subject and scope of the valuation in this commission are consistent with the subject and scope of the valuation involved in the economic behavior. As of the Valuation Benchmark Date, the book value of the assets within the valuation scope has been audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP, which issued the Audit Report under document (Audit) (24) No. P01658, expressing an unqualified opinion.

Main underlying asset status

On the Valuation Benchmark Date, the underlying assets in the beneficial interest units of trading financial assets include 102 direct investment projects of the parent fund and 7 sub-funds. The projects invested in are all PPP projects. The PPP model is a collaborative investment and financing model between the government and social capital, which introduces social capital to participate in the investment and operation of public welfare undertakings such as urban infrastructure through pre-disclosed rules for income agreement such as franchise rights, reasonable pricing, and financial subsidies. The industries involved in the direct investment projects within the scope of this valuation include municipal engineering, transportation, affordable housing projects – renovation of shanty towns, urban comprehensive development, cultural tourism and sports infrastructure construction, ecological construction and environmental protection, water conservancy construction and technology.

(3) *Types and Quantities of Off-Balance Sheet Assets Declared by the Enterprise*

None.

(4) *Reference to Reports from Other Institutions*

This asset valuation report utilizes the audit report (Tian Zhi Ye Zi 2024 No. 21487) issued by Baker Tilly China Certified Public Accountants (Special General Partnership) for China Public-Private Partnership Foundation Co., Ltd. Besides, no other agency reports have been cited.

(5) *Other Issues That Need to Be Explained*

None.

III. Valuation Benchmark Date

The benchmark date of asset valuation for this project is December 31, 2023.

The determination of the Valuation Benchmark Date takes into account the realization of the trustor's relevant economic activities, the accounting period, changes in interest rates, and exchange rates, etc., and is agreed upon after consultation with the trustor.

Asset valuation is a professional judgment of the value of the valuation subject at a specific point in time. Selecting the end of the accounting period as the Valuation Benchmark Date allows for a more comprehensive reflection of the overall situation of the valuation subject. This is in line with the principles of ensuring that the valuation conclusion effectively serves the valuation purpose, accurately delineating the valuation scope, efficiently auditing and verifying assets, and reasonably selecting the basis for valuation pricing, choosing a date close to the realization of the trustor's economic activities as the Valuation Benchmark Date.

IV. Basis for Valuation

In this asset valuation work, we followed national and local government laws and regulations, and the documents referred to in the valuation primarily include:

(I) *Economic Behavior Basis*

This economic activity has been approved by the 16th CPC Committee Meeting in 2024 and the 11th President's Office Meeting in 2024 of Postal Savings Bank of China Co., Ltd.

(II) Main Legal and Regulatory Basis

1. Asset Valuation Law of the People's Republic of China (Adopted by the 21st Meeting of the 12th NPC Standing Committee (NPCSC) on July 2, 2016);
2. Company Law of the People's Republic of China (Adopted by the 6th Meeting of the 13th NPC Standing Committee (NPCSC) on October 26, 2018);
3. Civil Code of the People's Republic of China (Adopted at the 3rd Meeting of the 13th National People's Congress on May 28, 2020);
4. Law of the People's Republic of China on Enterprise Income Tax (Second amendment in the Decision of the Standing Committee of the National People's Congress to Amend Four Laws Including the Electric Power Law of the People's Republic of China by the 7th Meeting of the 13th NPC Standing Committee (NPCSC) on December 29, 2018);
5. Financial Supervision and Management Regulations for the Asset Valuation Industry (Promulgated by Order No. 86 of the Ministry of Finance on April 21, 2017, and amended according to Order No. 97 of the Ministry of Finance the Decision of the Ministry of Finance to Amend Two Departmental Rules including the Measures for the Practice Licensing and Supervision and Administration of Accounting Firms on January 2, 2019);
6. Notice on Further Strengthening Financial and Accounting Supervision (Issued by the General Office of the CPC Central Committee 2023 No. 4);
7. Measures for the Administration of State-Owned Asset Valuation (State Council Order No. 91 of 1991, revised on November 29, 2020);
8. Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises (State Council Order No. 378, revised for the second time on March 2, 2019);
9. Interim Regulations for the Supervision and Administration of State-Owned Asset Valuation of Financial Enterprises (Ministry of Finance Order No. 47);
10. Administrative Measures for the Transfer of State-Owned Asset of Financial Enterprises (Ministry of Finance Order No. 54);
11. People's Republic of China Securities Law (Revised for the second time on December 28, 2019, at the 15th meeting of the Standing Committee of the Thirteenth National People's Congress);
12. Other laws and regulations related to asset valuation.

(III) Valuation Criteria and Normative Basis

1. Valuation Standards – General Standard (Finance 2017 No. 43);
2. Valuation Ethical Standards – General Standard (China Appraisal Society 2017 No. 30);
3. Valuation Standards – Valuation Procedures (China Appraisal Society 2018 No. 36);
4. Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35);
5. Valuation Standards – Valuation Contract (China Appraisal Society 2017 No. 33);
6. Valuation Standards – Valuation Files (China Appraisal Society 2018 No. 37);
7. Valuation Standards – Enterprise Value (China Appraisal Society 2018 No. 38);
8. Valuation Expert Guidance No. 8 – Verification in Valuation (China Appraisal Society 2019 No. 39);
9. Valuation Application for Valuation Reports of State-Owned Asset of Enterprise (China Appraisal Society 2017 No. 42);
10. Valuation Standards – Utilizing Expert Work and Related Reports (China Appraisal Society 2017 No. 35);
11. Valuation Application for Business Quality Control of Valuation Firms (China Appraisal Society 2017 No. 46);
12. Valuation Guidance Note on the Basis of Value for Valuation (China Appraisal Society 2017 No. 47);
13. Valuation Guidance Note on the awareness of the Legal Ownership of the Valuation Subject (China Appraisal Society 2017 No. 48);
14. Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35).

(IV) Ownership Basis

1. Proof of shareholding or capital contribution on the benchmark date;
2. Relevant asset property rights contracts and investment agreements;
3. Other relevant property rights certificates.

(V) Pricing Basis

1. The financial statements and audit reports as at the Valuation Benchmark Date and of the previous years provided by the enterprise;
2. The asset list and asset valuation declaration form provided by the enterprise;
3. Public information materials of relevant listed companies;
4. Statistics from Shanghai Wind Information Co., Ltd. (WIND Information);
5. Statistical data and technical standard data released by relevant national authorities;
6. Information of site inspections and verifications conducted by the valuation personnel, and market research data from valuation personnel.

(VI) Reference Materials and Others

1. Other materials related to valuation.

V. Valuation Approach**(I) Selection of Valuation Approach***1. Basis for selection of valuation approaches*

According to Article 16 of the Valuation Standards – General Standard, “Valuation approaches for determining the value of assets include the three basic approaches of market approach, income approach and cost approach and methods derived from those approaches. Asset valuation professionals shall analyze the applicability of the above three basic approaches and select the valuation approaches in accordance with the standards based on the valuation purpose, valuation subject, type of value and collected information.”

*2. Conditions for the application of the valuation approach**(1) Income approach*

The income approach in valuation refers to the valuation approach of determining the value of the valuation subject by capitalizing or discounting the expected income. The asset valuation professional shall properly consider the applicability of the income approach in the light of the historical operation of the evaluated entity, the predictability of future earnings and the adequacy of the valuation information obtained.

Specific methods commonly used for the income approach include the dividend discount method and the discounted cash flow method.

The dividend discount method is a specific method of discounting expected dividends to determine the value of the evaluated entity, which is usually applicable to the valuation of partial interests of shareholders lacking control; the discounted cash flow method usually includes the discounted free cash flow model of the enterprise and the discounted free cash flow model of the equity. Asset valuation professionals shall appropriately select the discounted cash flow model based on the industry, business model, capital structure and development trend of the evaluated entity.

(2) Market approach

The market approach in valuation refers to the valuation approach of determining the value of the valuation subject by comparing the valuation subject with comparable listed companies or comparable transaction cases. Asset valuation professionals should consider the applicability of the market approach in the light of the adequacy and reliability of the operational and financial data obtained on comparable enterprises and the number of comparable enterprises that can be collected.

Two specific methods commonly used in the market approach are the listed company comparison method and the transaction case comparison method.

The listed company comparison method refers to the specific method of obtaining and analyzing the operating and financial data of comparable listed companies, calculating the value ratios, and determining the value of the evaluated entity based on a comparative analysis with the evaluated entity. The transaction case comparison method refers to the specific method of determining the value of the evaluated entity on the basis of obtaining and analyzing information on cases of sales, acquisitions and mergers of comparable enterprises, calculating the value ratios and comparing and analyzing them with the evaluated entity.

(3) Cost approach

The cost approach is a general term for a valuation approach that determines the value of a valuation subject by taking the cost of reconstruction or replacement as the basis for determining the value of the valuation subject and deducting the related depreciation, along the lines of reconstruction or replacement of the valuation subject.

3. *Selection of valuation approach*

Analysis of the applicability of the three valuation approaches for this project:

(1) Analysis of the applicability of the income approach:

Considering that the primary business of the subject being evaluated is financial investment, which investment and returns of future projects are unpredictable, and the valuers are unable to make accurate forecasts of the scale of investment management of the future projects as well as the investment returns. Therefore, the income approach is not applicable.

(2) Analysis of the applicability of the market approach:

Considering the insufficient number of comparable listed companies in the same industry as the valuation targets in China's capital market, the limited availability of market transaction cases in the same industry, and inadequate disclosure of information, the market approach is also not applicable.

(3) Analysis of the applicability of the cost approach:

Considering that the various types of assets and liabilities for valuation are capable of fulfilling the on-site investigation procedures and meeting the information requirements for the valuation and estimation, the cost approach is adopted for the valuation of the valuation subject.

In summary, the cost approach has been selected for the valuation of the valuation subject.

(II) Specific Operational Plans of Valuation

Operational plans of the cost approach of valuation: This valuation adopts the cost approach to value the beneficial interest units of the trading financial assets under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No.5 Investment Unit (Phase 1) held by Postal Savings Bank of China.

Trading financial assets: These refer to the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No.5 Investment Unit (Phase 1) invested by Postal Savings Bank of China.

The valuation personnel firstly verify the reasons for the formation of the investment, its book value and actual status, and inspect the investment agreement, contract and other information to determine the authenticity and completeness of the investment. This time, for the investment in the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1), the cost approach is used to determine the overall market value of the trust scheme, and then the value of the trading financial assets is determined on the basis of the share of assets held in the trust.

1. The financial statements of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1) include bank deposits, trading financial assets and trustee remuneration payable and custody fees payable at the Valuation Benchmark Date.

- (1) Bank deposits: The bank deposits of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1) on the Valuation Benchmark Date was RMB1.41. After investigation and verification, valuation personnel used the monetary amount legally held under the trust scheme on the Valuation Benchmark Date as the appraised value.
- (2) Trading financial assets: The trading financial assets of the trust scheme on the Valuation Benchmark Date was RMB12,000,000,000. The accounting is for the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1) invested by the evaluated entity. The valuation personnel firstly verify the reasons for the formation of the investment, its book value and actual status, and review the investment agreement, contract and other information to determine the authenticity and completeness of the investment. This time, for the investment in the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1), the cost approach is used to determine the overall market value of the property trust, and then the value of the trading financial assets is determined on the basis of the share held in the property trust.
- (3) Trustee remuneration payable and custody fee payable: The liabilities of the CCB Trust – Firmiana No. 5 Collective Fund Trust Scheme (Phase 1) on the Valuation Benchmark Date were trustee remuneration payable and custodian fee payable, amounting to RMB11,835,600 in aggregate. On the basis of inventory and verification, the appraised value of liabilities is determined based on the actual liability items and amounts that the trust scheme needs to bear.

2. *The financial statements of the Shanghai Trust • China PPP Foundation Equity Income Right Single Property Trust at the Valuation Benchmark date include bank deposits, trading financial assets and advances payable to trustee.*

- (1) Bank deposits: The valuation approach is consistent with the above introduction.
- (2) Trading financial assets: It mainly refers to its investment in China Public-Private Partnership Foundation Co., Ltd. The valuation personnel firstly verify the reasons for the formation of the investment, its book value and actual status, and inspect the investment agreement, contract and other information. The cost approach is adopted for the valuation of China Public-Private Partnership Foundation Co., Ltd.
- (3) Advances payable to trustee: On the basis of inventory and verification, the appraised value of liabilities is determined based on the actual liability items and amounts that the property trust needs to bear.

3. *The financial statements of China Public-Private Partnership Foundation Co., Ltd include bank deposits, trading financial assets, accounts receivable, debt investment, long-term equity investments and other equity instruments, fixed assets, right-of-use assets, intangible assets, long-term deferred expenses, deferred income tax assets and payables, and other liabilities at the Valuation Benchmark Date.*

- (1) Bank deposits: For bank deposits denominated in RMB, the verified book value will be used as the appraised value.
- (2) Trading financial assets: The accounting is for the wealth management products invested by China PPP Foundation, as well as direct investment projects under the PPP model.

For wealth management products, valuation personnel verify the contents, amounts, and actual conditions on the statement of trading financial assets to determine the authenticity and reliability of the investment, with the verified book value used as the appraised value. For direct investment projects, based on the characteristics of the PPP project itself, by reviewing the available PPP contracts and relevant investment agreements, and referring to the income rules stipulated in the contract agreements, relevant personnel calculate the cash flow that the PPP Foundation can obtain within the agreed remaining investment period, and calculate its present value at a certain discount rate.

The formula for calculating the discounted cash flow approach is as follows:

$$FV = \sum_{i=1}^n \frac{F_i}{(1+r)^i}$$

In the formula: FV: Investment project value at the Valuation Benchmark Date;

F_i : Cash flow for the i-th year forecast period after the Valuation Benchmark Date;

r: Discount rate;

n: Forecast period;

i: The i-th year of the forecast period.

The discount rate is determined using the cumulative risk approach.

Discount rate = risk-free return rate + risk return rate

(3) Accounts receivable

The accounts receivable of China PPP Foundation include accounts receivable, prepayments, and other receivables. On the basis of verifying the accuracy of accounts receivable, the appraised value is determined based on the amount that may be recovered for each transaction. On the basis of verifying the accuracy of various prepaid accounts, the appraised value is determined based on the value of the corresponding formed assets or rights that can be recovered.

(4) Debt investment

The debt investment of China PPP Foundation includes investment in treasury bond and debt investment in projects. For the purchased treasury bond, the valuation personnel verify the investment date, the maturity date of treasury bond, the agreed rate of return, and the investment cost, review the accuracy of its book fair value on the Valuation Benchmark Date, and determine the appraised value based on the verified book value. For the debt investment of the project, the valuation approach is consistent with the valuation approach introduced for direct investment projects involving trading financial assets.

(5) Long-term equity investments and other equity instrument investments

Long-term equity investments and other equity instrument investments include 7 sub-funds and 3 project investments.

For the valuation of the sub-fund, the fair value of the fund units or project equity held by the sub-fund is calculated on an item-by-item basis, taking into account other assets and liabilities at the sub-fund's statement level, to obtain the fair value of the equity of all investors in the sub-fund. Then, based on the partnership agreement and its supplementary agreement or the distribution arrangement in the limited partnership agreement, the fair value of the equity shares corresponding to China Public-Private Partnership Foundation Management Company is calculated.

For project investment, the valuation approach is consistent with the valuation approach introduced for direct investment projects involving trading financial assets.

(6) Fixed assets

The fixed assets of China PPP Foundation are electronic office equipment. Based on the principle of continuous use and the market price on the Valuation Benchmark Date, taking into account the characteristics of the equipment entrusted for valuation and the collected information, the replacement cost approach was adopted for the Valuation.

The calculation formula is: appraised value = replacement cost x newness rate

1) Determination of replacement costs

For electronic devices, the replacement cost is mainly determined based on the market purchase price on the benchmark date, that is, replacement cost = purchase price – deductible value added tax. For some electronic equipment that have been used for a significant amount of time, the appraised value is mainly determined based on the second-hand market prices.

2) Determination of newness rate

The newness rate of electronic office equipment is determined by using the age limit approach.

(7) Right-of-use assets

The right-of-use assets refer to the rights of use corresponding to leased assets with a lease term of more than one year. China PPP Foundation's right-of-use assets mainly include the leasing of office buildings. The Valuation is aimed to confirm the authenticity and completeness of the assets by verifying the relevant information and reviewing the accounting records. The valuation personnel reviewed the relevant contracts of the right-of-use assets and calculated the present value of the right-of-use assets according to the leasing contracts and took the balance after deducting the accumulated depreciation as the appraised value.

(8) Intangible assets

The specific approach used for software valuation is: if the software version purchased by the enterprise is still available for sale in the market, the appraised value shall be determined based on the current market price. If the software has been phased out and is no longer available for sale, the appraised value shall be determined after deducting the version upgrade cost from the purchase price of its replacement or upgraded version. For system software specifically designed or customized for enterprises, due to its uniqueness, it is difficult to find identical or similar software in the market. Therefore, the verified amortized value is used as the appraised value for such software.

(9) Long-term deferred expenses

Long-term deferred expenses refer to expenses that are amortized over a period of more than one year (excluding one year) after a one-time expenditure incurred by a company. The valuation personnel shall review the original amount of assets for reasonableness and recalculate the remaining assets or rights of the enterprise's long-term deferred expenses after the Valuation Benchmark Date. The appraised value shall be calculated as follows:

$$\text{Long-term deferred expenses} = \text{original amount of the asset} \times \frac{\text{remaining benefit period}}{\text{total benefit period}}$$

(10) Deferred income tax assets

Deferred income tax assets arising from differences in the book value and tax basis of the enterprise. The valuation personnel have analyzed and verified the deferred tax assets in this Valuation, using the verified deferred tax assets as the appraised value.

(11) Liabilities

The liabilities of China Public-Private Partnership Foundation Management Company include accounts payable, contractual liabilities, employee compensation payable, taxes payable, other payables, and non current liabilities due within one year. On the basis of inventory and verification, the appraised value of various liabilities is determined based on the actual liability items and amounts that the enterprise being valuated needs to bear after achieving the valuation purpose.

VI. Process and Situation for the Implementation of Valuation Procedures

In accordance with the relevant provisions of laws, regulations and asset valuation standards, the valuation has been carried out in accordance with appropriate valuation procedures. The specific implementation process is set out below:

(I) Clarifying basic business matters

Important matters such as the entity being valued and other users of the valuation report other than the trustor, the purpose of the valuation, the valuation subject and scope of the valuation, the type of value, the Valuation Benchmark Date, the approval of economic acts requiring approval for the asset valuation project, the scope of use of the valuation report, the deadline and the method for submission of the valuation report, the valuation service fee and the method of payment, and the cooperation and assistance of the trustor and other relevant parties with the asset valuation institution and valuation professionals have been discussed and clarified.

(II) Signing of business entrustment contract

After conducting a comprehensive analysis and evaluation of the professional competence, independence and business risks of the asset valuation institution and valuation professionals in accordance with the specific circumstances of the valuation business, an asset valuation engagement contract is entered into with the trustor to stipulate the rights, obligations, liabilities for breach of contract and settlement of disputes of the asset valuation institution and the trustor.

(III) Preparation of asset valuation plans

Prepare a valuation work plan in accordance with the specific circumstances of the asset valuation business, including determining the main process, time schedule and staffing arrangement for the implementation of the valuation business.

(IV) Conducting valuation site investigations

1. To instruct the trustor, evaluated entity and other relevant parties to inventory assets and prepare detailed information concerning the valuation subject and the valuation scope;
2. According to the specific circumstances of the valuation subject, selecting appropriate ways to carry out investigations by way of inquiry, correspondence, verification and inspection, etc., to understand the current status of the valuation subject and pay attention to the legal ownership of the valuation subject; where it is not appropriate to carry out item-by-item investigations, adopting sampling and other methods of investigation according to the degree of importance.

(V) Collection and collation of valuation information

Valuation professionals obtain information independently from the market and other channels, from relevant parties such as the trustor and evaluated entity, and from government departments, various professional organizations and other relevant authorities.

The valuation professionals shall verify and validate the information used in the asset valuation activities in an appropriate manner, which usually includes observation, inquiry, written examination, field investigation, inquiry, correspondence and review.

(VI) Formation of conclusions on valuation estimates

1. To analyze the applicability of the three basic asset valuation approaches, namely, the market approach, income approach and cost approach, and appropriately select the valuation method in accordance with the valuation purpose, valuation subject, type of value and collection of information;
2. According to the valuation methods adopted, the corresponding formulas and parameters are selected for analysis, calculation and judgement to form reasonable valuation conclusions.

(VII) Preparation and submission of the valuation report

1. The valuation professionals form preliminary valuation conclusions after valuation and estimation, and prepare preliminary asset valuation reports in accordance with the requirements of laws, administrative regulations and asset valuation standards;
2. To conduct internal review of the preliminary asset valuation report in accordance with the internal quality control system of the asset valuation firm;
3. Without prejudice to the exercise of independent judgment on the valuation conclusions, communicate with the trustor or relevant parties permitted by the trustor on the contents of the valuation report, analyze the communication independently and decide whether or not to adjust the asset valuation report;
4. After the asset valuation firm and its valuation professionals have completed the above valuation procedures, issue and submit a formal asset valuation report to the trustor.

VII. Valuation Assumptions***(I) Underlying assumptions***

1. *Transaction assumption.*

The transaction assumption assumes that the valuation subject and the assets and liabilities within the valuation scope are already in the process of being traded, and the valuation personnel carries out the valuation on the basis of a simulated market based on the terms of the transaction. The transaction assumption is one of the most basic assumptions on which the valuation is based.

2. *Open market assumption.*

The open market assumption assumes that both parties to an asset transaction (or a proposed asset transaction) are on an equal footing with each other and have access to sufficient market information and time to make rational judgments about the function and use of the asset and its transaction price. The open market assumption is based on the assumption that the asset is publicly tradable in the market.

3. *Assumption of continuous use of assets.*

The assumption of continuous use of assets means that the asset valuation needs to be based on the continuous use of the asset under valuation according to its current use and use in the manner, scale, frequency and environment, or on a changed basis, with the valuation approach, parameters and basis determined accordingly.

4. *Assumption of contract-based operations by the enterprise.*

The assumption of the enterprise operating in accordance with the contract means that the entity being valued will operate in an orderly manner in accordance with the provisions of the articles of association and the promoter agreement, reasonably arrange the withdrawal of investment projects, and be consistent with the current mode of operation.

(II) General Assumptions

1. It is assumed that there will be no significant changes in the political, economic, social and other macro-environment affecting the operations of the evaluated entity and its business environment after the Valuation Benchmark Date;
2. It is assumed that the information provided by the trustor and the evaluated entity is true, complete and reliable, and that there are no other defective matters or contingencies that should have been provided but have not been provided, or that could not have been made known to the valuation professionals even though they had performed the necessary valuation procedures, which might have an impact on the valuation conclusion;

In accordance with the requirements for asset valuation, we have determined that these assumptions are valid as at the Valuation Benchmark Date. When the valuation assumptions change significantly after the date of the valuation report, we do not assume responsibility for deducing different valuation conclusions as a result of the change in valuation assumptions.

VIII. Valuation Conclusion

(I) Valuation Results by Cost Approach

Based on the principle of independence, impartiality and objectivity, after implementing the necessary asset valuation procedures, the valuation results formed by using the cost approach are as follows:

As at December 31, 2023, the Valuation Benchmark Date, the book value of the Beneficial Interest of the Target Trust held by the Bank within the valuation scope, corresponding to the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1), was RMB13,051,929,200, and the valuation was based on the results of the cost approach valuation as the final conclusion of the valuation: the appraised value of the Beneficial Interest of the Target Trust held by the Bank was RMB13,782,289,200, with an appreciation of RMB730,360,000, or an appreciation rate of 5.60%.

The assets and liabilities of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 1) are as follows:

Unit: RMB ten thousand (except otherwise stated)

Items	Remaining invested principal	Book value of the Beneficial Interest of the Target Trust held by PSBC	Appraised value	Appreciation amount	Appreciation rate%
Bank deposits (RMB Yuan)	1.41	1.41	1.41		
Trading financial assets	1,200,000.00	1,306,376.48	1,379,412.49	73,036.01	5.59
Total trust assets	1,200,000.00	1,306,376.48	1,379,412.49	73,036.01	5.59
Total trust liabilities	1,183.56	1,183.56	1,183.56	-	
Trust equity	1,198,816.44	1,305,192.92	1,378,228.92	73,036.01	5.60

Note: The appreciation is the difference between the appraised value and the book value held by PSBC, which is mainly as follows: (1) the appreciation of assets due to the difference in the timing of accounting treatment, and (2) the appraised value of underlying investment projects using the discounted cash flow method is higher than the value recognized in the fund's books.

(II) Validity period of the valuation conclusions

The validity period for the use of the valuation conclusions is one year from December 31, 2023, the Valuation Benchmark Date, to December 30, 2024. Except for the special matters disclosed in this report, the valuation conclusions shall be valid for the period of validity of use after the Valuation Benchmark Date, provided that no significant change has occurred in the development environment of the enterprise that affect its business conditions when an economic act occurs.

In accordance with Article 10 of the Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35), a valuation report shall specify the validity period for the use of the valuation conclusions. Generally, a valuation report shall only be used when the Valuation Benchmark Date is not more than one year from the date on which the economic behavior was realized.

When there are significant changes in the market conditions or the condition of the assets on which the valuation conclusion is based, even if it has been less than one year from the Valuation Benchmark Date to the date of the economic act, the conclusion of the valuation report can no longer reflect the value of the valuation subject on the date on which the economic act is realized, and shall be dealt with in accordance with the following principles:

1. When there is a change in the number of assets or a material change in the condition of use of assets, the valuation conclusion shall be adjusted accordingly based on the original valuation method;
2. When the market conditions on which the valuation conclusions are based change and have a significant impact on the asset valuation conclusions, the trustor shall promptly engage a qualified asset valuation firm to re-determine the value of the valuation subject;
3. After the Valuation Benchmark Date, the trustor shall give full consideration to changes in asset conditions and market conditions and make corresponding adjustments in the actual valuation of the valuation subject.

IX. Notes on Special Matters

The following matters are beyond the professional level and ability of our company's asset valuers to value and estimate, but these matters may indeed affect the valuation conclusion, and users of this valuation report should pay special attention to this:

1. If there are any defects in the enterprise that may affect the asset appraised value, and there is no special explanation made at the time of entrustment, and the valuation personnel have completed the valuation procedures but are still unable to obtain information, the valuation institution and valuers shall not be held responsible.
2. The legal responsibility of the valuer and the valuation institution is to make professional judgments on the asset designated for valuation described in this report, and does not involve any judgment on the economic behavior corresponding to the valuation purpose. The valuation work largely relies on the information and materials provided by the trustor, the valuation subject, and other related parties regarding the valuation subject. Valuers are not professionals specialized in verifying the authenticity and completeness of information. They have conducted necessary valuation and verification of relevant information in accordance with the

requirements of the Asset Valuation Law. Therefore, for the untrue information provided by the trustor and the valuation subject, the valuer and the valuation institution do not assume any legal responsibility related to the property rights of the assets involved in the valuation subject.

3. The purpose of asset valuers performing asset valuation business is to estimate the value of the valuation subject and express professional opinions. Confirmation of the legal ownership of the valuation subject or expression of views is beyond the scope of asset valuer practice.
4. The conclusion of this valuation reflects the current price of the assessed subject determined according to the open market principle for the purpose of this valuation. This report does not consider the impact of additional prices that may be paid by special trading parties on the appraised value, nor does it consider the impact of changes in national macroeconomic policies, as well as the impact of natural forces and other force majeure on asset prices. When the current conditions and the going concern basis followed in the valuation change, the valuation results generally become invalid.
5. This report does not take into account factors that may affect the value of the assessed subject and the assets included in the scope of this valuation, such as outstanding transaction related expenses and taxes that should be borne at the time of achieving the valuation purpose, nor does it take into account any tax considerations for the assessed revaluation or impairment of various assets. When using this report, the trustor should carefully consider the issue of tax burden and handle it in accordance with relevant national regulations.
6. This asset valuation report utilizes the audit report Tian Zhi Ye Zi 2024 No. 21487 issued by Baker Tilly China Certified Public Accountants (Special General Partnership) for China Public-Private Partnership Foundation Co., Ltd.

Report users should pay attention to the above matters.

X. Restrictions on the Use of Valuation Reports

1. This valuation report can only be used for the valuation purpose and use stated in the valuation report.
2. If the trustor or other user of the asset valuation report fails to use the asset valuation report in accordance with the provisions of laws, administrative regulations and the scope of use stated in the asset valuation report, the asset valuation firm and its asset valuer shall not be held responsible.

3. Valuation report can only be used by the users stipulated in the valuation report. Except for the trustor, other users of the asset valuation report stipulated in the asset valuation commission contract, and users of the asset valuation report stipulated in laws and administrative regulations, no other institution or individual can become the user of the asset valuation report.
4. The user of the asset valuation report should correctly understand and use the valuation conclusion. The valuation conclusion is not equivalent to the realizable price of the valuation subject, and should not be considered as a guarantee of the realizable price of the valuation subject.
5. The asset valuation report is a professional report issued by the asset valuation institution and its appraisers in compliance with the laws, administrative regulations and asset valuation standards, sealed by the asset valuation institution and signed by the appraisers according to the entrustment to perform the necessary asset valuation procedures, and can be formally used only after it has been put on record by the state-owned assets supervision and administration institution or enterprises funded by such institution.

XI. Valuation Report Date

The date of formation of the professional opinion in this valuation report is May 20, 2024.

XII. Identity, Qualifications and Independence of the Appraisers

The appraisers, namely Liu Guangshou and Xiao Leping involved in this assessment are primarily registered members of the China Appraisal Society, who have sufficient qualifications and experience in similar valuation projects. Liu Guangshou and Xiao Leping confirm that they have no existing or expected interest relationships with the valuation object in the valuation report; no existing or expected interest relationships with the relevant parties, and no bias towards the relevant parties.

**The Market Value of the Beneficial Interest Units of CCB Trust –
Firmiana Collective Fund Trust Scheme
Asset Allocation Class No. 5 Investment Unit (Phase 2)
Owned and Considered for Transfer by Postal Savings Bank of China Co., Ltd.
Summary of the Asset Valuation Report
Guo Zhong Lian Ping Bao Zi (2024) No. 2-0874**

POSTAL SAVINGS BANK OF CHINA CO., LTD.:

Guozhonglian Asset Valuation and Land and Real Estate Appraisal Co., Ltd. has accepted the entrustment from your company, and carried out necessary valuation procedures such as inspection and verification, market research and confirmation, and valuation estimates by formulating the corresponding valuation approaches and working plans based on the principles of independence, objectivity, and fairness and in accordance with the provisions of national laws and regulations, asset valuation standards, technical specifications, guidance and related documents. Based on specific valuation assumptions and constraints, we conduct market value valuation by using the cost approach¹ for your proposed transfer of the beneficial interest units under the Trust Contract of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No.5 Investment Unit (Phase 2) as of 31 December 2023. The valuation process is now reported as follows:

I. The Entity Being Valuated

1. Basic Information

Name: The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2)

Trustor: Postal Savings Bank of China Co., Ltd.

Trustee: CCB Trust Co., Ltd.

Custodian: Guangdong Branch, Postal Savings Bank of China Co., Ltd.

Establishment Date of the Trust: June 24, 2016

Scope of the Trust: The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) raised a total of RMB30,000,000, which was subscribed by Postal Savings Bank of China Co., Ltd. (hereinafter referred to as “PSBC”). As of the Valuation Benchmark Date of December 31, 2023, the balance of the trust scheme was RMB30,000,000.

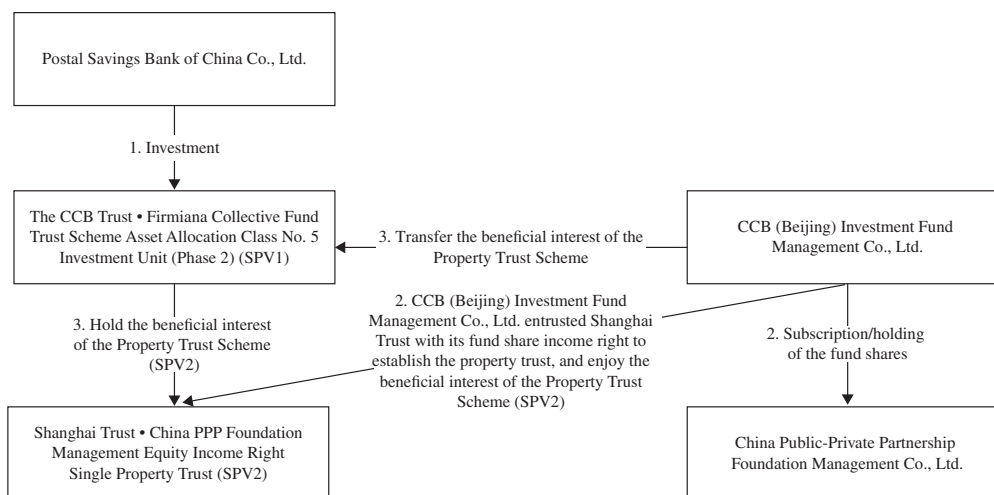
¹ According to the Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35), the cost approach includes restoration replacement cost method, updating replacement cost method, asset-based method and so on.

The Operational Status of the Investment Target: The trustee of the trust scheme has, in accordance with the provisions of the trust documents, completed the acquisition of the corresponding shares of trust funds for the trust beneficial interests of Shanghai Trust • China PPP Foundation Management Equity Income Right Single Property Trust held by CCB (Beijing) Investment Fund Management Co., Ltd.

2. Transaction Structure

The underlying asset corresponding to “CCB Trust • Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2)” is the 16.66% share of China Public-Private Partnership Foundation Management Co., Ltd. held by CCB (Beijing) Investment Fund Management Co., Ltd. as a shareholder of China Public-Private Partnership Foundation Management Co., Ltd.

The specific transaction structure is set out below:



- (1) PSBC invested in the trust scheme the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) (see step 1).
- (2) CCB (Beijing) Investment Fund Management Co., Ltd., as a shareholder, participated in the establishment of China Public-Private Partnership Foundation Management Co., Ltd. and subscribed for the fund shares. CCB (Beijing) Investment Fund Management Co., Ltd. entrusted Shanghai International Trust Co., Ltd. to establish Shanghai Trust • China PPP Foundation Management Equity Income Right Single Property Trust with the income right of its subscribed share of China Public-Private Partnership Foundation Management Co., Ltd. as the trust property, and is entitled to the beneficial interest of the property trust scheme (see step 2).

- (3) The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) used the investment fund from PSBC as consideration for acquiring Shanghai Trust • China PPP Foundation Management Equity Income Right Single Property Trust from CCB (Beijing) Investment Fund Management Co., Ltd. (see step 3).

Based on the abovementioned transaction structure, PSBC ultimately invested in China Public-Private Partnership Foundation Management Co., Ltd. through investing in Shanghai Trust • China PPP Foundation Management Equity Income Right Single Property Trust.

3. *Underlying Assets*

- (1) *Property Trust: Shanghai Trust • China PPP Foundation Management Equity Income Right Single Property Trust*

1) Introduction to the Property Trusts

Trustor/beneficiary: CCB (Beijing) Investment Fund Management Co., Ltd.

Trustee: Shanghai International Trust Co., Ltd.

Trust Property: The trust property under this contract is the equity income right for which CCB (Beijing) Investment Fund Management Co., Ltd. has entrusted Shanghai International Trust Co., Ltd. with its lawful disposal rights based on its trust in Shanghai International Trust Co., Ltd. The trustee of the property trust has completed the acquisition of the equity income right of China Public-Private Partnership Foundation Management held by CCB (Beijing) Investment Fund Management Co., Ltd. in accordance with the provisions of the equity income right transfer contract. Therefore, the trustee has the right to receive an equal amount of cash income (future cash flow generated by the equity) from the cash income generated by the equity of the China PPP Foundation.

Effective date of trust: June 24, 2016

On June 24, 2016, CCB (Beijing) Investment Fund Management Co., Ltd. signed the Shanghai Trust • China PPP Foundation Management Equity Income Right Single Property Trust Share Transfer Contract 1 numbered X3-13-16199-3-1 with CCB Trust Co., Ltd. CCB (Beijing) Investment Fund Management Co., Ltd. transferred the equity income right of Shanghai Trust • China PPP Foundation Management Equity Income Right Single Property Trust to CCB Trust Co., Ltd.

2) Financial status

The asset status of Shanghai Trust • China PPP Foundation Management Equity Income Right Single Property Trust on the Valuation Benchmark Date for valuating the beneficial interest is shown in the table below:

Unit: RMB10,000

Asset	2023/12/31 Book Value
Bank deposits	0.04
Trading financial assets	3,000.00
Total assets	3,000.04
Manager remuneration payable	2.27
Advances payable to trustee	0.25
Total liabilities	2.52
Net asset value	2,997.52

Notes: The above financial data is the financial statement data provided by the corresponding manager of the trust scheme (unaudited).

(2) *Fund name: China Public-Private Partnership Foundation Management Co., Ltd.*

1) Company registration matters

Name: China Public-Private Partnership Foundation Management Co., Ltd.

Legal address: Room 404-6, Building 5, No. 59 Gaoliangqiao Xiejie, Haidian District, Beijing

Legal representative: Wang Zhendong

Registration capital: RMB180,000,000

Paid-up capital: RMB180,000,000

Unified Social Credit Code: 91110108MA006X8HX3

Business scope: Investment management and consulting for non-securities business; Entrusted with the management of the trustor's asset management business; Equity investment; Debt investment; Fund investment; Enterprise management; Economic information consulting. ("1. Without the approval of relevant departments, fundraising shall not be conducted in a public manner; 2. Trading activities involving securities products and financial derivatives shall not be carried out in public; 3. Loans shall not be granted; 4. Guarantees shall not be provided to enterprises other than those in which investments are made; 5. Investors will not be guaranteed that their investment capital will be protected from losses or promised minimum returns." Market entities may independently choose their business projects and conduct business activities within the framework of the law. For projects that require approval under the law, business activities shall be conducted according to the approved content after approval by relevant departments. Business activities that are prohibited or restricted by national or local industrial policies shall not be engaged in.)

4. *Financial status of the valuation subject*

The asset status of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) on the Valuation Benchmark Date is shown in the table below:

Unit: RMB10,000

Asset	2023/12/31 Book Value
Trading financial assets	3,000.00
Total Assets	3,000.00
Trustee remuneration payable	21.07
Custody fees payable	2.26
Total liabilities	23.33
Net asset value	2,976.67

Note: The above financial data is the financial statement data (unaudited) provided by the corresponding manager of the trust scheme.

II. Valuation Subject and Scope

The assigned valuation subjects and valuation scope are consistent with those involved in economic behavior.

(1) Valuation Subject

The valuation subject is the market value of the beneficial interest units of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) owned by Postal Savings Bank of China Co., Ltd. on the Valuation Benchmark Date.

(2) Scope of Valuation

The specific scope of the valuation is the 30,000,000 beneficial interest units held by Postal Savings Bank of China Co., Ltd. under the Trust Contract of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) on the Valuation Benchmark Date. The financial statements for the beneficial interest units under the Trust Contract of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) on the Valuation Benchmark Date are financial data provided by the enterprise.

As of the Valuation Benchmark Date of December 31, 2023, the book value of beneficial interest units of this trading financial asset held by Postal Savings Bank of China Co., Ltd. is RMB33,329,000.

The subject and scope of the valuation in this entrustment are consistent with the subject and scope of the valuation involved in the economic behavior. As of the Valuation Benchmark Date, the book value of the assets within the valuation scope has been audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP, which issued the Audit Report numbered Deloitte Accountants Report (Audit) (24) No. P01658, expressing an unqualified opinion.

Main Underlying Assets

As at the Valuation Benchmark Date, the underlying assets included in the beneficial interest units of the trading financial assets are three sub-funds invested by China Public-Private Partnership Foundation Management Co., Ltd. with an aggregate investment cost of RMB7,000,000 and an aggregate book value of RMB6,785,900. There are a total of 5 projects invested by the three sub-funds, all of which are PPP projects. The PPP model is a cooperative investment and financing model between the government and social capital, which introduces social capital to participate in the investment and operation of public interest undertakings such as urban infrastructure through pre-established rules for revenue sharing, such as franchise rights, reasonable pricing and fiscal subsidies.

(3) *Types and Quantities of Off-Balance Sheet Assets Declared by the Enterprise*

None.

(4) *Reference to Reports from Other Institutions*

This asset valuation report utilizes the audit report numbered Tian Zhi Ye Zi 2024 No. 21464 issued by Baker Tilly China Certified Public Accountants (Special General Partnership) for China Public-Private Partnership Foundation Management Co., Ltd. Besides, no other agency reports have been cited.

(5) *Other Issues That Need to Be Explained*

None.

III. Valuation Benchmark Date

The benchmark date of asset valuation for this project is December 31, 2023.

The determination of the Valuation Benchmark Date takes into account the realization of the trustor's relevant economic activities, the accounting period, changes in interest rates, and exchange rates, etc., and is agreed upon after consultation with the trustor.

Asset valuation is a professional judgment of the value of the subject of valuation at a certain point in time. Choosing the end of the accounting period as the Valuation Benchmark Date can more comprehensively reflect the overall situation of the subject of valuation. At the same time, following the principle of serving the valuation purpose effectively, accurately defining the scope of valuation, efficiently verifying the assets, and reasonably selecting the basis for valuation pricing, a date close to the realization date of the trustor's economic activities is chosen as the Valuation Benchmark Date.

IV. Basis for Valuation

In this asset valuation work, we followed national and local government laws and regulations, and the documents referred to in the valuation primarily include:

(I) *Economic Behavior Basis*

This economic activity has been approved by the 16th CPC Committee Meeting in 2024 and the 11th President's Office Meeting in 2024 of Postal Savings Bank of China Co., Ltd.

(II) Main Legal and Regulatory Basis

1. Asset Valuation Law of the People's Republic of China (Adopted by the 21st Meeting of the 12th NPC Standing Committee (NPCSC) on July 2, 2016);
2. Company Law of the People's Republic of China (Adopted by the 6th Meeting of the 13th NPC Standing Committee (NPCSC) on October 26, 2018);
3. Civil Code of the People's Republic of China (Adopted at the 3rd Meeting of the 13th National People's Congress on May 28, 2020);
4. Law of the People's Republic of China on Enterprise Income Tax (Second amendment in the Decision of the Standing Committee of the National People's Congress to Amend Four Laws Including the Electric Power Law of the People's Republic of China by the 7th Meeting of the 13th NPC Standing Committee (NPCSC) on December 29, 2018);
5. Financial Supervision and Management Regulations for the Asset Valuation Industry (Promulgated by Order No. 86 of the Ministry of Finance on April 21, 2017, and amended according to Order No. 97 of the Ministry of Finance the Decision of the Ministry of Finance to Amend Two Departmental Rules including the Measures for the Practice Licensing and Supervision and Administration of Accounting Firms on January 2, 2019);
6. Notice on Further Strengthening Financial and Accounting Supervision (Issued by the General Office of the CPC Central Committee 2023 No. 4);
7. Measures for the Administration of State-Owned Asset Valuation (State Council Order No. 91 of 1991, revised on November 29, 2020);
8. Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises (State Council Order No. 378, revised for the second time on March 2, 2019);
9. Interim Regulations for the Supervision and Administration of State-Owned Asset Valuation of Financial Enterprises (Ministry of Finance Order No. 47);
10. Administrative Measures for the Transfer of State-Owned Asset of Financial Enterprises (Ministry of Finance Order No. 54);
11. People's Republic of China Securities Law (Revised for the second time on December 28, 2019, at the 15th meeting of the Standing Committee of the Thirteenth National People's Congress);
12. Other laws and regulations related to asset valuation.

(III) Valuation criteria and normative basis

1. Valuation Standards – General Standard (Finance 2017 No. 43);
2. Valuation Ethical Standards – General Standard (China Appraisal Society 2017 No. 30);
3. Valuation Standards – Valuation Procedures (China Appraisal Society 2018 No. 36);
4. Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35);
5. Valuation Standards – Valuation Contract (China Appraisal Society 2017 No. 33);
6. Valuation Standards – Valuation Files (China Appraisal Society 2018 No. 37);
7. Valuation Standards – Enterprise Value (China Appraisal Society 2018 No. 38);
8. Valuation Expert Guidance No. 8 – Verification in Valuation (China Appraisal Society 2019 No. 39);
9. Valuation Application for Valuation Reports of State-Owned Asset of Enterprise (China Appraisal Society 2017 No. 42);
10. Valuation Standards – Utilizing Expert Work and Related Reports (China Appraisal Society 2017 No. 35);
11. Valuation Application for Business Quality Control of Valuation Firms (China Appraisal Society 2017 No. 46);
12. Valuation Guidance Note on the Basis of Value for Valuation (China Appraisal Society 2017 No. 47);
13. Valuation Guidance Note on the awareness of the Legal Ownership of the Valuation Subject (China Appraisal Society 2017 No. 48);
14. Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35).

(IV) Ownership basis

1. Proof of shareholding or capital contribution on the benchmark date;
2. Relevant asset property rights contracts and investment agreements;
3. Other relevant property rights certificates.

(V) Pricing basis

1. The financial statements and audit reports as at the Valuation Benchmark Date and of the previous years provided by the enterprise;
2. The asset list and asset valuation declaration form provided by the enterprise;
3. Public information materials of relevant listed companies;
4. Statistics from Shanghai Wind Information Co., Ltd. (WIND Information);
5. Statistical data and technical standard data released by relevant national authorities;
6. Information of site inspections and verifications conducted by the valuation personnel, and market research data.

(VI) Reference materials and others

1. Other materials related to valuation.

V. Valuation Approach**(I) Selection of Valuation Approach****1. Basis for selection of valuation approach**

According to Article 16 of the Valuation Standards – General Standard, “Valuation approaches for determining the value of assets include the three basic approaches, i.e., the market approach, the income approach, the cost approach and methods derived from those approaches. Asset valuation professionals shall analyze the applicability of the above three basic approaches and select the valuation approaches in accordance with law based on the valuation purpose, valuation subject, type of value and collected information.”

2. Applicable conditions for valuation approaches**(1) Income Approach**

The income method in valuation refers to the valuation approach that capitalizes or discounts expected profits to determine the value of the valuation object. Asset valuation professionals should properly consider the applicability of the income approach based on the historical operating conditions of the assessed unit, the predictability of future earnings, and the adequacy of the appraisal information obtained.

Specific methods commonly used in the income approach include the dividend discount method and the discounted cash flow method.

The dividend discount method is a specific method for discounting expected dividends to determine the value of the valuation subject. It is usually suitable for the valuation of the partial equity value of shareholders who lack control rights; the cash flow discount method usually includes the enterprise free cash flow discount model and equity freedom. Discounted cash flow model. Asset valuation professionals should appropriately select a cash flow discount model based on the industry, business model, capital structure, development trends, etc. of the assessed unit.

(2) Market Approach

The market approach in valuation refers to the valuation approach that compares the valuation subject with comparable listed companies or comparable transaction cases to determine the value of the valuation subject. Asset valuation professionals should consider the applicability of the market approach based on the adequacy and reliability of the operating and financial data of comparable companies obtained and the number of comparable companies that can be collected.

Two specific methods commonly used in the market approach are the listed company comparison method and the transaction case comparison method.

The listed company comparison method refers to a specific method of obtaining and analyzing the operating and financial data of comparable listed companies, calculating the value ratio, and determining the value of the valuation subject based on comparative analysis with the unit being assessed. The transaction case comparison method refers to a specific method of obtaining and analyzing the transaction, acquisition and merger case data of comparable enterprises, calculating the value ratio, and determining the value of the valuation subject based on comparative analysis with the assessed unit.

(3) Cost Approach

The cost approach refers to the general term for the valuation approach that follows the idea of rebuilding or replacing the assessed object, using the reconstruction or replacement cost as the basis for determining the value of the assessed subject, and deducting relevant depreciation to determine the value of the assessed object.

3. *Selection of Valuation Approaches*

Analysis on the applicability of three valuation approaches for this project:

(1) Analysis of Applicability of Income Approach

Considering that the main business of the valuation subject is financial investment, the investment situation and income of future projects are unpredictable, and the valuer cannot make a more accurate prediction of the future project investment management scale and investment income. Therefore, the income approach is not applicable to the valuation of this project.

(2) Analysis of Applicability of Market Approach

Considering the insufficient number of comparable listed companies in the same industry that are similar to the valuation subject in China's capital market, the limited availability of market transactions in the same industry, and inadequate disclosure of information. Therefore, the market approach is not applicable to this project.

(3) Analysis of Applicability of Cost Approach

Considering that the various assets and liabilities entrusted for valuation can perform site inspection procedures and meet the data requirements for valuation and estimation, this project uses the cost approach to value the valuation objects.

In summary, we choose the cost approach to assess the valuation subject for this project.

(II) Specific Operation Plans for Valuation Approaches

Operational plans of the cost approach of valuation: This valuation adopts the cost approach to value the beneficial interest units of the trading financial assets held by Postal Savings Bank of China Co., Ltd. under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2).

Trading financial assets: Accounting for the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) invested by Postal Savings Bank of China Co., Ltd.

The valuation personnel firstly verify the reasons for the formation of the investment, the book value, and the actual situation, and review investment agreements, contracts, and other materials to determine the authenticity and completeness of the investment. For the investment

in the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2), the cost approach is used to determine the overall market value of the trust plan, and then the value of trading financial assets is determined based on the held asset trust shares.

1. The financial statements of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) on the benchmark date include bank deposits, trading financial assets and trustee remuneration payable and custody fees payable at the Valuation Benchmark Day.
 - (1) Trading financial assets: The trading financial assets of the trust scheme on the Valuation Benchmark Date was RMB30,000,000. These refer to the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) invested by the evaluated entity. The valuation personnel firstly verify the reasons for the formation of the investment, its book value and actual status, and inspect the investment agreement, contract and other information to determine the authenticity and completeness of the investment. This time, for the investment in the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2), the cost approach is used to determine the overall market value of the property trust, and then the value of the trading financial assets is determined on the basis of the units held in the property trust.
 - (2) Trustee remuneration payable and custody fee payable: The liabilities of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) on the Valuation Benchmark Date were trustee remuneration payable and custodian fee payable, amounting to RMB233,300 in aggregate. On the basis of inventory and verification, the appraised value of liabilities is determined based on the actual liability items and amounts that the trust scheme needs to bear.
2. The financial statements of the Shanghai Trust • China PPP Foundation Management Equity Income Right Single Property Trust include bank deposits, trading financial assets and advances payable to trustee at the Valuation Benchmark Day.
 - (1) Bank deposits: The valuation approach is consistent with the above introduction.
 - (2) Trading financial assets: It is mainly its investment in China Public-Private Partnership Foundation Management Co., Ltd. The valuation personnel firstly verify the reasons for the formation of the investment, its book value and actual status, and inspect the investment agreement, contract and other information. The cost approach is adopted for the valuation of China Public-Private Partnership Foundation Management Co., Ltd.

- (3) Advances payable to trustee: On the basis of inventory and verification, the appraised value of liabilities is determined based on the actual liability items and amounts that the property trust needs to bear.
3. The financial statements of China Public-Private Partnership Foundation Management Co., Ltd. include bank deposits, trading financial assets, accounts receivable, debt investment, long-term equity investments and other equity instruments, fixed assets, right-of-use assets, intangible assets, long-term deferred expenses, deferred income tax assets and payables, and other liabilities at the Valuation Benchmark Day.

For the market value of equity income right of China Public-Private Partnership Foundation Management Company held by property trust:

Due to the insufficient number of listed companies in the same industry as China Public-Private Partnership Foundation Management Company in China's capital market, limited trading cases in the same industry and inadequate disclosure of information, it is not appropriate to adopt the market approach for valuation.

The main source of income of China Public-Private Partnership Foundation Management Company is the management fee of China Public-Private Partnership Foundation Co., Ltd. According to the Supplementary Agreement (II) to the Fund Entrusted Management Agreement signed in 2024, and in line with the principle of balance of income and expenditure and promotion of development, starting from January 1, 2023, the management fee for each full accounting year of China Public-Private Partnership Foundation Co., Ltd. shall be calculated on the basis of the operating expenses necessary to maintain China Public-Private Partnership Foundation Management Company. The management fee shall not exceed one thousandth of the paid-in amount of the fund. The specific rate shall be worked out by both parties through consultation according to the actual operation and management needs of China Public-Private Partnership Foundation Management Company and shall be included in their respective annual financial budget plans and submitted to their respective competent decision-making bodies for approval. Based on this, the future returns of China Public-Private Partnership Foundation Management Company are unpredictable, and it is not suitable to use the income method for valuation.

The assets and liabilities of the balance sheet of China Public-Private Partnership Foundation Management Company on the Valuation Benchmark Date can be identified and valued separately with appropriate methods. This time, the cost approach can be used to value the equity value of China Public-Private Partnership Foundation Management Company.

The cost approach is adopted to calculate the fair value of the sub-fund shares held by the China Public-Private Partnership Foundation Management Company on an item-by-item basis. By taking into account the other assets and liabilities of the China Public-Private Partnership Foundation Management Company at the statement level, the market value of all investors'

equity of the China Public-Private Partnership Foundation Management Company is obtained. Then, according to the arrangement of profit distribution in the articles of association, the market value of equity share corresponding to a specific fund investor is calculated.

- (1) Bank deposits: For bank deposits denominated in RMB, the verified book value will be used as the appraised value.
- (2) Trading financial assets: The accounting is for the wealth management products invested by China Public-Private Partnership Foundation Management Company. Valuation personnel verify the contents, amounts and actual situation on the statement of trading financial assets, determine the authenticity and reliability of the investment, and take the verified book value as the appraised value.
- (3) Accounts receivable: The accounts receivable of China Public-Private Partnership Foundation Management Co., Ltd. include accounts receivable, prepayments, and other receivables. On the basis of verifying the accuracy of accounts receivable, the appraised value is determined based on the amount that may be recovered for each transaction; On the basis of verifying the accuracy of various prepaid accounts, the appraised value is determined based on the value of the corresponding formed assets or rights that can be recovered.
- (4) Long-term equity investments: Long-term equity investments of China Public-Private Partnership Foundation Management Co., Ltd. account for the investment in China PPP Henan Provincial Development Fund (Limited Partnership), China PPP (Ningxia) Cooperation Fund (Limited Partnership), and Shaanxi China PPP Cooperation Fund Partnership Enterprise (Limited Partnership). For the valuation of the sub-fund, the fair value of the fund shares or project equity held by the operator fund is calculated on an item-by-item basis. By taking into account other assets and liabilities on the sub-fund statement, the fair value of the equity of all investors in the sub-fund is obtained. Then, based on the partnership agreement and its supplementary agreement or the distribution arrangement in the limited partnership agreement, the fair value of the equity shares corresponding to China Public-Private Partnership Foundation Management Co., Ltd. is calculated.

As of the Valuation Benchmark Date, the sub-funds invested in a total of 5 projects, all of which are PPP projects. The PPP model is a cooperative investment and financing model between the government and private capital, which introduces social capital to participate in the investment and operation of public interest undertakings such as urban infrastructure through pre-established rules for revenue sharing, such as franchise rights, reasonable pricing and fiscal subsidies. According to the characteristics of the projects, combined with the obtained information, the discounted cash flow method is adopted to evaluate the investment projects:

By reviewing the available PPP contracts and relevant investment agreements, and referring to the income rules stipulated in the contract agreements, relevant personnel calculate the cash flow that the China PPP Foundation can obtain within the agreed remaining investment period, and calculate its present value at a certain discount rate. The formula for calculating the discounted cash flow method is as follows:

$$FV = \sum_{i=1}^n \frac{F_i}{(1+r)^i}$$

In the formula: FV: Investment project value at the Valuation Benchmark Date;

F_i : Cash flow for the i-th year forecast period after the Valuation Benchmark Date;

r: Discount rate;

n: Forecast period;

i: The i-th year of the forecast period.

The discount rate is determined using the cumulative risk approach.

Discount rate = risk-free return rate + risk return rate

- (5) Fixed assets: The fixed assets of China Public-Private Partnership Foundation Management Company are electronic office equipment and vehicles. Based on the principle of continuous use and the market price on the Valuation Benchmark Date, taking into account the characteristics of the assessed equipment and the collection of information, the replacement cost approach was adopted for valuation.

The calculation formula is: appraised value = replacement cost x newness rate

1) *Determination of the replacement cost*

① Vehicles

According to the purchase price of vehicles in the market on the benchmark date, plus expenses such as the purchase fee and registration fee, the replacement cost is constituted, that is, the replacement cost of vehicles = purchase price/(1+13%) + purchase price/(1+13%) × 10% + registration fee

Where: The purchase price in the above formula includes the VAT price

② Electronic devices

For electronic devices, the replacement cost is mainly determined based on the market purchase price on the benchmark date, that is, replacement cost = purchase price – deductible value added tax. For some old electronic devices, their appraised value is mainly determined based on their second-hand market prices.

2) *Determination of Newness Rate*

① Vehicles

In accordance with the Ministry of Commerce, the National Development and Reform Commission, the Ministry of Public Security, the Ministry of Environmental Protection Order No. 12 in 2012, Regulations on Compulsory Scrapping Standard for Motor Vehicles. In this valuation, the theoretical novelty rate is calculated by using the service life and the mileage traveled respectively, and the theoretical novelty rate is determined according to the principle of the lower. Combined with the field investigation of the appearance of the vehicle, whether there is damage to the structure, whether the main engine is normal, whether the circuit is smooth, whether the braking performance is reliable, whether it meets the exhaust emission standards and other indicators, the shape of the vehicle body part, the interior decoration part, the engine assembly, the chassis parts and the electrical system and other parts are scored to determine the newness rate of the vehicle field investigation. Finally, the comprehensive newness rate is determined according to the theoretical rate and the field investigation rate.

The newness rate calculated by the service life method = remaining service life/(used service life + remaining service life) ×100%

The newness rate calculated by the mileage method = milages that can be driven/(milages that have been driven + milages that can be driven) ×100%

② Electronic devices

The depreciation rate of electronic office equipment is determined using the age approach.

(6) Right-of-use assets: The Right-of-use asset refers to the right of use corresponding to leased assets with a lease term of more than one year. The main content of the Right-of-use assets of China Public-Private Partnership Foundation Management Company is office building leasing. This Valuation confirms the authenticity and completeness of the assets by verifying relevant information and reviewing accounting records. The valuation personnel reviewed the relevant contracts for the right of use assets and calculated the present value of the right of use assets based on the lease contract, minus the accumulated depreciation, as the appraised value.

- (7) Intangible assets: The specific approach used for software valuation is: if the software version purchased by the enterprise is still available for sale in the market, the appraised value shall be determined based on the current market price. If the software has been phased out and is no longer available for sale, the appraised value shall be determined after deducting the version upgrade cost from the purchase price of its replacement or upgraded version. For system software specifically designed or customized for enterprises, due to its individuality, it is difficult to find similar or identical software in the market. Therefore, the verified amortized value is used as the appraised value for such software.
- (8) Long-term deferred expenses: Long-term deferred expenses refer to expenses that are amortized over a period of more than one year (excluding one year) after a one-time expenditure incurred by a company. The valuation personnel shall review the original amount of assets for reasonableness and recalculate the remaining assets or rights of the enterprise's long-term deferred expenses after the Valuation Benchmark Date. The appraised value shall be calculated as follows:
- $$\text{Long-term deferred expenses} = \text{original amount of the asset} \times \text{remaining benefit period} \div \text{total benefit period}$$
- (9) Deferred income tax assets: Deferred income tax assets arising from differences in the book value and tax basis of the enterprise. The valuation personnel have analyzed and verified the deferred tax assets in this Valuation, using the verified deferred tax assets as the appraised value.
- (10) Liabilities: The liabilities of China Public-Private Foundation Management Company include accounts payable, contractual liabilities, employee compensation payable, taxes payable, other payables, and non current liabilities due within one year. On the basis of inventory and verification, the appraised value of various liabilities is determined based on the actual liability items and amounts that the assessed enterprise needs to bear after achieving the valuation purpose.

VI. Process and Situation for the Implementation of Valuation Procedures

In accordance with the relevant provisions of laws, regulations and asset valuation standards, the valuation has been carried out in accordance with appropriate valuation procedures. The specific implementation process is set out below:

(I) Clarifying basic business matters

Important matters such as the entity being valued and other users of the valuation report other than the trustor, the purpose of the valuation, the valuation subject and scope of the valuation, the type of value, the Valuation Benchmark Date, the approval of economic acts requiring approval for the asset valuation project, the scope of use of the valuation report, the

deadline and the method for submission of the valuation report, the valuation service fee and the method of payment, and the cooperation and assistance of the trustor and other relevant parties with the asset valuation institution and valuation professionals have been discussed and clarified.

(II) Signing of business entrustment contract

After conducting a comprehensive analysis and evaluation of the professional competence, independence and business risks of the asset valuation institution and valuation professionals in accordance with the specific circumstances of the valuation business, an asset valuation engagement contract is entered into with the trustor to stipulate the rights, obligations, liabilities for breach of contract and settlement of disputes of the asset valuation institution and the trustor.

(III) Preparation of asset valuation plans

Prepare a valuation work plan in accordance with the specific circumstances of the asset valuation business, including determining the main process, time schedule and staffing arrangement for the implementation of the valuation business.

(IV) Conducting valuation site investigations

1. To instruct the trustor, evaluated entity and other relevant parties to inventory assets and prepare detailed information concerning the valuation subject and the valuation scope;
2. According to the specific circumstances of the valuation subject, selecting appropriate ways to carry out investigations by way of inquiry, correspondence, verification, and inspection, etc., to understand the current status of the valuation subject and pay attention to the legal ownership of the valuation subject; where it is not appropriate to carry out item-by-item investigations, adopting sampling and other methods of investigation according to the degree of importance.

(V) Collection and collation of valuation information

Valuation professionals obtain information independently from the market and other channels, from relevant parties such as the trustor and evaluated entity, and from government departments, various professional organizations and other relevant authorities.

The valuation professionals shall verify and validate the information used in the asset valuation activities in an appropriate manner, which usually includes observation, inquiry, written examination, field investigation, inquiry, correspondence and review.

(VI) Formation of conclusions on valuation estimates

1. To analyze the applicability of the three basic asset valuation approaches, namely, the market approach, income approach and cost approach, and appropriately select the valuation method in accordance with the valuation purpose, valuation subject, type of value and collection of information;
2. According to the valuation methods adopted, the corresponding formulas and parameters are selected for analysis, calculation and judgement to form reasonable valuation conclusions.

(VII) Preparation and submission of the valuation report

1. The valuation professionals form preliminary valuation conclusions after valuation and estimation, and prepare preliminary asset valuation reports in accordance with the requirements of laws, administrative regulations and asset valuation standards;
2. To conduct internal review of the preliminary asset valuation report in accordance with the internal quality control system of the asset valuation firm;
3. Without prejudice to the exercise of independent judgment on the valuation conclusions, communicate with the trustor or relevant parties permitted by the trustor on the contents of the valuation report, analyze the communication independently and decide whether or not to adjust the asset valuation report;
4. After the asset valuation firm and its valuation professionals have completed the above valuation procedures, issue and submit a formal asset valuation report to the trustor.

VII. Valuation Assumptions*(I) Underlying assumptions**1. Transaction assumption.*

The transaction assumption assumes that the valuation subject and the assets and liabilities within the valuation scope are already in the process of being traded, and the valuation personnel carries out the valuation on the basis of a simulated market based on the terms of the transaction. The transaction assumption is one of the most basic assumptions on which the valuation is based.

2. *Open market assumption.*

The open market assumption assumes that both parties to an asset transaction (or a proposed asset transaction) are on an equal footing with each other and have access to sufficient market information and time to make rational judgments about the function and use of the asset and its transaction price. The open market assumption is based on the assumption that the asset is publicly tradable in the market.

3. *Assumption of continuous use of assets.*

The assumption of continuous use of assets means that the asset valuation needs to be based on the continuous use of the asset under valuation according to its current use and use in the manner, scale, frequency and environment, or on a changed basis, with the valuation approach, parameters and basis determined accordingly.

4. *Assumption of contract-based operations by the enterprise.*

The assumption of the enterprise operating in accordance with the contract means that the entity being valued will operate in an orderly manner in accordance with the provisions of the articles of association and the promoter agreement, reasonably arrange the withdrawal of investment projects, and be consistent with the current mode of operation.

(II) General assumptions

1. It is assumed that there will be no significant changes in the political, economic, social and other macro-environment affecting the operations of the evaluated entity and its business environment after the Valuation Benchmark Date;
2. It is assumed that the information provided by the trustor and the evaluated entity is true, complete and reliable, and that there are no other defective matters or contingencies that should have been provided but have not been provided, or that could not have been made known to the valuation professionals even though they had performed the necessary valuation procedures, which might have an impact on the valuation conclusion;
3. In accordance with the requirements for asset valuation, we have determined that these assumptions are valid as at the Valuation Benchmark Date. When the valuation assumptions change significantly after the date of the valuation report, we do not assume responsibility for deducing different valuation conclusions as a result of the change in valuation assumptions.

VIII. Valuation Conclusion

(I) Valuation Results by Cost Approach

Based on the principle of independence, impartiality and objectivity, after implementing the necessary asset valuation procedures, the valuation results formed by using the cost approach are as follows:

As of December 31, 2023, the Valuation Benchmark Date, the book value of the Beneficial Interest of the Target Trust held by the Bank within the valuation scope, corresponding to the beneficial interest units of the Bank under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2), was RMB33,329,000, and the valuation was based on the results of the cost approach valuation as the final conclusion of the valuation: the appraised value of the Beneficial Interest of the Target Trust held by the Bank was RMB37,054,900, with an appreciation of RMB3,725,900, or an appreciation rate of 11.18%.

The assets and liabilities of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 5 Investment Unit (Phase 2) are as follows:

Unit: RMB ten thousand

Items	Remaining invested principal	Book value of the Beneficial Interest of the Target Trust held by PSBC	Appraised value	Appreciation amount	Appreciation rate %
Trading financial assets	3,000.00	3,356.23	3,728.82		
Total trust assets	3,000.00	3,356.23	3,728.82	372.59	11.10
Total trust liabilities	23.33	23.33	23.33		
Trust equity	2,976.67	3,332.90	3,705.49	372.59	11.18

Note: The appreciation is the difference between the appraised value and the book value held by PSBC, which is mainly because PSBC measures the fair value of such trading financial asset based on the net assets as at the end of the third quarter of 2023 of the China Public-Private Partnership Foundation Management Company. The net assets of the China Public-Private Partnership Foundation Management Company on the Valuation Benchmark Date, December 31, 2023, are greater than the net assets as at the end of the third quarter of 2023, resulting in the appreciation in the valuation.

(II) Validity period of the valuation conclusion

The validity period for the use of the valuation conclusions is one year from December 31, 2023, the Valuation Benchmark Date, to December 30, 2024. Except for the special matters disclosed in this report, the valuation conclusions shall be valid for the period of validity of use after the Valuation Benchmark Date, provided that no significant change has occurred in the development environment of the enterprise that affect its business conditions when an economic act occurs.

In accordance with Article 10 of Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35), a valuation report shall specify the validity period for the use of the valuation conclusions. Generally, a valuation report shall only be used when the Valuation Benchmark Date is not more than one year from the date on which the economic behavior was realized.

When there are significant changes in the market conditions or the condition of the assets on which the valuation conclusion is based, even if it has been less than one year from the Valuation Benchmark Date to the date of the economic act, the conclusion of the valuation report can no longer reflect the value of the valuation subject on the date on which the economic act is realized, and shall be dealt with in accordance with the following principles:

1. When there is a change in the number of assets or a material change in the condition of use of assets, the valuation conclusion shall be adjusted accordingly based on the original valuation method;
2. When the market conditions on which the valuation conclusions are based change and have a significant impact on the asset valuation conclusions, the trustor shall promptly engage a qualified asset valuation firm to re-determine the value of the valuation subject;
3. After the Valuation Benchmark Date, the trustor shall give full consideration to changes in asset conditions and market conditions and make corresponding adjustments when determining the actual value of the valuation subject.

IX. Notes on Special Matters

The following matters are beyond the professional level and ability of our company's valuers to value and estimate, but these matters may indeed affect the valuation conclusion, and users of this valuation report should pay special attention to this:

- (I) If there are any defects in the enterprise that may affect the asset appraised value, and there is no special explanation made at the time of commission, and the valuers have completed the valuation procedures but are still unable to obtain information, the valuation institution and the valuers shall not be held responsible.
- (II) The legal responsibility of the valuation personnel and the valuation institution is to make professional judgments on the asset designated for valuation described in this report, and does not involve any judgment made by the valuation personnel and the valuation institution on the economic behavior corresponding to the valuation purpose. The valuation work largely relies on the information and materials provided by the trustor, the valuation subject, and other related parties regarding the valuation subject. Valuers are not specialists in verifying the authenticity and completeness of information. They have conducted necessary valuation and verification of relevant information in accordance with the requirements of the Asset

Valuation Law. Therefore, for the untrue information provided by the trustor and the valuation subject, the valuation personnel and the valuation institution do not assume any legal responsibility related to the property rights of the assets involved in the valuation subject.

- (III) The purpose of asset valuers performing asset valuation business is to estimate the value of the valuation subject and express professional opinions. Confirmation of the legal ownership of the valuation subject or expression of views is beyond the scope of asset valuer practice.
- (IV) The conclusion of this valuation reflects the current price of the assessed subject determined according to the open market principle for the purpose of this valuation. This report does not consider the impact of additional prices that may be paid by special trading parties on the appraised value, nor does it consider the impact of changes in national macroeconomic policies, as well as the impact of natural forces and other force majeure on asset prices. When the aforementioned conditions and the going concern basis in the valuation change, the valuation results generally become invalid.
- (V) This report does not take into account factors that may affect the value of the assessed subject and the assets included in the scope of this valuation, such as outstanding transaction related expenses and taxes that should be borne at the time of achieving the valuation purpose, nor does it take into account any tax considerations for the assessed revaluation or impairment of various assets. When using this report, the trustor should carefully consider the issue of tax burden and handle it in accordance with relevant national regulations.
- (VI) This asset valuation report utilizes the audit report numbered Tian Zhi Ye Zi 2024 No. 21464 issued by Baker Tilly China Certified Public Accountants (Special General Partnership) for China Public-Private Partnership Foundation Management Co., Ltd.

Report users should pay attention to the above special matters.

X. Restrictions on the Use of Valuation Reports

- (I) The valuation report shall only be used for the purposes and uses of the valuation as stated herein and by the person using the valuation report as stated in the valuation report.
- (II) The asset valuation firm and its valuation personnel shall not be liable if the trustor or other user of the asset valuation report fails to use the asset valuation report in accordance with the provisions of the laws and administrative regulations and the scope of use set out in the asset valuation report.

- (III) Valuation report can only be used by the users stipulated in the valuation report. Except for the trustor, other users of the asset valuation report stipulated in the asset valuation commission contract, and users of the asset valuation report stipulated in laws and administrative regulations, no other institution or individual can become the user of the asset valuation report.
- (IV) The user of the asset valuation report should correctly understand and use the valuation conclusion. The valuation conclusion is not equivalent to the realizable price of the valuation subject, and should not be considered as a guarantee of the realizable price of the valuation subject.
- (V) The asset valuation report is a professional report issued by the asset valuation institution and its appraisers in compliance with the laws, administrative regulations and asset valuation standards, sealed by the asset valuation institution and signed by the appraisers according to the entrustment to perform the necessary asset valuation procedures, and can be formally used only after it has been put on record by the state-owned assets supervision and administration institution or enterprises funded by such institution.

XI. Valuation Report Date

The date of formation of the professional opinion on this valuation report is May 20, 2024.

XII. Identity, Qualifications and Independence of the Appraisers

The valuation personnel Liu Guangshou and Xiao Leping primarily involved in this assessment are members of China Appraisal Society, who have sufficient qualifications and experience in similar valuation projects. Liu Guangshou and Xiao Leping confirm that they have no existing or expected interest relationships with the valuation subject in the valuation report; no existing or expected interest relationships with the relevant parties, and no bias towards the relevant parties.

**Postal Savings Bank of China Co., Ltd. Intends to Transfer
its Holdings of the Beneficial Interest Units Under the
CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class
No. 15 Investment Unit
Summary of the Valuation Report
ChungRui Valuation Report No. 2024 300843**

POSTAL SAVINGS BANK OF CHINA CO., LTD.:

ChungRui World Union Appraisal Group Co., Ltd. has accepted the entrustment of your company, complied with the provisions of laws, administrative regulations, and asset valuation standards, adhered to the principles of independence, objectivity, and fairness, carried out the appropriate asset valuation procedures, and used the cost approach¹ to evaluate the market value of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit beneficial interest units held by your company as of December 31, 2023. The summary of the valuation report is as follows:

I. Subject of Valuation

1. Basic Information

Name: The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit

Trustor: Postal Savings Bank of China Co., Ltd.

Trustee: CCB Trust Co., Ltd.

Asset Custodian: Postal Savings Bank of China Co., Ltd. Guangdong Branch

Establishment Date of Trust Scheme: September 6, 2016

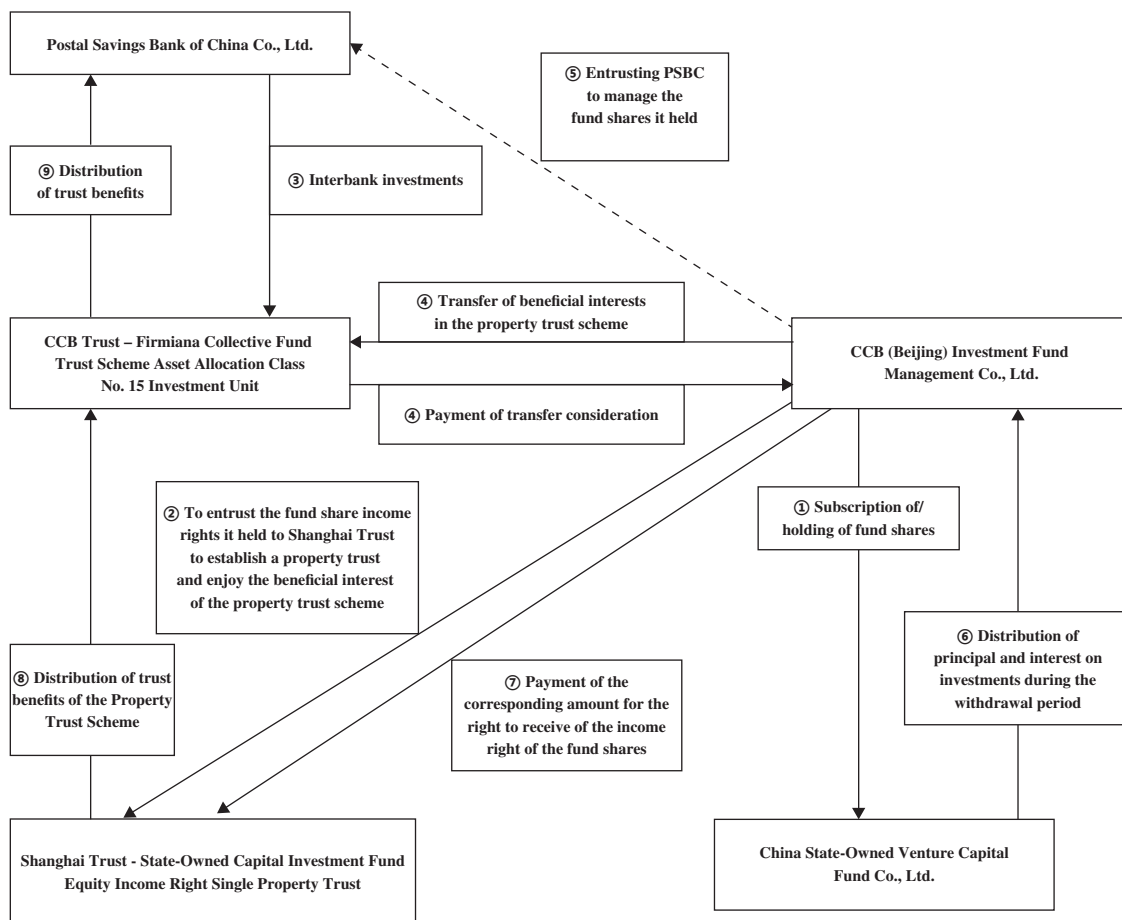
Initial Principal: RMB481,430.10 ten thousand yuan

¹ According to the Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35), the cost approach includes restoration replacement cost method, updating replacement cost method, asset-based method and so on.

2. Transaction Structure

The underlying asset corresponding to “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit” is the 13.76% share of China State-Owned Capital Venture Fund Co., Ltd. held by CCB (Beijing) Investment Fund Management Co., Ltd. as a shareholder of China State-Owned Capital Venture Fund Co., Ltd.

The specific transaction structure is set out below:



- (1) PSBC invested in the trust scheme the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit (see step ③).
- (2) CCB (Beijing) Investment Fund Management Co., Ltd., as a shareholder, participated in the establishment of China State-Owned Capital Venture Fund Co., Ltd. and subscribed for the fund shares. CCB (Beijing) Investment Fund Management Co., Ltd. entrusted Shanghai International Trust Co., Ltd. to establish Shanghai Trust • State-Owned Capital Investment Fund Equity Income Right Single Property Trust with the income right of its subscribed shares of China State-Owned Capital Venture Fund Co., Ltd. as the trust property, and is entitled to the beneficial interests of such property trust scheme (see step ①, ② and ⑦).
- (3) The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit used the investment fund from PSBC as consideration for acquiring the beneficial interest of Shanghai Trust • State-Owned Capital Investment Fund Equity Income Right Single Property Trust from CCB (Beijing) Investment Fund Management Co., Ltd. (see step ④).

According to the above transaction structure, Postal Savings Bank of China ultimately invested in China State-Owned Venture Capital Fund Co., Ltd. through investing in Shanghai Trust • State-Owned Capital Investment Fund Equity Income Right Single Property Trust.

3. Underlying Assets

(1) Shanghai Trust – State-Owned Capital Investment Fund Equity Income Right Single Property Trust

1) Introduction to the Property Trust

Trustor/Beneficiary: CCB (Beijing) Investment Fund Management Co., Ltd.

Trustee: Shanghai International Trust Co., Ltd.

Trust Property: The initial trust property delivered by the Trustor under this contract is the beneficial rights corresponding to the equity capital contribution of that the Trustor paid into the China State-Owned Venture Capital Fund Co., Ltd.

In 2016, CCB (Beijing) Investment Fund Management Co., Ltd. and Shanghai International Trust Co., Ltd. signed the Shanghai Trust – State Capital Investment Fund Equity Income Right Single Property Trust Contract with the number X3-13-16593-1, under which CCB (Beijing) Investment Fund Management Co., Ltd. entrusted the beneficial rights of the Shanghai Trust – State-Owned Capital Investment Fund Equity Income Right Single Property Trust to Shanghai International Trust Co., Ltd, and the trustee, Shanghai International Trust Co., Ltd., managed the trust property in accordance with the provisions of the Trust Contract and distributed the trust benefits to the beneficiaries.

2) Financial Status

The asset status of the Shanghai Trust – State Capital Investment Fund Equity Income Right Single Property Trust as of the Valuation Benchmark Date is as shown in the table below:

Unit: RMB10,000

Item	December 31, 2023
Bank Deposits	0.28
Trading Financial Assets	481,430.10
Total Assets	481,430.38
Total Liabilities	48.96
Net Assets	481,381.42

Note: The above financial data are provided by the financial statements of the trust scheme's corresponding manager (unaudited).

(2) *Fund Name: China State-Owned Venture Capital Fund Co., Ltd.*

1) Business Registration Information

Name: China State-Owned Venture Capital Fund Co., Ltd. (abbreviated as National Venture Capital Fund or the evaluated entity)

Registered Address: Room 504, Hedge Fund Center, Fund Town, No. 128 Guiwan 5th Road, Nanshan Street, Qianhai Shenzhen-Hong Kong Cooperation Zone, Shenzhen

Registered Capital: RMB10,200,000.00 ten thousand yuan

Business Scope: The general business scope includes entrusted management of industrial investment funds, venture capital funds, equity investment funds (not engaging in securities investment activities; not raising funds publicly for investment activities; not engaging in the business of publicly raising fund management); equity investment in unlisted enterprises, providing equity investment and enterprise listing consulting services (not engaging in securities investment activities; not raising funds publicly for investment activities; not engaging in the business of publicly raising fund management); investment consulting (excluding restricted items); equity investment; venture capital business; entrusted management of venture capital business for enterprises, institutions, or individuals; venture capital consulting services; providing business management services for venture enterprises; participating in the establishment of venture capital enterprises and venture capital management consulting advisors.

2) Capital Contribution

The National Venture Capital Fund was established on August 8, 2016 with a registered capital of RMB10,000,000.00 ten thousand yuan.

On December 2, 2016, the registered capital of the National Venture Capital Fund increased to RMB10,200,000.00 ten thousand yuan.

As of the Valuation Benchmark Date, there has been no change in the above-mentioned registered capital.

3) Financial Status

The asset status of the National Venture Capital Fund as of the Valuation Benchmark Date is as shown in the table below:

Unit: RMB10,000

Item	December 31, 2023
Current asset	4,610,067.34
Total Assets	4,610,067.34
Current liability	618,160.60
Non-Current liability	145,176.42
Total Liabilities	763,337.01
Net Assets (Equity)	3,846,730.33

Note: The above financial data have been audited by ZHONGXINGHUA Certified Public Accountants, which has issued the audit report (ZHONGXINGHUA Audit No. 010642 of 2024).

4. *Financial Status*

The asset status of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class 15 Investment Unit as of the Valuation Benchmark Date is as shown in the table below:

Unit: RMB10,000

Item	December 31, 2023
Trading Financial Assets	481,430.10
Total Assets	481,430.10
Total Liabilities	120.29
Net Assets	481,309.81

Note: The above financial data are provided by the financial statements of the trust scheme's corresponding manager (unaudited).

II. **Subject and Scope of Valuation**

The subject and scope of the valuation in this commission are consistent with the subject and scope of the valuation involved in the economic behavior.

(I) *Subject of Valuation*

The subject of this asset valuation report is the market value of the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit.

(II) Scope of Valuation

The valuation scope covers all assets and related liabilities of the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit as declared on the Valuation Benchmark Date. The financial statements as of the Valuation Benchmark Date for the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit are based on the financial data provided by the enterprise.

As of December 31, 2023, the Valuation Benchmark Date, the assets within the scope of valuation are beneficial interest shares in the trading financial assets, with a book value of RMB537,754.56 in ten thousand yuan.

The subject entrusted for valuation and scope of the valuation are consistent with the subject and scope of the valuation involved in the economic behavior. As of the Valuation Benchmark Date, the book value of the assets within the valuation scope has been audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP, which issued the Audit Report under document (Audit) (24) No. P01658, expressing an unqualified opinion.

Information of Major Underlying Assets:

As of the Valuation Benchmark Date, the underlying assets included in the beneficial interest units of trading financial assets mainly included 9 sub-funds of the National Venture Capital Fund, with a total investment cost of RMB510,512.75 in ten thousand yuan and a total book value of RMB632,134.01 in ten thousand yuan on the Valuation Benchmark Date. There were 64 direct investment projects, with a total investment cost of RMB2,798,329.17 ten thousand yuan and a total book value of RMB3,311,315.87 in ten thousand yuan on the Valuation Benchmark Date.

(III) Types and Quantities of Off-Balance Sheet Assets Declared by the Enterprise

None.

(IV) Reference to Reports from Other Institutions

This asset valuation report utilizes the audit report (Zhongxinghua Audit (2024) No. 010642) issued by Zhongxing Hua Certified Public Accountants (Special General Partnership) for the National Venture Capital Fund.

(V) Other Issues that Need to be Clarified

None.

III. Valuation Benchmark Date

The Valuation Benchmark Date for this project is December 31, 2023.

The determination of the Valuation Benchmark Date takes into account the realization of the trustor's relevant economic activities, the accounting period, changes in interest rates, and exchange rates, etc., and is agreed upon after consultation with the trustor.

Asset valuation is a professional judgment of the value of the valuation subject at a specific point in time. Selecting the end of the accounting period as the Valuation Benchmark Date allows for a more comprehensive reflection of the overall situation of the valuation subject. This is in line with the principles of ensuring that the valuation conclusion effectively serves the valuation purpose, accurately delineating the valuation scope, efficiently auditing and verifying assets, and reasonably selecting the basis for valuation pricing, choosing a date close to the realization of the trustor's economic activities as the Valuation Benchmark Date.

IV. Basis for Valuation

In this asset valuation work, we followed national and local government laws and regulations, and the documents referred to in the valuation primarily include:

(I) Basis for Economic Behavior

This economic activity has been approved by the 16th CPC Committee Meeting in 2024 and the 11th President's Office Meeting in 2024 of Postal Savings Bank of China Co., Ltd.

(II) Legal and Regulatory Basis

1. Asset Valuation Law of the People's Republic of China (Adopted by the 21st Meeting of the 12th NPC Standing Committee (NPCSC) on July 2, 2016);
2. Company Law of the People's Republic of China (Adopted by the 6th Meeting of the 13th NPC Standing Committee (NPCSC) on October 26, 2018);
3. Civil Code of the People's Republic of China (Adopted at the 3rd Meeting of the 13th National People's Congress on May 28, 2020);
4. Law of the People's Republic of China on Enterprise Income Tax (Second amendment in the Decision of the Standing Committee of the National People's Congress to Amend Four Laws Including the Electric Power Law of the People's Republic of China by the 7th Meeting of the 13th NPC Standing Committee (NPCSC) on December 29, 2018);

5. Financial Supervision and Management Regulations for the Asset Valuation Industry (Promulgated by Order No. 86 of the Ministry of Finance on April 21, 2017, and amended according to Order No. 97 of the Ministry of Finance the Decision of the Ministry of Finance to Amend Two Departmental Rules including the Measures for the Practice Licensing and Supervision and Administration of Accounting Firms on January 2, 2019);
6. Notice on Further Strengthening Financial and Accounting Supervision (Issued by the General Office of the CPC Central Committee 2023 No. 4);
7. Measures for the Administration of State-Owned Asset Valuation (State Council Order No. 91 of 1991);
8. Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises (State Council Order No. 378);
9. Interim Regulations for the Supervision and Administration of State-Owned Asset Valuation of Financial Enterprises (Ministry of Finance Order No. 47);
10. Administrative Measures for the Transfer of State-Owned Asset of Financial Enterprises (Ministry of Finance Order No. 54);
11. People's Republic of China Securities Law (Revised for the second time on December 28, 2019, at the 15th meeting of the Standing Committee of the Thirteenth National People's Congress);
12. Other laws and regulations related to asset valuation.

(III) Standard Basis

1. Valuation Standards – General Standard (Finance 2017 No. 43);
2. Valuation Ethical Standards – General Standard (China Appraisal Society 2017 No. 30);
3. Valuation Standards – Valuation Procedures (China Appraisal Society 2018 No. 36);
4. Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35);
5. Valuation Standards – Valuation Contract (China Appraisal Society 2017 No. 33);
6. Valuation Standards – Valuation Files (China Appraisal Society 2018 No. 37);
7. Valuation Standards – Enterprise Value (China Appraisal Society 2018 No. 38);

8. Valuation Expert Guidance No. 8 – Verification in Valuation (China Appraisal Society 2019 No. 39);
9. Valuation Application for Valuation Reports of State-Owned Asset of Enterprise (China Appraisal Society 2017 No. 42);
10. Valuation Standards – Utilizing Expert Work and Related Reports (China Appraisal Society 2017 No. 35);
11. Valuation Application for Business Quality Control of Valuation Firms (China Appraisal Society 2017 No. 46);
12. Valuation Guidance Note on the Basis of Value for Valuation (China Appraisal Society 2017 No. 47);
13. Valuation Guidance Note on the awareness of the Legal Ownership of the Valuation Subject (China Appraisal Society 2017 No. 48);
14. Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35).

(IV) Basis of Rights

1. The trust beneficial interest units contribution certificate or holding share certificate as of the Valuation Benchmark Date;
2. The relevant investment agreements and articles of association of the National Venture Capital Fund for the investment projects;
3. Other ownership proof documents.

(V) Pricing Basis

1. *Materials provided by the enterprise*
 - (1) The financial statements and audit reports as at the Valuation Benchmark Date and of the previous years provided by the enterprise;
 - (2) Asset list and asset valuation declaration form provided by the enterprise.
2. *Materials collected by the asset valuation firm*
 - (1) iFIND Financial Database;
 - (2) On-site inspection records by valuation personnel;

- (3) Materials collected independently by valuation personnel related to the valuation;
- (4) Other materials related to this valuation.

(VI) Other Reference Basis

1. Asset Valuation Declaration Schedule provided by the entity being evaluated; interview records;
2. Guidance for the Valuation of Unlisted Equity Investments by Private Investment Funds (Provisional) (Asset Management Association of China, 2018);
3. Guidance for the Valuation of Restricted Stocks Invested by Securities Investment Funds (Provisional) (Asset Management Association of China, Zhongji Fa 2017 No. 6);
4. Special Provisions on the Reduction of Shareholdings by Venture Capital Fund Shareholders of Listed Companies (China Securities Regulatory Commission Announcement No. 17 of 2020, March 31, 2020);
5. The audit report (standard unqualified opinion audit report) issued by Zhongxing Hua Certified Public Accountants (Special General Partnership) on April 22, 2024 (Zhongxinghua Audit 2024 No. 010642);
6. The Valuation Analysis Report of China State-Owned Venture Capital Fund Co., Ltd. as of December 31, 2023, issued by PricewaterhouseCoopers Consulting (Shenzhen) Co., Ltd. Beijing Branch in March 29, 2024;
7. The Asset Valuation Entrustment Contract signed between the trustor and ChungRui Worldunion Appraisal Group Co., Ltd.

V. Valuation Methodology

(I) Selection of Valuation Approaches

1. Market Approach and Its Applicable Conditions

1. The market approach refers to a valuation method that determines the value of the subject of valuation by comparing it with comparable listed companies or comparable transaction cases.

2. The market approach is applicable under the following conditions: (1) There exists an active and open market with sufficient market data; (2) There are comparable transaction cases available in the public market. Sufficient comparable transaction cases of similar or identical enterprises can be found in both the capital market and the equity trading market for valuation purposes.

For this valuation, the subject of valuation is the beneficial interest units of a trust scheme, with the underlying assets being a private equity fund. Due to the inability to obtain detailed information on transactions of trust scheme in an open market similar to the subject of valuation from the capital market and equity transaction market, the market approach was not adopted in this valuation.

II. Income Approach and Its Applicable Conditions

1. The income approach is a valuation method that determines the value of the subject of valuation by capitalizing or discounting its expected earnings.
2. The income approach is applicable under the following conditions: (1) The future expected earnings of the subject of valuation can be predicted and measured in monetary terms; (2) The risks associated with obtaining the expected earnings by the asset owner can also be predicted and measured in monetary terms; (3) The expected profit period of the subject of valuation can be predicted.

The trust scheme has a wide range of funding sources and involves different underlying assets with varying returns. In this valuation, the underlying product corresponding to the trust scheme is a private equity fund. Due to the different fund types and investment modes, the diversity of investment exit channels and other characteristics, their operation and development are affected by a number of external factors: On one hand, the capital market is characterized by strong cyclicity and volatility, and there are frequent adjustments in domestic capital policies, which have a significant impact on the choice of exit strategies for projects and the level of exit returns. On the other hand, most invested projects are in the early stages or rapid growth phases, and there is great uncertainty in their own development. National Venture Capital Fund is a private equity fund established with the purpose of engaging in foreign investments and obtaining investment returns. Its main source of income is equity investment returns of the invested projects. Based on the uncertainty of investment projects and the uncertainty of return risks, the management team was unable to provide future earnings forecasts. Therefore, the income approach was not used for the valuation.

III. Cost Approach and Its Applicable Conditions

1. The cost approach is a valuation method that determines the value of the subject of valuation by assessing the value of all identifiable on- and off-balance sheet assets and liabilities as of the Valuation Benchmark Date.
2. The cost approach is applicable under the following conditions: (1) The subject of valuation is in a continuous use state or is assumed to be in a continuous use state; (2) It is possible to determine that the subject of valuation has the potential to generate expected profits; (3) Historical data that can be utilized are available.

Considering that the assets and liabilities subject to the valuation can be inspected on-site and meet the requirements for appraisal and estimation of data, the cost approach was adopted in this valuation to assess the beneficial interest units held by Postal Savings Bank of China in the trading financial assets of CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit.

The underlying assets involved in the trust scheme are National Venture Capital Fund. The assets and liabilities on- and off-balance sheet as of the Valuation Benchmark Date can be identified and assessed separately using appropriate methods, making the cost approach applicable.

(II) Specific Operation Plans for Valuation Approaches

In this valuation, the cost approach was used to value the beneficial interest units of the trading financial assets of CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit.

Trading financial assets: The counting is for the beneficial interest units of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit invested by the entity being valuated.

The appraisers first verified the reasons for the investment, its book value, and actual status, and reviewed investment agreements, contracts, and other documents to ensure the authenticity and completeness of the investment. The overall market value of CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit was determined using the cost approach, and then the value of the trading financial assets was determined based on the shares held in the trust scheme.

1. *The financial statements as of the Valuation Benchmark Date for the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit, include trading financial assets, trustee remuneration payable and custody fees payable.*

Trading financial assets: This accounts for the investment in the Shanghai Trust – State-Owned Capital Investment Fund Equity Income Right Single Property Trust by the subject of the valuation. The appraiser first verifies the reasons for the investment formation, the book value, and the actual situation, and consults investment agreements, contracts, and other materials to ascertain the authenticity and completeness of the investment. For this Shanghai Trust – State-Owned Capital Investment Fund Equity Income Right Single Property Trust, the cost approach is used to determine the overall market value of the property trust, and then the value of the trading financial assets is determined based on the proportion of the property trust held.

Trustee remuneration payable and custody fees payable: The accounting is for the remuneration and custody fees of the trustee for the trust assets, and the appraised value is confirmed based on the verified book value.

2. *The financial statements as of the Valuation Benchmark Date for the Shanghai Trust – State-Owned Capital Investment Fund Equity Income Right Single Property Trust include bank deposits, trading financial assets, trustee remuneration payable, and other payables.*

For bank deposits: The balance sheet, financial details, etc. have been checked. The appraised value is determined based on the verified value;

For trading financial assets: It refers to the investment in the National Venture Capital Fund. The appraiser first verifies the reasons for the formation of the investment, the book value, and the actual situation, and consults investment agreements, contracts, and other materials to determine the authenticity and completeness of the investment. The cost approach is used for the valuation of the National Venture Capital Fund.

Trustee remuneration payable and other payables: The accounting is for the remuneration and custody fees for the trustee concerning the trust assets, and the appraised value is determined based on the verified book value.

3. *The Statements of National Venture Capital Fund on the benchmark date include cash and cash equivalents, trading financial assets, other receivables and other current assets, other payables, taxes payable, deferred income tax liabilities.*

- (1) Valuation of current assets

The current assets within the scope of the valuation include cash and cash equivalents, other receivables, and other current assets. Specifically, cash and cash equivalents, consist of bank deposits, which are valued by verifying bank statements and bank confirmations, etc., with the appraised value determined

based on the verified amount. For other other receivables, for those that can form an asset or right, are valued based on the verified book value. Other receivables: for those that can from assets or rights, the appraised value shall be determined according to the verified book value. Other current assets include input taxes to be deducted and input taxes to be certified, for which the appraiser has checked the ledger records and reviewed the original vouchers and other relevant materials, confirming the appraised value based on the verified book value.

(2) Trading financial assets

It mainly includes direct investment projects and sub-fund projects. The valuation personnel collect all kinds of information of direct investment projects and sub-fund projects, investigate and learn about the financial status of the investee on the Valuation Benchmark Date, and obtain financial statements for historical years and on the Valuation Benchmark Date.

The fair value of the equity of all investors of the National Venture Capital Fund is calculated by calculating the fair value of the beneficiary rights of the sub-fund held by the National Venture Capital Fund or the equity rights of the project directly held by the National Venture Capital Fund on in item-by-item basis. Taking into account other assets and liabilities at the financial statement level of the National Venture Capital Fund, and then the fair value of the equity shares corresponding to the specific investors of the National Venture Capital Fund is calculated according to the distribution arrangements such as fund contract and partnership agreement.

Direct Investment Projects

Different valuation approaches are selected based on the collected materials and the nature of different projects. Direct investment projects are categorized into the following types: holding stocks of listed companies, holding stocks of listed companies that are subject to a lock-up period, and equity of unlisted companies.

1) Stocks of Listed Companies (including freely tradable stocks and stocks in a lock-up period)

As of the Valuation Benchmark Date, for stocks that are freely tradable, this valuation refers to the arithmetic mean of the daily weighted average prices for the 30 trading days preceding the Valuation Benchmark Date to determine the stock value.

As of the Valuation Benchmark Date, although the lock-up period for these stocks has been lifted, due to the fact that the National Venture Capital Fund's investment was made less than 60 months prior to the listing and the shareholding percentage is relatively large, the disposal of these stocks is subject to certain regulatory restrictions and it will take some time to fully divest via the centralized bidding process. Therefore, the valuation refers to the arithmetic mean of the daily weighted average prices for the 30 trading days preceding the Valuation Benchmark Date to determine the stock price on the Valuation Benchmark Date. Additionally, a discount for the restriction on liquidity due to the lock-up period is considered to establish the appraised value.

As of the Valuation Benchmark Date, these stocks are subject to a lock-up period and are not freely tradable. Therefore, for this assessment, the reference is made to the arithmetic mean of the daily weighted average prices for the 30 trading days preceding the Valuation Benchmark Date to establish the stock price on that date. Additionally, a discount for the illiquidity due to the lock-up period is considered to determine the appraised value.

2) Equity of unlisted companies

For direct investment projects as of the Valuation Benchmark Date, if the investment project or the investee company has undergone a financing event close to the Valuation Benchmark Date, the recent financing price method is referenced to determine the equity value.

For direct investment projects other than the above-mentioned situations, where the company is not listed as of the Valuation Benchmark Date, the equity is valued using appropriate methods based on factors such as control rights and the availability of data. The main methods used for valuation include the investment cost method, net asset adjustment method, comparable company value ratio under the market approach and etc.

Sub-fund Projects

Based on the collection regarding to the projects' information, this valuation conducted a penetration evaluation on the two sub funds with a large shareholding ratio using the cost approach. For the remaining other sub-funds, the valuation personnel take into account the audit report or financial statement information at the Valuation Benchmark Date, verify the information regarding the net assets of the partner of the sub-fund, and comprehensively conduct the calculation through multiplying the National Venture Capital Fund's subscribed capital proportion by the net assets of the partner of the sub-fund.

(3) Liabilities

Liabilities include other payable, taxes payable, and deferred income tax liabilities. For each type of liability, based on the verification and review, the appraised value is determined according to the actual liabilities that the entity being valued will be required to bear after the fulfillment of the valuation purpose.

VI. Process and Situation for the Implementation of Valuation Procedures

Asset valuation professionals, in accordance with the Chinese Asset Valuation Standards and relevant national asset valuation regulations, have conducted valuations on the assets and liabilities involved in the subject of valuation. The main process and situation for the implementation of valuation procedures are as follows:

(I) Acceptance of Entrustment

Our company has discussed with the trustor and reached an agreement on the basic terms of the asset valuation business, including the purpose of the valuation, the subject and scope of the valuation, the type of value, the Valuation Benchmark Date, the scope of use of the asset valuation report, the deadline and method of submitting the asset valuation report, the valuation service fee and payment method, and the cooperation and assistance of the parties involved in the asset valuation work. An asset valuation entrustment contract was signed, and a valuation plan was formulated.

(II) Preliminary Preparation

In light of the characteristics of this project and the distribution of assets, our company has developed an asset valuation plan and established a valuation team.

To facilitate the understanding and submission of asset valuation information by the financial and asset management personnel of the evaluated entity, our company has trained the relevant personnel of the evaluated unit on the preparation of asset valuation information, and assigned a dedicated person to guide the evaluated entity in conducting asset inventory, preparing valuation information, verifying assets, and validating information. Issues encountered during the preparation of asset valuation information were addressed.

(III) On-site Inspection

1. Asset Verification

- (1) Guide the evaluated unit to fill out forms and prepare information to be provided to the asset valuation agency

Asset valuation professionals guided the financial and asset management personnel of the entity being evaluated to fill in assets included in the scope of the valuation based on their own asset inventory and in accordance with the “Asset Valuation Declaration Schedules” provided by the asset valuation agency, along with its filling requirements and a list of required documents. At the same time, they collected and prepared documents and materials that prove the ownership and status of the assets.

- (2) Preliminary review and improvement of the asset valuation declaration schedules filled out by the evaluated unit

Asset valuation professionals reviewed relevant materials to understand the detailed conditions of the specific assets included in the valuation scope. They then carefully examined various “Asset Valuation Declaration Schedules” to check for any incomplete entries, errors, or unclear asset items. Based on their experience and the information they had, they also checked for any omissions in the “Asset Valuation Declaration Schedules.” They provided feedback to the entity being evaluated to help them refine and improve the “Asset Valuation Declaration Schedules.”

- (3) On-site field inspection

In accordance with the type, quantity, and distribution of the assets included in the valuation scope, asset valuation professionals, with the cooperation of relevant personnel from the entity being evaluated, conducted on-site inspections of each asset according to the relevant provisions of the asset valuation standards. The main activities involved visiting the office premises of the entity being evaluated to collect and verify the documentation for each asset.

- (4) Supplement, modify, and improve the asset valuation declaration form

Asset valuation professionals, based on the results of the on-site inspections and after thorough communication with the relevant personnel of the entity being evaluated, further refined the “Asset Valuation Declaration Detail Form” to ensure that the records, the forms, and the actual assets are consistent with each other.

- (5) Verification of property right certificate documents and information

The appraisers inspected the ownership proof documents and materials for the assets and liabilities included in the valuation scope. In cases where the ownership information was incomplete or unclear, they requested the company to verify the details.

2. *Due Diligence*

Asset valuation professionals conducted necessary due diligence to fully understand the management status and risks faced by the evaluated entity. The main contents of the due diligence are as follows:

- (1) The history and evolution of the evaluated entity, partners, and shares;
- (2) The status of assets, finance, and investment project management of the evaluated entity;

- (3) Investment plans and development plans of the evaluated entity;
- (4) Past valuation and transaction situations of the valuation subject and the evaluated entity;
- (5) The development status and prospects of the industry in which the evaluated entity operates;
- (6) Other relevant information.

(IV) Material Collection

Asset valuation professionals collected valuation information according to the specific circumstances of the valuation project, including information independently obtained from the market and other channels, information obtained from the trustor and other relevant parties, and information obtained from government departments, various professional institutions, and other relevant departments. The collected valuation information was analyzed, summarized, and organized as the basis for the valuation.

(V) Valuation and Estimation

Asset valuation professionals, according to the selected valuation method, selected the appropriate formulas and parameters for analysis, calculation, and judgment based on the specific circumstances of each type of asset, forming preliminary valuation conclusions. The project leader summarized the preliminary conclusions of each asset valuation, wrote and formed a preliminary asset valuation report.

(VI) Internal Review

In accordance with our company's measures for valuation business process management, after the project leader completes the preliminary asset valuation report, it is submitted for internal review by the company. After completion of the internal review, the project leader communicates with the trustor or other relevant parties agreed by the trustor regarding the content of the asset valuation report. Based on the feedback, reasonable modifications are made to the report, which is then issued and submitted.

VII. Valuation Assumptions

The valuation assumptions we rely on and use in the valuation process are the basic premise of the asset valuation work, and we draw the attention of the users of the valuation report to the contents of the valuation assumptions in order to understand and use the valuation conclusions correctly.

(I) Basic Assumptions**1. Transaction assumption**

The transaction assumption assumes that the valuation subject and the assets and liabilities within the valuation scope are already in the process of being traded, and the valuation personnel carries out the valuation on the basis of a simulated market based on the terms of the transaction. The transaction assumption is one of the most basic assumptions on which the valuation is based.

2. Open market assumption

The open market assumption assumes that both parties to an asset transaction (or a proposed asset transaction) are on an equal footing with each other and have access to sufficient market information and time to make rational judgments about the function and use of the asset and its transaction price. The open market assumption is based on the assumption that the asset is publicly tradable in the market.

3. Assumption on the use of assets for current purposes

It is an assumption about the conditions under which the assets are intended to trading on the market and the status of use of the assets under such market conditions. Firstly, it is assumed that the assets within the scope of valuation are in use. Secondly, it is assumed that the assets will continue to be used as they are and in the manner in which they are being used, and no consideration is given to the conversion of the assets to other uses or the conditions for optimal utilisation.

4. Assumption of contract-based operations by the enterprise

The assumption of the enterprise operating in accordance with the contract means that the entity being valued will operate in an orderly manner in accordance with the provisions of the articles of association and the promoter agreement, reasonably arrange the withdrawal of investment projects, and be consistent with the current mode of operation.

(II) General Assumptions

1. It is assumed that after the Valuation Benchmark Date, there will be no significant changes in the current national laws, regulations, policies, and macroeconomic conditions, and the political, economic, and social environment of the region where the parties to the transaction are located will not undergo significant changes;
2. It is assumed that after the Valuation Benchmark Date, the management team of the evaluated unit is responsible, stable, and capable of fulfilling their duties;

3. It is assumed that after the Valuation Benchmark Date, there will be no force majeure or unforeseeable factors that have a significant adverse impact on the evaluated unit;
4. The basic and financial information provided by the trustor and the evaluated unit is true, accurate, and complete;
5. It is assumed that the financial reports and transaction data of the comparative companies relied upon by the valuation personnel are all true and reliable.

VIII. Valuation Conclusions

(I) Cost approach valuation Results

Based on the principles of independence, impartiality and objectivity, the valuation results formed by adopting the cost approach after implementing the necessary asset valuation procedures are set out below:

As of Valuation Benchmark Date of December 31, 2023, the book value of the trading financial assets held in the books of Postal Savings Bank of China within the valuation scope, corresponding to the beneficial interest units of the Bank under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit, was RMB5,377,545,600, and the valuation was based on the results of the cost approach valuation as the final conclusion of the valuation: the appraised value of the Beneficial Interest of the Target Trust held by PSBC was RMB5,160,008,500, with a devaluation of RMB217,537,100, or a devaluation rate of 4.05%.

The assets and liabilities of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit are as follows:

Unit: RMB ten thousand

Items	Remaining invested principal	Book value of the Beneficial Interest of the Target Trust held by PSBC	Appraised value	Devaluation amount	Devaluation rate%
Trading financial assets	481,430.10	537,874.85	516,121.14	21,753.71	4.04
Total trust assets	481,430.10	537,874.85	516,121.14	21,753.71	4.04
Total trust liabilities	120.29	120.29	120.29		
Trust equity	481,309.81	537,754.56	516,000.85	21,753.71	4.05

Note: The devaluation is the difference formed between the current appraised value and the book value of PSBC, and the differences are mainly as follows: (1) for the listed stocks, this valuation calculated market value based on the arithmetic average of the daily weighted average price over the

30 trading days prior to the benchmark date, which is different compared with the fair value based on the closing price in the book value to some extent, resulting in an impairment compared with the book value; (2) for unlisted equity investment projects, the appraised value of the direct investment project has a certain impairment compared with the book value by this valuation based on the market approach.

(II) Validity Period of Valuation Conclusions

The validity period of the valuation conclusions is one year, from the Valuation Benchmark Date of December 31, 2023, to December 30, 2024. Except for the special matters disclosed in this report, the valuation conclusions shall be valid for the period of validity of use after the Valuation Benchmark Date, provided that no significant change has occurred in the development environment of the enterprise that affect its business conditions when an economic act occurs.

In accordance with Article 10 of the Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35), a valuation report shall specify the validity period for the use of the valuation conclusions. Generally, a valuation report shall only be used when the Valuation Benchmark Date is not more than one year from the date on which the economic behavior was realized.

When the market conditions or asset conditions on which the valuation conclusions are based undergo significant changes, even if the period from the Valuation Benchmark Date to the date of the economic activity is less than one year, the conclusions of the valuation report can no longer reflect the value of the subject of valuation on the date of realization of the economic activity. The following principles should be followed:

1. When the quantity of assets changes or the use of assets undergoes significant changes, the valuation conclusions should be adjusted accordingly based on the original valuation method;
2. When the market conditions on which the valuation conclusions are based change and significantly affect the asset valuation conclusions, the trustor should timely hire a qualified asset valuation organization to reassess the value of the subject of valuation;
3. After the Valuation Benchmark Date, when there are changes in asset conditions and market conditions, the trustor should fully consider these changes and make corresponding adjustments when actually pricing the subject of valuation.

IX. Special Matters Explanation

Special matters refer to the relevant matters discovered by the appraisers in the valuation process that may affect the valuation results, but are beyond the professional level and ability of the appraisers to value and estimate. We especially remind users of the asset valuation report to pay attention to the influence of special matters on the valuation conclusions of this valuation report.

(I) Reference to reports from other institutions

This asset valuation report has utilized the conclusion of the audit report (ZHONGXINGHUA Audit No. 010642 of 2024) issued by ZHONGXINGHUA Certified Public Accountants (Special General Partnership) for the National Venture Capital Fund.

(II) This report only considers the channel fee of RMB121.87 in ten thousand yuan that has not been paid for the beneficial interest units of CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 15 Investment Unit as of the Valuation Benchmark Date.**(III) Special explanation of legal and economic pending matters existing on the Valuation Benchmark Date**

As of the valuation report date, the valuation personnel have learned through public inquiries on the Tianyancha website that there are related legal and economic pending matters involving the National Venture Capital Fund, the National Venture Capital Fund sub-funds, and the National Venture Capital Fund direct investment projects. The actual situation of the enterprise may not be consistent with the publicly inquired information, and this valuation has not considered the impact of the above-mentioned matters on the valuation conclusion.

(IV) The valuation calculation of the National Venture Capital Fund statement on the benchmark date is mainly based on the principal input, dividend data, and equity ratio of each investment target provided by the fund manager’s relevant staff, and is analyzed and estimated in combination with the main terms of the articles of association. Due to the asymmetry of information and materials, and the final distribution interpretation right lies with the fund manager, the forecast results may differ from the actual results.**(V) Special explanations on the situation of incomplete valuation materials**

1. Most of the unlisted projects on the Valuation Benchmark Date have not provided audited financial reports for 2023 due to various reasons, and unaudited financial data is cited this time.

2. For the direct investment projects of the National Venture Capital Fund, the dividend and the income adjustment data of the exited and uncollected income involved in the project itself and the SPV level mainly refer to the data information provided by the management.

(VI) For the valuation of the 9 sub-funds, the valuation results are mainly based on the financial accounts, audit reports, and unaudited financial statements provided by the enterprises on the Valuation Benchmark Date. Based on the collection regarding to the project's materials and information, this valuation conducted a penetration evaluation on the two sub funds with a large shareholding ratio using the cost approach. For the remaining other sub-funds, the valuation personnel combine the audit and financial information at the Valuation Benchmark Date, check the information regarding the net asset of the partner of the sub-fund, and comprehensively conduct the calculation by the National Venture Capital Fund's subscribed capital proportion multiple the net asset of the partner of the sub-fund.

(VII) Significant post-period events

For some listed companies included in the valuation scope, have significant stock price fluctuations after the Valuation Benchmark Date. Therefore, the value is confirmed based on the arithmetic average of the daily weighted average price for the 30 trading days before the Valuation Benchmark Date. Report users are advised to pay attention to the impact of stock price fluctuations on the evaluation conclusion of listed companies.

(VIII) The relevant ownership proof documents and related materials involved in the asset valuation report are provided by the trustor and the entity being valued, who bear legal responsibility for their authenticity and legality.

(IX) The valuation conclusions in the report reflect the market value of the valuation subject for the valuation purposes, determined in accordance with the principles of the open market, without taking into account the relevant fees and taxes to be borne in the process of registering the property rights or changing the ownership of the assets, and without making any provision for tax adjustments to be made for the appreciation of the evaluated assets.

(X) The valuation conclusion reflects the current fair market value of the evaluated object determined in accordance with the open market principle for the purpose of this valuation at the Valuation Benchmark Date, and does not consider the impacts to the valuation conclusion from mortgages, guarantees, compensation liabilities arising from legal actions, etc., which may be assumed in the future, as well as premiums that may be paid by special trading parties.

(XI) The valuation report is based on the information provided by the trustor and the evaluated entity, and the trustor and the evaluated entity are responsible for its authenticity, legality and completeness. The asset valuation firm and the valuer shall be legally responsible for the valuation results formed on this basis.

(XII) The valuation conclusion is tenable on the basis of the valuation assumptions stated above, and it should be used only for the particular purpose of valuation. If there are major changes to the operational environment which the valued entity relied on, the valuation personnel shall not be held responsible for the discrepancy of valuations result due to major changes in the valuation assumptions and valuation references.

Users of the asset valuation report should pay attention to the impact of the above special matters on the valuation conclusions.

If the trustor and relevant parties fail to promptly inform the appraisers of any flaws that may affect the valuation conclusions, and the appraisers, after performing the necessary valuation procedures, are unable to become aware of them, the valuation organization and the appraisers will not bear any related responsibilities.

X. Limitations on the Use of Valuation Reports

1. The valuation report shall only be used for the purposes and uses of the valuation as stated herein and by the person using the valuation report as stated in the valuation report.
2. If the trustor or other users of the asset valuation report fail to use the asset valuation report in accordance with the provisions of laws, administrative regulations, and the scope of use stated in the asset valuation report, the asset valuation organization and its appraisers shall not bear any responsibility.
3. Except for the trustor, other users of the asset valuation report as agreed in the asset valuation contract, and users stipulated by laws and administrative regulations, no other organizations or individuals may become users of the asset valuation report.
4. Users of the asset valuation report should correctly understand the valuation conclusions. The valuation conclusions are not equivalent to the realizable price of the valuation subject and should not be considered as a guarantee of the realizable price of the valuation subject.

5. The asset valuation report is a professional report issued by the asset valuation institution and its appraisers in compliance with laws, administrative regulations, and asset valuation standards, after performing the necessary asset valuation procedures according to the entrustment. The report can be officially used after the asset valuation organization seals and the appraisers sign it, and it is filed (approved) by the state-owned assets supervision and administration institution or enterprises funded by such institution.

XI. Valuation Report Date

The valuation report date of this asset valuation report is May 20, 2024.

XII. Identity, Qualifications, and Independence of Appraisers

The valuation personnel Hu Jiahao and Wang Jingyu primarily involved in this assessment are registered members of China Appraisal Society, who have sufficient qualifications and experience in similar valuation projects. Hu Jiahao and Wang Jingyu confirm that they have no existing or expected interest relationships with the valuation subject in the valuation report; no existing or expected interest relationships with the relevant parties, and no bias towards the relevant parties.

**Postal Savings Bank of China Co., Ltd. Intends to Transfer Its Holdings of
Beneficial Interest Units Under the CCB Trust – Firmiana Collective Fund
Trust Scheme Asset Allocation Class No. 20 Investment Unit
Summary of the Asset Valuation Report
CEA Valuation Letter (2024) No. 6315**

POSTAL SAVINGS BANK OF CHINA CO., LTD.:

China Enterprise Appraisals Co., Ltd., under the entrustment of your company, has conducted an asset valuation in accordance with legal, administrative regulations, and asset valuation standards, maintaining independence, objectivity, and fairness. Using the cost approach¹ and necessary valuation procedures, we assessed the market value of the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit as of December 31, 2023, which Postal Savings Bank of China Co., Ltd. intends to transfer. The following is the valuation report:

I. Profile of the Valuation Subject

1. Basic Information

Name: CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit (hereinafter referred to as “C20 Investment Unit”)

Asset Trustor: Postal Savings Bank of China Co., Ltd.

Asset Trustee: CCB Trust Co., Ltd. (hereinafter referred to as “CCB Trust”)

Asset Custodian: Guangdong Branch, Postal Savings Bank of China Co., Ltd.

Establishment Date of the Trust: December 21, 2016

Initial Entrusted Property: RMB5,118,750,000.00

¹ According to the Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35), the cost approach includes restoration replacement cost method, updating replacement cost method, cost aggregation methods (also known as asset-based method) and so on.

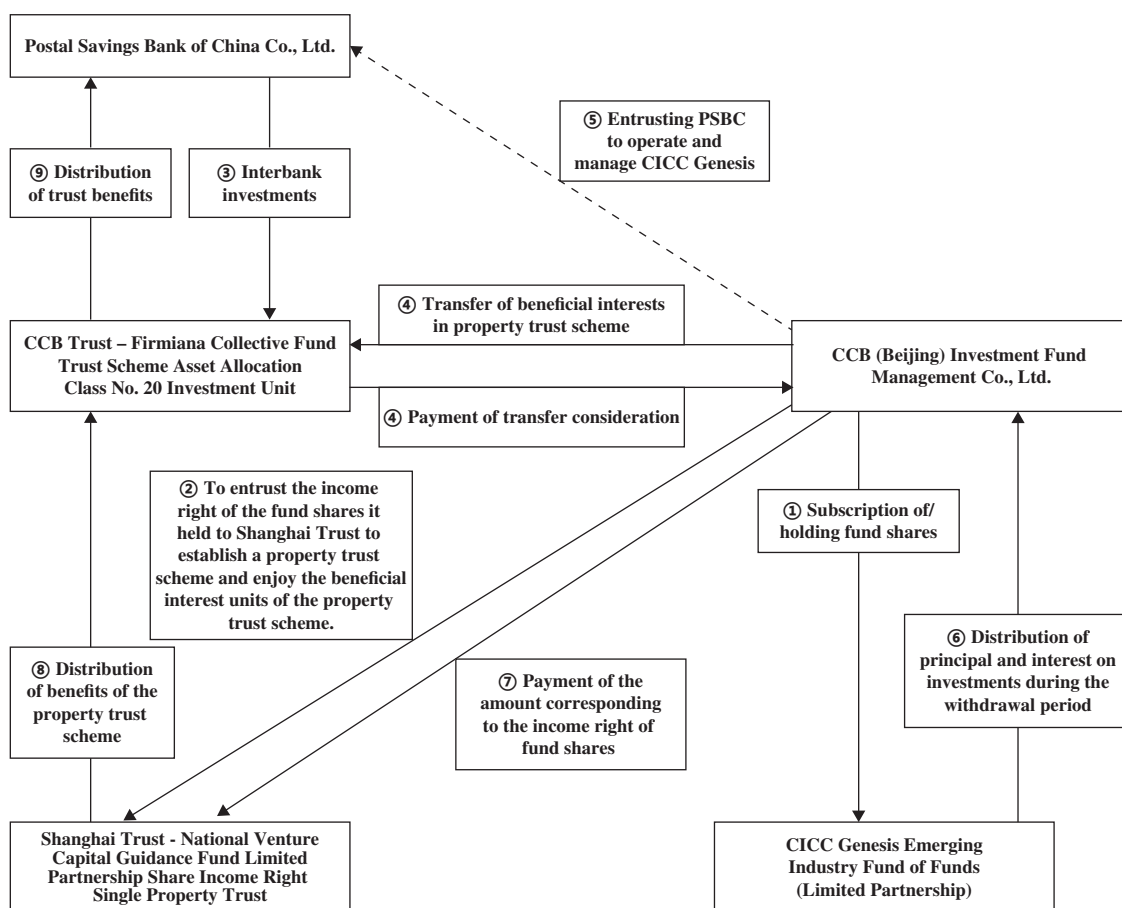
Pursuant to the Trust Contract of CCB Trust – Firmiana Collective Fund Trust Scheme, the Subscription Order of CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit, the Shanghai Trust – Beneficial Interest in the National Venture Capital Guidance Fund Limited Partnership Single Property Trust No. X3-13-16546 and agreements in the relevant transfer contract, CCB Trust intends to carry out the following investment operations in respect of the entrusted property under C20 Investment Unit:

- (1) Investment purpose: to acquire the trust beneficiary rights of “Shanghai Trust – National Venture Capital Guidance Fund Limited Partnership Share Income Right Single Property Trust” (the “Shanghai Single Property Trust”) held by CCB (Beijing) Investment Fund Management Co., Ltd. (the “CCB Investment”).
- (2) Investment amount: RMB Five billion, one hundred and eighteen million, seven hundred and fifty thousand (RMB5,118,750,000.00)
- (3) Related party: CCB (Beijing) Investment Fund Management Co., Ltd.
- (4) Trust Scheme Effective Date: December 21, 2016

2. *Underlying Assets*

The underlying asset corresponding to “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit” is the 19.86% share of CICC Genesis Emerging Industry Fund of Funds (Limited Partnership) held by CCB (Beijing) Investment Fund Management Co., Ltd. as a limited partner of CICC Genesis Emerging Industry Fund of Funds (Limited Partnership).

The specific transaction structure is set out below:



- (1) PSBC invested in the trust scheme the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit (see step ③).
- (2) CCB (Beijing) Investment Fund Management Co., Ltd., as a partner, participated in the establishment of CICC Genesis Emerging Industry Fund of Funds (Limited Partnership) and subscribed for the fund shares. CCB (Beijing) Investment Fund Management Co., Ltd. entrusted Shanghai International Trust Co., Ltd. to establish Shanghai Trust • National Venture Capital Guidance Fund Limited Partnership Single Property Trust (X3-13-16546) with the income right of its subscribed shares of CICC Genesis Emerging Industry Fund of Funds (Limited Partnership) as the trust property, and is entitled to the beneficial interests of the property trust scheme (see step ①, ② and ⑦).
- (3) The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit used the investment fund from PSBC as consideration for acquiring the beneficial interests of Shanghai Trust • National Venture Capital Guidance Fund Limited Partnership Single Property Trust (X3-13-16546) from CCB (Beijing) Investment Fund Management Co., Ltd. (see step ④).

According to the above transaction structure, Postal Savings Bank of China ultimately invested in CICC Genesis Emerging Industry Fund of Funds (Limited Partnership) through investing in Shanghai Trust – National Venture Capital Guidance Fund Limited Partnership Single Property Trust (X3-13-16546).

Beneficial Interest in the Shanghai Trust – National Venture Capital Guidance Fund Limited Partnership Single Property Trust

1) Introduction of Beneficial Interest in the Property Trust

Trustor/Beneficiary: CCB (Beijing) Investment Fund Management Co., Ltd.

Trustee: Shanghai International Trust Co. LTD

Trust Property: The trust property under this contract refers to the limited partnership share income right corresponding to the capital contribution of RMB5,118.75 million made by CICC Genesis Emerging Industry Fund of Funds (Limited Partnership).

Trust Effective Date: December 21, 2016

On December 21, 2016, CCB (Beijing) Investment Fund Management Co., Ltd. signed a trust contract with Shanghai International Trust Co. LTD under the title Shanghai Trust – National Venture Capital Guidance Fund Limited Partnership Single Property Trust Share Transfer Contract (X3-13-16546-3-1). CCB Investment transferred the beneficial interest of the Shanghai Trust – National Venture Capital Guidance Fund Limited Partnership Share Income Right Single property trust to the CCB Trust.

2) Financial Condition of “Shanghai Trust – National Venture Capital Guidance Fund Limited Partnership Share Income Right Single Property Trust”

The asset condition of “Shanghai Trust – National Venture Capital Guidance Fund Limited Partnership Share Income Right Single Property Trust” as of the Valuation Benchmark Date is shown in the following table:

Unit: RMB10,000

Item	December 31, 2023
Bank deposits	1.53
Financial assets held for trading	458,465.27
Total trust assets	458,466.80
Total trust liabilities	47.04
Total trust equity	458,419.76

Note: The above financial data is the financial statement data (unaudited) provided by the corresponding manager of the trust scheme.

(2) *CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)*

1) Company Registration Details

Name: CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)

Registered Address: 142-1, No. 88 Yuanshuaimiaohou, Shangcheng District, Hangzhou, Zhejiang Province

Executing Partner: CICC Capital Operation Co., Ltd. (hereinafter referred to as “CICC Capital”)

Registered Capital: RMB25,768,750,000

Type of Enterprise: Limited partnership

Unified Social Credit Code: 91330102MA27YCUY4B

Date of Establishment: August 5, 2016

Term of Operation: August 5, 2016 to August 4, 2026

Business Scope: Services: Equity investment, venture capital, private equity investment management, investment management, and investment consulting (without the authorization of financial and other regulatory departments, it shall not provide financing deposits, financing guarantees, entrusted wealth management, and other financial services to the general public).

II. Valuation Subject and Scope

(I) Valuation Subject

The subject of this valuation report is the value of the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit held by Postal Savings Bank of China Co., Ltd.

(II) Valuation Scope

The valuation scope covers all assets and related liabilities of the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit on the Valuation Benchmark Date held by Postal Savings Bank of China Co., Ltd.

As of the Valuation Benchmark Date, the assets within the valuation scope are current assets, specifically beneficial interest units of trading financial assets, with a book value of RMB6,369,327,400.

The subject and scope of the valuation are consistent with those involved in the economic activity. As of the Valuation Benchmark Date, the book value of the assets within the valuation scope has been audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP, expressing an unqualified opinion.

Status of Underlying Assets:

As of the Valuation Benchmark Date, the underlying assets included in the beneficial interest units of trading financial assets comprise of 19 direct investment projects by the parent fund, which is managed through CICC Genesis Emerging Industry Fund of Funds (Hubei) Equity Investment Enterprise (Limited Partnership), and 164 sub-funds.

(III) Types and Quantities of Off-Balance Sheet Assets Declared by the Enterprise

None.

(IV) Reference to Reports from Other Institutions

This valuation report utilizes the audit report (PwC Zhongtian Beijing Audit 2024 No. 0657) issued by PricewaterhouseCoopers Zhong Tian LLP Beijing branch for CICC Genesis Emerging Industry Fund of Funds (Limited Partnership).

(V) Other Issues that Need to be Clarified

None.

III. Valuation Benchmark Date

The Valuation Benchmark Date for this report is December 31, 2023.

The Valuation Benchmark Date is determined by the trustor. Asset valuation is a professional judgment of the value of the valuation subject at a specific point in time. Selecting the end of the accounting period as the Valuation Benchmark Date allows for a more comprehensive reflection of the overall situation of the valuation subject. This is in line with the principles of ensuring that the valuation conclusion effectively serves the valuation purpose, accurately delineating the valuation scope, efficiently auditing and verifying assets, and reasonably selecting the basis for valuation pricing, choosing a date close to the realization of the trustor's economic activities as the Valuation Benchmark Date.

IV. Basis for Valuation***(I) Basis for Economic Activities***

This economic activity has been approved by the 16th CPC Committee Meeting in 2024 and the 11th President's Office Meeting in 2024 of Postal Savings Bank of China Co., Ltd.

(II) Legal and Regulatory Basis

1. Asset Valuation Law of the People's Republic of China (Adopted at the 21st Meeting of the 12th NPC Standing Committee (NPCSC) on July 2, 2016);
2. Company Law of the People's Republic of China (Adopted at the 6th Meeting of the 13th NPC Standing Committee (NPCSC) on October 26, 2018);
3. Civil Code of the People's Republic of China (Adopted at the 3rd Meeting of the 13th National People's Congress on May 28, 2020);
4. Law of the People's Republic of China on Enterprise Income Tax (Second amendment in the Decision of the Standing Committee of the National People's Congress to Amend Four Laws Including the Electric Power Law of the People's Republic of China by the 7th Meeting of the 13th NPC Standing Committee (NPCSC) on December 29, 2018);
5. Financial Supervision and Management Regulations for the Asset Valuation Industry (Promulgated by Order No. 86 of the Ministry of Finance on April 21, 2017, and amended according to Order No. 97 of the Ministry of Finance the Decision of the Ministry of Finance to Amend Two Departmental Rules including the Measures for the Practice Licensing and Supervision and Administration of Accounting Firms on January 2, 2019);
6. Notice on Further Strengthening Financial and Accounting Supervision (Issued by the General Office of the CPC Central Committee 2023 No. 4);
7. Measures for the Administration of State-Owned Asset Valuation (State Council Order No. 91 of 1991);
8. Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises (State Council Order No. 378);
9. Interim Regulations for the Supervision and Administration of State-Owned Asset Valuation of Financial Enterprises (Ministry of Finance Order No. 47);
10. Administrative Measures for the Transfer of State-Owned Asset of Financial Enterprises (Ministry of Finance Order No. 54);

11. People's Republic of China Securities Law (Revised for the second time on December 28, 2019, at the 15th meeting of the Standing Committee of the Thirteenth National People's Congress);
12. Other laws and regulations related to asset valuation.

(III) Standards Basis

1. Valuation Standards – General Standard (Finance 2017 No. 43);
2. Valuation Ethical Standards – General Standard (China Appraisal Society 2017 No. 30);
3. Valuation Standards – Valuation Procedures (China Appraisal Society 2018 No. 36);
4. Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35);
5. Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35);
6. Valuation Standards – Valuation Contract (China Appraisal Society 2017 No. 33);
7. Valuation Standards – Valuation Files (China Appraisal Society 2018 No. 37);
8. Valuation Standards – Utilizing Expert Work and Related Reports (China Appraisal Society 2017 No. 35);
9. Valuation Standards – Enterprise Value (China Appraisal Society 2018 No. 38);
10. Valuation Expert Guidance No. 8 – Verification in Valuation (China Appraisal Society 2019 No. 39);
11. Valuation Application for Valuation Reports of State-Owned Asset of Enterprise (China Appraisal Society 2017 No. 42);
12. Valuation Application for Business Quality Control of Valuation Firms (China Appraisal Society 2017 No. 46);
13. Valuation Guidance Note on the Basis of Value for Valuation (China Appraisal Society 2017 No. 47);
14. Valuation Guidance Note on the awareness of the Legal Ownership of the Valuation Subject (China Appraisal Society 2017 No. 48).

(IV) Basis of Rights

1. Proof of shareholding or capital contribution as of the Valuation Benchmark Date;
2. Relevant asset property rights contracts and investment agreements;
3. Other relevant property rights proofs.

(V) Pricing Basis***1. Data provided by the enterprise***

- (1) The financial statements and audit reports as at the Valuation Benchmark Date and of the previous years provided by the enterprise;
- (2) Asset list and asset valuation declaration form provided by the enterprise;

2. Data collected by the asset valuation firm

- (1) iFinD Financial Database;
- (2) On-site inspection records by valuation personnel;
- (3) Data collected independently by valuation personnel related to the valuation;
- (4) Other materials related to this valuation.

V. Valuation Approach***(I) Selection of Valuation Approach******1. Basis for selection of valuation approach***

According to Article 16 of the Valuation Standards, “Valuation approaches for determining the value of assets include the three basic approaches of market approach, income approach and cost approach and their derived methods. Asset valuation professionals shall analyze the applicability of the above three basic approaches and select the valuation approaches in accordance with law based on the valuation purpose, valuation subject, type of value and collected information, etc.”

2. *Conditions for the application of the valuation approach*

(1) Income approach

The income approach in valuation refers to the valuation approach of determining the value of the valuation subject by capitalizing or discounting the expected income. Asset valuation professionals shall properly consider the applicability of the income approach in the light of the historical operation of the evaluated entity, the predictability of future earnings and the adequacy of the valuation information obtained.

Specific methods commonly used for the income approach include the dividend discount method and the discounted cash flow method.

The dividend discount method is a specific method of discounting expected dividends to determine the value of the evaluated entity, which is usually applicable to the valuation of partial interests of shareholders lacking control; the discounted cash flow method usually includes the discounted free cash flow model of the enterprise and the discounted free cash flow model of the equity. Asset valuation professionals shall appropriately select the discounted cash flow model based on the industry, business model, capital structure and development trend of the evaluated entity.

(2) Market approach

The market approach in valuation refers to the valuation approach of determining the value of the valuation object by comparing the valuation object with comparable listed companies or comparable transaction cases. Asset valuation professionals should consider the applicability of the market approach in the light of the adequacy and reliability of the operational and financial data obtained on comparable enterprises and the number of comparable enterprises that can be collected.

Two specific methods commonly used in the market approach are the listed company comparison method and the transaction case comparison method.

The listed company comparison method refers to the specific method of obtaining and analyzing the operating and financial data of comparable listed companies, calculating the value ratios, and determining the value of the evaluated entity based on a comparative analysis with the evaluated entity. The transaction case comparison method refers to the specific method of determining the value of the evaluated entity on the basis of obtaining and analyzing information on cases of sales, acquisitions and mergers of comparable enterprises, calculating the value ratios and comparing and analyzing them with the evaluated entity.

(3) Cost approach

The cost approach is a general term for a valuation approach that determines the value of a valuation object by taking the cost of reconstruction or replacement as the basis for determining the value of the valuation object and deducting the related depreciation, along the lines of reconstruction or replacement of the valuation object.

3. *Selection of valuation approach*

Analysis of the applicability of the three valuation approaches for this project:

(1) Analysis of the applicability of the income approach:

Considering that the primary business of the subject being evaluated is financial investment, in which investment and returns of future projects are unpredictable, and the valuation personnel are unable to make accurate forecasts of the scale of investment management of the future projects as well as the investment returns, the income approach is not applicable.

(2) Analysis of the applicability of the market approach:

Considering the insufficient number of comparable listed companies in the same industry as the valuation targets in China's capital market, the limited availability of market transaction cases in the same industry, and inadequate disclosure of information, the market approach is also not applicable.

(3) Analysis of the applicability of the cost approach:

Considering that the various types of assets and liabilities for valuation are capable of fulfilling the on-site investigation procedures and meeting the information requirements for the valuation and estimation, the cost approach is adopted for the valuation of the valuation subject.

In summary, the cost approach has been selected for the valuation of the valuation subject.

(II) Specific Operational Plans of Valuation

Operational plans of the cost approach of valuation:

This valuation adopts the cost approach to value the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit based on the accounting of trading financial asset held by PSBC.

The valuation personnel firstly verified the reasons for the investment, its book value and actual status, and reviewed the investment agreement, contract and other information to determine the authenticity and completeness of the investment. This time, for the investment in the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit, the cost approach is adopted to determine the overall market value of the trust scheme, and then the value of trading financial assets is determined according to the trust unit of assets held.

1. The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit

The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit has not been accounted for separately, the underlying asset of which is a trading financial asset.

Trading financial assets: The accounting is for the Shanghai Trust – National Venture Capital Guidance Fund Limited Partnership Share Income Right Single Property Trust invested by the valuation subject. For the investment in Shanghai Trust – National Venture Capital Guidance Fund Limited partnership single property trust, the cost approach was used to determine the overall market value of the property trust, and then the value of the trading financial assets was determined based on the property trust units.

2. Shanghai Trust – National Venture Capital Guidance Fund Limited Partnership Share Income Right Single Property Trust

The financial statements of Shanghai Trust – National Venture Capital Guidance Fund Limited partnership single property trust as at the benchmark date include bank deposits, trading financial assets and current liabilities.

For bank deposits denominated in RMB, the appraised value is based on the verified book value.

For trading financial assets, it refers specifically to the shares of CICC Genesis held by CCB (Beijing) Investment. The valuation personnel firstly verified the reasons for the investment, its book value and actual status, and reviewed the investment agreement, contract and other information to determine the authenticity and completeness of the investment. The cost approach is used to value the CICC Genesis.

For current liabilities, the appraised value is based on the verified book value.

3. *CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)*

The financial statements of CICC Genesis as at the benchmark date include cash and cash equivalents, prepayments, other current assets, other non-current financial assets and current liabilities.

(1) Cash and cash equivalents, prepayments and other current assets

Cash and cash equivalents includes bank deposits and other monetary funds. For bank deposits and other monetary funds denominated in RMB, the appraised value is based on the verified book value.

For prepayments, the appraised value is based on the verified book value for those prepayments for which the corresponding services can be received or the equity can be formed in accordance with the contractual provisions.

For other current assets, the appraised value is determined based on the verified book value upon finding the cause for occurrence and reviewing relevant basis and books.

(2) Other non-current financial assets

For other non-current financial assets, it mainly includes direct investment projects and sub-fund projects. The valuation personnel collect various types of information on direct investment projects and sub-fund projects, investigate and understand the financial status of the investee units as at the Valuation Benchmark Date, and obtain financial statements for the historical year and the Valuation Benchmark Date.

The valuation personnel calculated the fair value of the sub-fund shares held by the parent fund or the interests in the projects directly held by the parent fund, and taking into account other assets and liabilities at the parent fund reporting level, calculated the fair value of the interests of all the investors in the parent fund, and then calculated the fair value of the interests corresponding to the shares of the investors in the parent fund in accordance with the distribution arrangements in the fund contract, partnership agreement or the limited partnership agreement.

a Direct investment projects

The valuation approaches for direct investment projects refer to the following:

Current status of investment projects under management		Valuation approach	
Listed	Trading prices of the stocks are available as at the Valuation Benchmark Date	Calculate the market value by multiplying the arithmetic average of the weighted average price of the stocks for each of the 30 trading days prior to the Valuation Benchmark Date by the number of shares held	
	The stocks are subject to a lock-up period	The AAP option pricing model is used to determine the value of restricted shares. The formula is: $FV = S \times (1 - LOMD)$	
Others	The company is undergoing a merger and acquisition process, and the draft merger agreement has been issued (as part of the acquisition of assets by a listed company through restructuring)		
	Recent financing prices are available		
	Repurchase agreement has been signed		
	Equity investment	Conditions satisfying the adoption of market approach	Market approach
		Conditions not satisfying the adoption of market approach	Final valuation level will be determined based on the net assets of the invested unit and other specific circumstances
Recent equity investments within one year		Valuation is based on current investment cost	

Formula of the valuation of restricted shares: $FV=S \times (1 - LOMD)$, where:

FV: The value of the restricted stock in circulation on the Valuation Benchmark Date

S: The fair value of the same stock listed and traded on the stock exchange on the Valuation Benchmark Date

LOMD: The liquidity discount corresponding to the remaining restricted period of the restricted stock in circulation

The liquidity discount corresponding to the restricted stock in circulation: $LOMD=P/S$, where P is the value of the put option on the Valuation Benchmark Date, determined using the Average Price Asian Options Model (AAP model).

The details of the direct investment projects involved in this benchmark date are described in the valuation scope section. Based on the obtained materials, different valuation methods are adopted for different projects:

1) Stock Market Price Method

As of the Valuation Benchmark Date, these stocks are freely tradable. Therefore, this valuation refers to the arithmetic average of the daily weighted average prices over the 30 trading days prior to the benchmark date, multiplied by the number of shares held, to calculate the market value and determine the value of the stocks. The details of the projects included in this valuation are as follows:

Number	Name of investor	Type	Proposed appraisal methodology
1	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Stock market price method
2	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Stock market price method
3	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Stock market price method

Note: The above companies refer to the arithmetic average of the daily weighted average prices over the 30 trading days prior to the Valuation Benchmark Date of the respective shares.

2) Latest Financing Price Method

For invested enterprises with financing activities closest to the Valuation Benchmark Date, the equity value is determined using the latest financing price method. The details of the projects included in this valuation are as follows:

Number	Name of investor	Type	Proposed valuation methodology	Valuation of the invested unit (RMB in 100 million)	Valuation of CICC share percentage (RMB in 10 thousand)	Financing date
1	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Latest financing price method	5,240.71	54,856.19	2023/7
2	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Latest financing price method	209.11	18,791.88	2023/12
3	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Latest financing price method	154.72	17,200.32	2023/11
4	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Latest financing price method	29.60	4,558.40	2023/3

Notes: (1) According to the latest financing price method, the value of the fund company's shareholding is determined based on the post-investment valuation and post-investment shareholding ratio of the invested enterprises whose financing and acquisitions had been completed within one year prior to the Valuation Benchmark Date.

(2) The above companies refer to the latest financing data provided by CICC Genesis Emerging Industry Fund of Funds (Limited Partnership).

3) Market Approach

For the equity of companies that are not listed as of the Valuation Benchmark Date, if there are a sufficient number of comparable companies in the same industry listed on China's capital market, the listed company comparison method is employed for the valuation. The details of the projects included in this valuation are as follows:

Number	Name of investor	Type	Proposed valuation methodology
1	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Market approach
2	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Market approach
3	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Market approach
4	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Market approach
5	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Market approach
6	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Market approach
7	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Market approach

Notes: (1) The companies No. 5 and 6 are planning to be listed in 2024, the higher of the market approach valuation and the book value is taken as the valuation result.

(2) For the above companies, financial data and market prices of comparable listed companies are included for reference. According to development stage and industry of the investee, the listed companies which have similar principal activities and similar development stage with those of the investee were given priority to be chosen as comparable listed companies; obtained market multipliers such as price-to-sales ratio and price-to-research ratio of such comparable listed companies (price-to-sales ratio for the companies No. 1, 2, 3, 4, 6 and 7, price-to-research ratio for the company No. 5); made adjustments to market multipliers such as price-to-sales ratio and price-to-research ratio of the comparable listed companies based on financial metrics of the investee and the comparable listed companies from the perspectives of assets under management, profitability, risk management capabilities and operating ratios; to factor in the discounts for marketability based on the above results to derive the value of the investment.

4) Other Methods

As of the Valuation Benchmark Date, five direct investment projects which either have been in the repurchase negotiation process but not yet reached a conclusion, or have been in poor operating condition but in the process of negotiating the next round of financing, recognize the appraised value at carrying amount as financial data of relevant subjects has not been obtained in this valuation. The details of the projects included in this valuation are as follows:

Number	Name of investor	Type	Remarks
1	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Repurchase negotiation process
2	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Next round of financing negotiation process
3	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Next round of financing negotiation process
4	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Next round of financing negotiation process
5	CICC Genesis Emerging Industry Fund of Funds (Limited Partnership)	Direct investment project	Next round of financing negotiation process

Notes: (1) The above companies refer to the 2023 operation report and the valuation report of direct investment project provided by CICC Genesis Emerging Industry Fund of Funds (Limited Partnership).

(2) The new round of financing of the above companies No. 2 to 5 is still in the process of negotiation, and according to the valuation report of the direct investment project, it is not expected to be at a price lower than that of the previous round of financing; and the book value of these invested enterprises has been verified and confirmed by the resolution of the investment meeting, the investment agreement or the capital increase agreement.

b Sub-funds:

Each sub-fund's holdings of fund shares or project equities are individually calculated for their fair value. Taking into account other assets and liabilities at the sub-fund statement level, the fair value of the entire sub-fund's investor equity is determined. Then, based on the distribution arrangements in the partnership agreement, its supplemental agreements, or the limited partnership agreement, the fair value of the parent fund's corresponding equity share is calculated.

Among them, When considering whether sub-funds need a further penetration valuation, penetration is required under the following three circumstances:

- 1) Control or de facto control over a sub-fund; for example, holding more than 50% of a sub-fund, or being the largest investor and being able to exercise actual control over the sub-fund's operation and management and investment decisions individually or dominantly through the fund and other relevant agreements and arrangements;
- 2) The valuation personnel need to penetrate based on the principle of materiality;
- 3) Other circumstances where the valuation personnel need to penetrate based on professional judgment.

The sub-fund has no control over the projects under investment according to the information collected on the projects. If the sub-fund's projects under investment in its audit report are measured at fair value, the valuation personnel refer to the valuation method of direct investment projects for the fairness of the sub-fund's projects under investment as at the Valuation Benchmark Date, and at the same time in conjunction with the audit report and publicly available data in order to recognize the appraised value of the sub-fund's projects under investment as at the benchmark date based on the verified reasonable book value. For non-fair value measurements, a comprehensive analysis was conducted through the collection of information and inquiries from public sources to consider whether to make adjustments to the book value.

- (3) Liabilities: The amount of the liabilities are verified based on historical payment vouchers collected and accruals made up to the benchmark date. The appraised value is recognized at the verified amount.

VI. Process and Situation for the Implementation of Valuation Procedures

During March 29, 2024 to May 20, 2024, the valuer have conducted valuation on the assets involved in the objects. The main process and situation for the implementation of valuation procedures are as follows:

(I) Accept the Entrustment

On March 29, 2024, our company and the trustor have reached an agreement on the basic matters of this valuation entrustment, including valuation purpose, objects, scope and Valuation Benchmark Date, as well as the rights and obligations of both parties, and drafted the corresponding valuation plan with the trustor.

(II) Preliminary preparation

After accepting the entrustment, the valuation team has formulated a valuation work plan based on purpose, features of asset and time schedule. Meanwhile, based on the project's requirement, the valuation team has also created a list of documents required and a declaration spreadsheet.

(III) On-Site Investigation

The valuation personnel have conducted the on-site investigation on the assets included in this valuation project, as well as the operational and managerial condition of the valuation subject from April 2, 2024 to May 20, 2024.

1. *Guidance to the property right holder on filling and preparation of information to be provided to the asset valuation agency*

The valuation personnel guided the financial and assets management personnel of the property right holder to fill the "Asset Valuation Declaration Detail Form" provided by the valuation agency in accordance with its filling requirements and information list on the basis of voluntary asset inspection, and accurately fill in details of assets included in the scope of valuation, as well as collect and prepare property ownership certificate documents and documents that reflect the performance, status, economic and technical indicators, etc.

2. *Preliminary review and improvement of the Asset Valuation Declaration Schedules filled in by the property right holder*

The valuation personnel understood the detailed status of the specific assets included in the scope of valuation by reviewing the relevant information, then carefully reviewed various "Asset Valuation Declaration Detail Form" and checked whether there were incomplete, mistaken or unclear asset items, as well as any omissions in the "Asset

Valuation Declaration Detail Form” based on their experience and the information obtained while gave feedback to the property right holder on improvement of the “Asset Valuation Declaration Detail Form”.

3. *Due diligence*

Based on the types, quantities and distribution of assets included in the scope of valuation, the valuation personnel, with the cooperation of the relevant personnel of the property right holder and in accordance with the relevant provisions of the asset valuation standards, conducted due diligence on the various assets and adopted different methods of investigation in respect of the nature and characteristics of the different assets.

4. *Supplement, modification and improvement of the Asset Valuation Declaration Schedule*

The valuation personnel further improved the Asset Valuation Declaration Schedule based on the results of the on-site inspection and extensive communication with relevant personnel of the property right holder, so that the accounting books and statements were consistent with the actual conditions.

5. *Verification of property ownership certificate documents*

The valuation personnel verified the property ownership certificate documents of the assets such as investment shares of the funds, which are included in the scope of valuation.

(IV) Documentation Collection

The valuation personnel collected information and documentations based on the specific circumstance of the valuation. Such information may include information directly acquired from the market or other independent channels, documents obtained from trustor and other relevant parties, and supporting materials from administrative departments, professional facilities, and other institutions. The valuation personnel then organized and analyzed the collected valuation material, based on which generated an estimation of valuation value.

(V) Valuation Calculation

Based on the condition of assets and the valuation approach selected, the valuation personnel selected corresponding formulas and parameters to analyze and calculate the value of assets, forming the preliminary valuation conclusion. The project leader summarized the preliminary conclusions of each asset valuation and wrote the draft valuation report.

(VI) Internal Review

Based on CEA's Internal Procedure Requirement of Valuation, the valuation project leader shall submit the preliminary valuation report to CEA's internal review department. Once the internal review process is completed, the valuation personnel communicated with trustors and other relevant parties agreed by the trustor on the content of the valuation report without prejudice to the exercise of independent judgment on the valuation conclusions. After the completion of the above valuation procedures, the valuation personnel issued and submitted the final valuation report.

VII. Valuation Assumptions

The valuation assumptions we rely on and use in the valuation process are the basic premise of the asset valuation work, and we draw the attention of the users of the valuation report to the contents of the valuation assumptions in order to understand and use the valuation conclusions correctly.

(I) Underlying Assumptions***1. Transaction assumption.***

The transaction assumption assumes that the valuation subject and the assets and liabilities within the valuation scope are already in the process of being traded, and the asset valuation personnel carries out the valuation on the basis of a simulated market based on the terms of the transaction. The transaction assumption is one of the most basic assumptions on which the valuation is based.

2. Open market assumption.

The open market assumption assumes that both parties to an asset transaction or proposed asset transaction in the market are on an equal footing with each other and have access to sufficient market information and time to make rational judgments about the function and use of the asset and its transaction price. The open market assumption is based on the assumption that the asset is publicly tradable in the market.

3. Assumption of continuous use of assets.

The assumption of continuous use of assets means that the asset valuation needs to be based on the continuous use of the asset under valuation according to its current use and the manner, scale, frequency and environment in which it is used, or on a changed basis, with the valuation approach, parameters and basis determined accordingly.

4. *Assumption of contract-based operations by the enterprise.*

The assumption of the enterprise operating in accordance with the contract means that the entity being valued will operate in an orderly manner in accordance with the provisions of the articles of association and the promoter agreement, reasonably arrange the withdrawal of investment projects, and be consistent with the current mode of operation.

(II) General Assumptions

1. It is assumed that there will be no significant changes in the political, economic, social and other macro-environment affecting the operations of the evaluated entity and its business environment after the Valuation Benchmark Date;
2. It is assumed that the information provided by the trustor and the valued entity is true, complete and reliable, and that there are no other defective matters or contingencies that should have been provided but have not been provided, or that could not have been made known to the valuation professionals even though they had performed the necessary valuation procedures, which might have an impact on the valuation conclusion;

The conclusions of this asset valuation report are valid under the above assumptions as at the Valuation Benchmark Date. When the valuation assumptions change significantly, we do not assume responsibility for deducing different valuation conclusions as a result of the change in valuation assumptions.

VIII. Valuation Conclusion

As at Valuation Benchmark Date of December 31, 2023, the book value of the Beneficial Interest of the Target Trust held by the Bank within the valuation scope, corresponding to the beneficial interest units of the Bank under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit, was RMB6,369,327,400, and the valuation was based on the results of the cost approach valuation as the final conclusion of the valuation: the appraised value of the Beneficial Interest of the Target Trust held by the Bank was RMB6,174,131,500, with a devaluation of RMB195,195,900, or a devaluation rate of 3.06%.

The assets and liabilities of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 20 Investment Unit are as follows:

Unit: RMB ten thousand

Items	Remaining invested principal	Book value of the Beneficial Interest of the Target Trust held by PSBC	Appraised value	Devaluation amount	Devaluation rate%
Bank deposits	1.53	1.53	1.53		
Trading financial assets	458,465.27	636,978.24	617,458.65	19,519.59	3.06
Total trust assets	458,466.81	636,979.78	617,460.19	19,519.59	3.06
Total trust liabilities	47.04	47.04	47.04		
Trust equity	458,419.76	636,932.74	617,413.15	19,519.59	3.06

Note: The devaluation is the difference between the current appraised value and the book value held by PSBC, and the difference is mainly due to the fact that the valuation of direct investment project invested by CICC Genesis National Emerging Industry Fund of Funds (Limited Partnership) declined in the subsequent repurchase events, resulting in the impairment of the fund direct investment project.

IX. Statement of Special Matters

The following statements are matters found during the valuation process, which may influence the conclusion of Valuation Report, but the assessment of such is beyond the competence and requirement of the valuation personnel:

- (I) This valuation adopts the audit report (Deloitte audit 2024 P01658) published by Deloitte Touche Tohmatsu Certified Public Accountants LLP and the audit report (PwC Zhong Tian Beijing audit 2024 0657) published by PricewaterhouseCoopers Zhong Tian LLP Beijing branch. The valuation personnel have accessed such audit report through legal manner, analyzed based on the relevant valuation standards, and utilized it in a prudent manner. The audited financial data in the audit report is the basis of the valuation project, hence, if there is any variation in financial data, the valuation conclusion may be invalid. Based on article 12 of the Asset Valuation Practice Standards – Enterprise Value, asset valuation professionals shall analyze and make judgements on the financial statements based on the requirements of use under the valuation approach. Nevertheless, judging whether the financial statements are an accurate reflection of the trustor’s financial conditions, operating result and cash flow performance as at the Valuation Benchmark Date from a professional standpoint is not a responsibility of asset valuation professionals. We are only responsible for improper citations that may exist in the process of using the audit reports.

- (II) According to the partnership agreement of CICC Genesis, if the income of the state-funded limited partner on the actual use of the paid-in capital of CICC Genesis exceeds the portion of the income calculated according to the threshold rate of return (refers to the rate of return calculated at 10% per year when all pre-tax distributions accrued by a state-funded limited partner from the partnership over the term of the partnership reach the actual use of the paid-in capital of the state-funded limited partner) (hereinafter referred to as “excess income”), the state-funded limited partner transfer 50%-100% of the excess income will be made to other investors (hereinafter referred to as the “transfer ratio range”). When the state-funded limited partner’s withdrawal from CICC Genesis or at the end of the duration of CICC Genesis, state-funded limited partner will take the performance assessment of CICC Genesis, and settle down the transfer ratio within the range and carried out the liquidation. The performance assessment of the state-funded limited partners focuses on the realization of the policy objectives of CICC Genesis. The relevant assessment methods shall be separately formulated by the state-funded limited partners after the establishment of CICC Genesis and adjusted in due time according to the investment and operation situation of CICC Genesis. Before the report is issued, the relevant assessment methods were not clear, so the impact of excess income transfer on the valuation results was not considered in this valuation report.
- (III) On the valuation date, the valuation of the parent fund is mainly relying on the information provided by personnels from the fund managing entity, which may include the capital contribution, data on dividend distributed, and percentage of shares in each investment, and the main clauses in relevant contracts and limited partnership agreements. Due to limitation on access to relevant information and documents, and the fund managing entity holds the ultimate explanation right, the valuation result may contain discrepancies to the actual condition.
- (IV) Based on the information and documents collected in the valuation project, the sub-funds have no control over the projects under investment. If the sub-fund’s projects under investment are measured in fair value in its audit report, the valuation personnel adopts the same methodology for valuating direct investments stated above for the fairness of the sub-fund’s projects under investment as at the Valuation Benchmark Date, and conducts verification in combination with auditing reports and other publicly available data. In such case, the appraised value is the verified historical cost. If the sub-fund’s projects under investment are not measured in fair value, the valuation personnel collected relevant information and other public source information, conducted a comprehensive analysis on its historical cost, and made case-by-case judgement on whether any necessary adjustment on the historical cost of investment is required.
- (V) The valuation conclusion in the report reflects the market value of the valuation object determined in accordance with the principle of the open market for the purpose of this valuation, and does not take into account the relevant costs and taxes borne by these assets in the process of property registration or ownership change, nor does it make any tax adjustment provision for the appreciation amount of the asset valuation.

- (VI) The valuation conclusion is a reflection of the value of the valuation objects under the particular purpose and date of valuation, representing fair value under open market principle. The potential pledge, guaranty, and litigation compensation, as well as potential expenses due to special trading parties are not considered in the valuation conclusion.
- (VII) The valuation conclusion is based on the information and documents provided by the trustor and the valuated entity, hence the trustor and the valuated entity should be held fully responsible for the authenticity, legality and completeness of such information and documents. The valuation company and the valuation personnel are liable for the valuation conclusion that is based on such fundamental requirement.
- (VIII) The valuation conclusion is tenable on the basis of the valuation assumptions stated above, and it should be used only for the particular purpose of valuation. If there are major changes to the operational environment which the entity being valuated relied on for its operation, the valuation personnel shall not be held responsible for the discrepancy of valuations result due to major changes in the valuation assumptions and valuation references.

The users of the valuation report shall pay attention to the potential impacts made by the special statements above to the valuation conclusion.

X. Limitations on the Use of Valuation Reports

(I) The scope of usage of the valuation reports

1. The users of the asset valuation report are: the trustor, and the user of the asset valuation report as stipulated by national laws and administrative regulations.
2. The valuation conclusions revealed in the valuation report is only valid for the particular economic behaviors corresponding to the project.
3. The validity period of the valuation conclusion of the valuation report shall be one year starting from the valuation date. The trustor or other user of the valuation report shall use the valuation report within the validity period. In accordance with Article 10 of Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35), a valuation report shall specify the validity period for the use of the valuation conclusions. Generally, a valuation report shall only be used when the Valuation Benchmark Date is not more than one year from the date on which the economic behavior was realized.
4. Without the written permission of the trustor, the valuation institution and its valuation personnel shall not provide or disclose the content of the asset valuation report to a third party, except as otherwise provided by laws and administrative regulations.

5. Without the consent of the valuation institution, the content of the valuation report shall not be extracted, quoted or disclosed to the public media, except as provided by laws, administrative regulations and otherwise agreed by the relevant parties.
- (II)** The asset valuation institution and its asset valuation professionals shall not be liable if the trustor or other user of the valuation report fails to use the valuation report in accordance with the provisions of the laws and administrative regulations and the scope of use set out in the valuation report.
- (III)** Except for the trustor, individuals specified in the valuation engagement letter, and personnel who are stipulated by laws and administrative regulations, any other organization and individual shall not be a user of the valuation report. This valuation report is composed of annexes and the valuation calculation statements, and all compositions are significant to the completion of this valuation report, such annexes and statements are only valid when read together with this valuation report.
- (IV)** For any usage that is out of the scope of usage of the valuation report, such as shown or accessed through other manners to users that are not the trustor, and the user of the valuation report as stipulated by national laws and administrative regulations, the valuation institution and the valuation personnel shall not be held liable to any responsibility or obligation, shall not provide further consultancy due to this valuation report, and shall not give testimony, attend to courts, or any other form of hearing. The valuation institution and the valuers reserve the rights to call the users that are not the trustor, and the user of the valuation report as stipulated by national laws and administrative regulations to account.
- (V)** The user of the valuation report shall correctly understand and use the valuation conclusion. The valuation conclusion is not equivalent to the realizable price of the subject of appraisal, and the valuation conclusion should not be regarded as a guarantee of the realizable price of the subject of appraisal.
- (VI)** The valuation report is a professional valuation report issued by the valuation institution under the particular purpose of valuation, on the particular valuation date, with the valuation institution and its asset valuation professionals complying with the requirements of laws, administrative regulations, and asset valuation standards, and performing necessary valuation procedures as entrusted by the trustor. The valuation report shall only be used formally after the signatures of the valuers who are in charge of the valuation, the official seal of the valuation institution, and the approval by the state-owned assets supervision and administration institution or enterprises funded by such institution.

XI. Date of the Valuation Report

The date of this valuation report is May 20, 2024.

XII. Identity, Qualifications and Independence of the Appraisers

The appraisers involved in this valuation, namely Wang Jichao and Wang Xiaomei, are registered members of the China Appraisal Society, who have sufficient qualifications and experience in similar valuation projects. Wang Jichao and Wang Xiaomei confirm that they have no existing or expected interest relationships with the valuation object in the valuation report; no existing or expected interest relationships with the relevant parties, and no bias towards the relevant parties.

**Postal Savings Bank of China Co., Ltd. Intends to Transfer Its
Holdings of the Beneficial Interest Units Under the CCB Trust –
Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26
Investment Unit
Summary of the Asset Valuation Report
PCCPV Valuation Letter (2024) No. 0944**

POSTAL SAVINGS BANK OF CHINA CO., LTD.:

Pursuant to the engagement by your company and subject to laws, administrative regulations and asset valuation standards, Beijing Pan-China Assets Appraisal Co., Ltd. conducted an evaluation of the market value of the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit as of December 31, 2023, which Postal Savings Bank of China Co., Ltd. holds and intends to transfer based on the principles of independence, objectivity, and fairness, adopting the cost approach¹ and following necessary valuation procedures. The valuation process is now reported as follows:

I. Profile of Valuation Subject (Trust Scheme)

1. Basic information

Name of the Trust Scheme: The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit

Trustor: Postal Savings Bank of China Co., Ltd.

Trustee: CCB Trust Co., Ltd.

Custodian: Postal Savings Bank of China Guangdong Branch

The Date of Establishment of the Trust: October 28, 2016

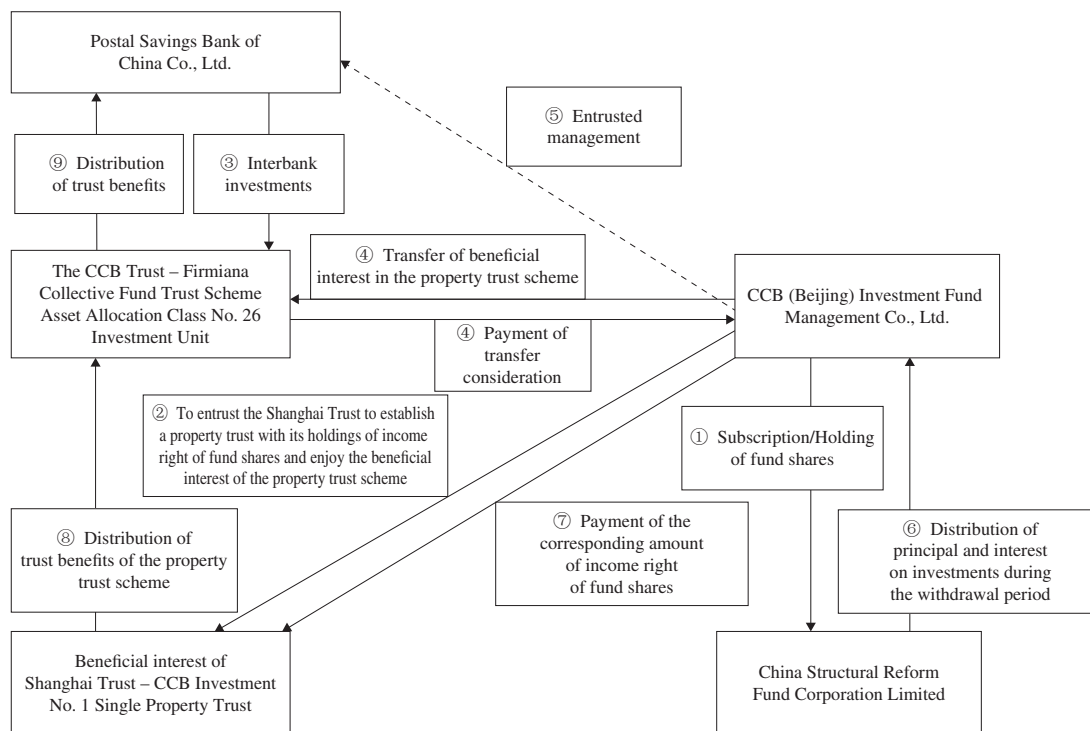
Contributions: On October 28, 2016, Postal Savings Bank of China contributed RMB10 billion for the first time, and on September 22, 2017, Postal Savings Bank of China contributed RMB15 billion for the second time.

¹ According to the Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35), the cost approach includes restoration replacement cost method, updating replacement cost method, asset-based method and so on.

2. *Transaction Structure*

The underlying asset corresponding to “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit” is the 25.30% share of China Structural Reform Fund Corporation Limited held by CCB (Beijing) Investment Fund Management Co., Ltd. as a shareholder of China Structural Reform Fund Corporation Limited.

The specific transaction structure is set out below:



- (1) PSBC invested in the trust scheme the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit (see step ③).
- (2) CCB (Beijing) Investment Fund Management Co., Ltd., as a shareholder, participated in the establishment of China Structural Reform Fund Corporation Limited and subscribed for the fund shares. CCB (Beijing) Investment Fund Management Co., Ltd. entrusted Shanghai International Trust Co., Ltd. to establish Shanghai Trust – CCB Investment No. 1 Single Property Trust with the income right of its subscribed shares in China Structural Reform Fund Corporation Limited as the trust property, and is entitled to the beneficial interest of the property trust scheme (see step ①, ② and ⑦).

- (3) The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit used the investment funds from PSBC as consideration for acquiring the beneficial interest of Shanghai Trust – CCB Investment No. 1 Single Property Trust from CCB (Beijing) Investment Fund Management Co., Ltd. (see step ④).

According to the above transaction structure, Postal Savings Bank of China ultimately invested in China Structural Reform Fund Corporation Limited through investing in Shanghai Trust – CCB Investment No. 1 Single Property Trust.

3. *Underlying Assets*

(1) *Shanghai Trust – CCB (Beijing) Investment No. 1 Single Property Trust*

1) Introduction of Property Trust Beneficial Interest

Trustor/beneficiary: CCB (Beijing) Investment Fund Management Co., Ltd.

Trustee: Shanghai International Trust Co., Ltd.

Trust Property: The trust property initially delivered by the trustor under this contract is the equity income right of the equity of China Structural Reform Fund Corporation Limited corresponding to the trustor's subscribed but unpaid capital contribution of RMB50 billion.

Trust Effective Date: October 28, 2016

On October 28, 2016, CCB (Beijing) Investment Fund Management Co., Ltd. and Shanghai International Trust Co., Ltd. signed the Shanghai Trust – CCB (Beijing) Investment No. 1 Single Property Trust Equity Income Right Transfer Contract, CCB (Beijing) Investment transferred to Shanghai Trust the equity income right of the equity of China Structural Reform Fund Corporation Limited corresponding to its subscribed but unpaid capital contribution of RMB50 billion, and entrusted Shanghai Trust to establish Shanghai Trust – CCB (Beijing) Investment No. 1 Single Property Trust (Shanghai X3-13-16683). On the establishment date of the trust, CCB (Beijing) Investment obtained 50 billion trust units under the trust.

Thereafter, CCB (Beijing) Investment Fund Management Co., Ltd. and CCB Trust Co., Ltd. signed the Transfer Contract of Trust Units of Shanghai Trust – CCB (Beijing) Investment No. 1 Single Property Trust, transferring 50 billion trust units to CCB Trust. As the trustee of CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit, CCB Trust agreed to acquire the target trust units on behalf of CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit in its own name.

2) Financial Condition

The asset condition of the beneficial interest of Shanghai Trust – CCB (Beijing) Investment No. 1 Single Property Trust as of the Valuation Benchmark Date is shown as follows:

Unit: RMB10,000

Assets	December 31, 2023
Bank deposits	0.15
Trading financial assets	1,750,000.00
Total assets	1,750,000.15
Total liabilities	0.15
Net asset value	1,750,000.00

Note: The above financial data is the financial statement data (unaudited) provided by the corresponding manager of the trust scheme.

(2) *China Structural Reform Fund Corporation Limited*

Name: China Structural Reform Fund Corporation Limited

Legal Address: Room F702, Yinglan International Financial Center, No. 7, Financial Street, Xicheng District, Beijing

Operating Location: Room F702, Yinglan International Financial Center, No. 7, Financial Street, Xicheng District, Beijing

Legal Representative: Guo Xiangyu

Registered Capital: RMB76,147,318,400 (Being changed to RMB69,178,260,900)

Paid-in Capital: RMB76,147,318,400 (Being changed to RMB69,178,260,900)

Date of Establishment: September 22, 2016

Business scope: Non-public fundraising; equity investments; project investments; asset management; investment consulting; corporate management consulting. (“1. Without the approval of relevant departments, fundraising shall not be conducted in a public manner; 2. Trading activities involving securities products and financial derivatives shall not be carried out in public; 3. Loans shall not be granted; 4. Guarantees shall not be provided to enterprises other than those in which investments are made; 5. Investors will not be guaranteed that their investment capital will be protected from losses or promised minimum returns.” Market entities may independently choose their business projects and conduct business activities within the framework of the law. For projects that require approval under the law, business activities shall be conducted according to the approved content after approval by relevant departments. Business activities that are prohibited or restricted by national or local industrial policies shall not be engaged in.)

II. Valuation Subject and Scope

The subject and scope of the valuation are consistent with those involved in the economic activity.

(1) Valuation Subject

The subject of the valuation is the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit.

(2) Valuation Scope

The valuation scope covers all assets and related liabilities of the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit as declared on the Valuation Benchmark Date. The financial statements as of the Valuation Benchmark Date for the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit are based on the financial data provided by the enterprise.

As of the Valuation Benchmark Date, December 31, 2023, the book value of the beneficial interest units in the trading financial assets within the valuation scope was RMB19,684,981,600.

The subject and scope of the valuation are consistent with those involved in the economic activity. As of the Valuation Benchmark Date, the book value of the assets within the valuation scope has been audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP, which issued the Audit Report under document (Audit) 24 No. P01658, expressing an unqualified opinion.

Information of major underlying assets

At the Valuation Benchmark Date, the underlying assets of the beneficial interest units (China Structural Reform Fund) mainly consisted of trading financial assets and other equity instruments, of which the investment cost of trading financial assets was RMB53,641,902,900 with a carrying value of RMB65,698,038,200, and the investment cost of other equity instruments was RMB15,201,319,800 with a carrying value of RMB9,911,467,600. These mainly consisted of 34 investments in stocks of the parent fund, 34 investments in equities, 27 investments in sub-funds, 28 investments in asset management plans and 1 investment in a convertible bond.

(3) Types and Quantities of Off-Balance Sheet Assets Declared by the Enterprise

None

(4) Reference to Reports from Other Institutions

This asset valuation report utilizes the audit report (Tian Zhi Ye Zi 2024 No. 15632) issued by Baker Tilly China Certified Public Accountants (Special General Partnership) for China Structural Reform Fund Corporation Limited.

(5) Other Issues that Need to be Clarified

None.

III. Valuation Benchmark Date

The Valuation Benchmark Date for this project is December 31, 2023.

The determination of this Valuation Benchmark Date takes into account factors such as the realization of the trustor's related economic activities, accounting periods, and changes in interest and exchange rates, and is agreed upon in consultation with the trustor.

Asset valuation is a professional judgment of the value of the valuation subject at a specific point in time. Selecting the end of the accounting period as the Valuation Benchmark Date allows for a more comprehensive reflection of the overall situation of the valuation subject. Following the principles of ensuring that the valuation conclusion effectively serves the valuation purpose, accurately delineating the valuation scope, efficiently auditing and verifying assets, and reasonably selecting the basis for valuation pricing, a date close to the realization of the trustor's economic activities is chosen as the Valuation Benchmark Date.

IV. Basis for Valuation

The basis for economic activities, legal and regulatory basis, valuation standards basis, asset ownership basis and pricing basis we follow during the valuation are as follows:

(I) Basis for Economic Activities

This economic activity has been approved by the 16th CPC Committee Meeting in 2024 and the 11th President's Office Meeting in 2024 of Postal Savings Bank of China Co., Ltd.

(II) Legal and Regulatory Basis

1. Asset Valuation Law of the People's Republic of China (Adopted by the 21st Meeting of the 12th NPC Standing Committee (NPCSC) on July 2, 2016);
2. Company Law of the People's Republic of China (Adopted by the 6th Meeting of the 13th NPC Standing Committee (NPCSC) on October 26, 2018);

3. Civil Code of the People's Republic of China (Adopted at the 3rd Meeting of the 13th National People's Congress on May 28, 2020);
4. Law of the People's Republic of China on Enterprise Income Tax (Second amendment in the Decision of the Standing Committee of the National People's Congress to Amend Four Laws Including the Electric Power Law of the People's Republic of China by the 7th Meeting of the 13th NPC Standing Committee (NPCSC) on December 29, 2018);
5. Financial Supervision and Management Regulations for the Asset Valuation Industry (Promulgated by Order No. 86 of the Ministry of Finance on April 21, 2017, and amended according to Order No. 97 of the Ministry of Finance the Decision of the Ministry of Finance to Amend Two Departmental Rules including the Measures for the Practice Licensing and Supervision and Administration of Accounting Firms on January 2, 2019);
6. Notice on Further Strengthening Financial and Accounting Supervision (Issued by the General Office of the CPC Central Committee 2023 No. 4);
7. Measures for the Administration of State-Owned Asset Valuation (State Council Order No. 91 of 1991);
8. Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises (State Council Order No. 378);
9. Interim Regulations for the Supervision and Administration of State-Owned Asset Valuation of Financial Enterprises (Ministry of Finance Order No. 47);
10. Administrative Measures for the Transfer of State-Owned Asset of Financial Enterprises (Ministry of Finance Order No. 54);
11. People's Republic of China Securities Law (Revised for the second time on December 28, 2019, at the 15th meeting of the Standing Committee of the Thirteenth National People's Congress);
12. Other laws and regulations related to asset valuation.

(III) Standards Basis

1. Valuation Standards – General Standard (Finance 2017 No. 43);
2. Valuation Ethical Standards – General Standard (China Appraisal Society 2017 No. 30);

3. Valuation Standards – Valuation Procedures (China Appraisal Society 2018 No. 36);
4. Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35);
5. Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35);
6. Valuation Standards – Valuation Contract (China Appraisal Society 2017 No. 33);
7. Valuation Standards – Valuation Files (China Appraisal Society 2018 No. 37);
8. Valuation Standards – Utilizing Expert Work and Related Reports (China Appraisal Society 2017 No. 35);
9. Valuation Standards – Enterprise Value (China Appraisal Society 2018 No. 38);
10. Valuation Expert Guidance No. 8 – Verification in Valuation (China Appraisal Society 2019 No. 39);
11. Guidelines for the Asset Valuation Reports of State-Owned Financial Enterprises (China Appraisal Society 2017 No. 43);
12. Valuation Application for Business Quality Control of Valuation Firms (China Appraisal Society 2017 No. 46);
13. Guidance on Asset Valuation Value Types (China Appraisal Society 2017 No. 47);
14. Valuation Guidance Note on the awareness of the Legal Ownership of the Valuation Subject (China Appraisal Society 2017 No. 48).

(IV) Asset Ownership Basis

1. Proof of shareholding or capital contribution as of the Valuation Benchmark Date;
2. Information on asset ownership contracts, investment agreements and related contracts;
3. Other ownership documents.

(V) Pricing Basis

1. Bank deposits and loan benchmark interest rates and foreign exchange rates on the Valuation Benchmark Date;
2. Wind information;

3. Accounting statements and periodic management reports provided by the fund manager;
4. Valuation reports by third-party valuation institution;
5. Investment management reports of the investment personnel and information on the investment and financing of the relevant object;
6. Records of on-site inspections and other relevant valuation information collected by the valuation personnel;
7. Statistical data, technical standard data and price information data issued by the relevant state departments, as well as the relevant inquiry data and pricing parameter data collected by our company;
8. Other materials related to this asset valuation.

(VI) Other Basis

None.

V. Valuation Methodology

(I) Selection of Valuation Approach

1. Basis for the selection of valuation approach

According to Article 16 of the Valuation Standards – General Standard, “valuation approaches for determining the value of assets include the three basic approaches of market approach, income approach and cost approach and their derived methods. Asset valuation professionals shall analyze the applicability of the above three basic approaches and select the valuation approaches in accordance with the standards based on the valuation purpose, valuation subject, type of value and collected information.”

2. Conditions for the application of the valuation approach

(1) Income approach

The income approach in valuation refers to the valuation approach of determining the value of the valuation subject by capitalizing or discounting the expected income. Asset valuation professionals shall properly consider the applicability of the income approach in the light of the historical operation of the evaluated entity, the predictability of future earnings and the adequacy of the valuation information obtained.

Specific methods commonly used for the income approach include the dividend discount method and the discounted cash flow method.

The dividend discount method is a specific method of discounting expected dividends to determine the value of the evaluated entity, which is usually applicable to the valuation of partial interests of shareholders lacking control; the discounted cash flow method usually includes the discounted free cash flow model of the enterprise and the discounted free cash flow model of the equity. Asset valuation professionals shall appropriately select the discounted cash flow model based on the industry, business model, capital structure and development trend of the evaluated entity.

(2) Market approach

The market approach in valuation refers to the valuation approach of determining the value of the valuation subject by comparing the valuation subject with comparable listed companies or comparable transaction cases. Asset valuation professionals should consider the applicability of the market approach in the light of the adequacy and reliability of the operational and financial data obtained on comparable enterprises and the number of comparable enterprises that can be collected.

Two specific methods commonly used in the market approach are the listed company comparison method and the transaction case comparison method.

The listed company comparison method refers to the specific method of obtaining and analyzing the operating and financial data of comparable listed companies, calculating the value ratios, and determining the value of the evaluated entity based on a comparative analysis with the evaluated entity. The transaction case comparison method refers to the specific method of determining the value of the evaluated entity on the basis of obtaining and analyzing information on cases of sales, acquisitions and mergers of comparable enterprises, calculating the value ratios and comparing and analyzing them with the evaluated entity.

(3) Cost approach

The cost approach is a general term for valuation approaches that determines the value of a valuation subject by taking the cost of reconstruction or replacement as the basis for determining the value of the valuation subject and deducting the related depreciation, along the lines of reconstruction or replacement of the valuation subject.

3. *Selection of valuation approach*

Analysis of the applicability of the three valuation approaches for this project:

(1) Analysis of the applicability of the income approach:

Considering that the primary business of the subject being evaluated is financial investment, and the investment and returns of future projects are unpredictable, and the valuation personnel are unable to make accurate forecasts of the scale of investment management and the investment returns of the future projects. Therefore, the income approach is not applicable.

(2) Analysis of the applicability of the market approach:

Considering the insufficient number of comparable listed companies in the same industry as the subject of valuation in China's capital market, the limited availability of market transaction cases in the same industry, and inadequate disclosure of information, the market approach is also not applicable.

(3) Analysis of the applicability of the cost approach:

Considering that the various types of assets and liabilities for valuation are capable of fulfilling the on-site investigation procedures and meeting the information requirements for the valuation and estimation, the cost approach is adopted for the valuation of the valuation subject.

In summary, the cost approach has been selected for the valuation of the valuation subject.

(II) Specific Operational Plans of Valuation

Operational plans of the cost approach of valuation:

This valuation adopts the cost approach to evaluate the beneficial interest units of the trading financial assets under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit held by Postal Savings Bank of China.

Trading financial assets: These refer to the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit invested by the valuation subject.

The valuation personnel firstly verify the reasons for the formation of the investment, its book value and actual status, and inspect the investment agreement, contract and other information to determine the authenticity and completeness of the investment. This time, for the investment in the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit, the cost approach is used to determine the overall market value of the fund trust scheme, and then the value of the trading financial assets is determined on the basis of the trust units held.

1. *The financial statements of CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit included bank deposits and trading financial assets at the Valuation Benchmark Day.*

- (1) Bank deposits: For bank deposits in RMB, the verified book value is the appraised value. For cash and cash equivalents in foreign currencies, the RMB equivalent converted in accordance with the central parity rate on the Valuation Benchmark Date is the appraised value.
- (2) Trading financial assets: These refer to the Shanghai Trust – CCB (Beijing) Investment No. 1 Single Property Trust invested by the evaluated entity. The valuation personnel firstly verify the reasons for the formation of the investment, its book value and actual status, and inspect the investment agreement, contract and other information to determine the authenticity and completeness of the investment. In this case, for the investment in Shanghai Trust – CCB (Beijing) Investment No. 1 Single Property Trust, the cost approach is used to determine the overall market value of the property trust, and then the value of the trading financial assets is determined on the basis of property trust units held.
- (3) Other assets and liabilities: These refer to other assets and liabilities related to the trust of the evaluated entity. The valuation personnel firstly verify the reasons for the formation of assets and liabilities, book value, and actual status, and review relevant materials to determine the authenticity and completeness of the assets and liabilities. The verified amounts is used as the appraised value.

2. *The financial statements of Shanghai Trust – CCB (Beijing) Investment No. 1 Single Property Trust included bank deposits and trading financial assets at the Valuation Benchmark Day.*

- (1) For bank deposits, the valuation approach is consistent with the above introduction;

- (2) For trading financial assets, it is mainly its investment in China Structural Reform Fund Corporation Limited. The valuation personnel firstly verify the reasons for the formation of the investment, its book value and actual status, and inspect the investment agreement, contract and other information to determine the authenticity and completeness of the investment. The cost approach is adopted for the valuation of China Structural Reform Fund Corporation Limited. The relevant liabilities are verified based on the collected historical accounting vouchers and relevant information. For the amount of liabilities, the appraised value is recognized based on the verified results.
3. *The financial statements of China Structural Reform Fund Corporation Limited included cash and cash equivalents, trading financial assets, other equity instruments, and other assets and liabilities.*
- (1) For cash and cash equivalents, and other assets and liabilities, the valuation approach is consistent with the above introduction.
- (2) Trading financial assets and other equity instruments mainly include direct investment projects (including stocks and equity), sub-fund projects, asset management plans, and debt investment. Valuation personnel collect related materials of investment projects, investigate and understand the financial status of the invested subject on the Valuation Benchmark Date, and obtain historical annual financial statements and financial statements at the Valuation Benchmark Date. The valuation approaches for various assets are as follows:

Direct Investment Projects:

The approach for evaluating direct investment projects is referenced below:

Current status of investment projects under management		Valuation approach
Listed	Trading prices of the stocks are available as at the Valuation Benchmark Date	Calculate the market value by multiplying the arithmetic average of the weighted average price of the stocks for each of the 30 trading days prior to the Valuation Benchmark Date by the number of shares held
	The stocks are subject to a lock-up period	The AAP option pricing model is used to determine the value of restricted shares. The formula is: $FV = S \times (1 - LOMD)$

Current status of investment projects under management		Valuation approach	
Others	Recent financing prices are available	Refer to the prices of recent refinancing or transfer transactions	
	Repurchase agreement has been signed	Determine the valuation based on the redemption terms and recoverability outlined in the repurchase agreement	
	Equity investment	Conditions satisfying the adoption of market approach	Market approach
		Conditions not satisfying the adoption of market approach	Final valuation level will be determined based on the net assets of the invested unit and other specific circumstances
	Convertible debts	The current investment cost and recoverability will be used to recognize the valuation	
Recent equity investments within one year		Valuation is based on current investment cost	

The main calculation parameters of AAP option pricing model are:

FV: The value of the restricted stock on the Valuation Benchmark Date

S: The fair value of the same stock listed and traded on the stock exchange on the Valuation Benchmark Date

LOMD: The liquidity discount corresponding to the remaining lock-up period of the restricted stock in circulation.

The liquidity discount for a restricted stock is calculated using the put option: $LOMD = P/S$, where P is the value of the put option on the Valuation Benchmark Date, determined using the Average Price Asian Options Model (AAP model).

Based on the obtained materials, different valuation methods are adopted for different projects:

1) Stock Market Price Method

As of the Valuation Benchmark Date, these stocks are freely tradable. Therefore, this valuation refers to the arithmetic average of the weighted average price of the stocks for each of the 30 trading days prior to the Valuation Benchmark Date, multiplied by the number of shares held, to calculate the market value and determine the value of the stocks. A total of 29 investment projects have adopted this method.

2) Latest Financing Price Method

For invested enterprises with financing activities closest to the Valuation Benchmark Date, the equity value is determined using the latest financing price method. A total of 9 investment projects have adopted this method. The financing dates are June 2023, December 2023, December 2023, December 2023, June 2023, August 2023, September 2023, December 2022, and October 2022.

3) Market Approach

For the equity of companies that are not listed as of the Valuation Benchmark Date, if there are a sufficient number of comparable companies in the same industry listed on China's capital market, the listed company comparison method is employed for the valuation. A total of 20 investment projects have adopted this method.

4) AAP Option Pricing Model

As of the Valuation Benchmark Date, there are three stocks subject to lock-up periods in the direct investment projects. The AAP option pricing model is used to determine the value of the restricted shares.

5) Repurchase Agreement Price

As of the Valuation Benchmark Date, two stocks in the direct investment projects have signed repurchase agreements, and the valuation is determined based on the redemption terms and recoverability outlined in the repurchase agreement.

6) Cost Pricing

For four investment units such as SPV, due to their relatively small investment proportions and the inability to obtain the statements as of the Valuation Benchmark Date, the invested entities believe that their book values fairly reflect their values. Therefore, the appraised value is determined based on the investment costs.

Sub-funds:

Except for the CCT Fund Strategic Emerging Industry Investment Fund (Chuzhou) Partnership (Limited Partnership), China Structural Reform Fund Corporation Limited does not control its subordinate sub-funds, therefore, NAV (Net Asset Value) is mainly adopted for accounting. This valuation, based on the statements provided by the sub-funds, determine the appraised value with the verified statement amount. For the actually controlled CCT Fund Strategic Emerging Industry Investment Fund (Chuzhou) Partnership (Limited Partnership), according to the collected project information, the projects under investment in the audit

reports of the sub-funds are measured at fair value. The valuation personnel refer to the valuation method of direct investment projects for the fairness of the sub-funds' projects under investment as at the Valuation Benchmark Date, and at the same time conduct verification in conjunction with the audit report and publicly available data in order to verify the reasonable book value to confirm the appraised value of the sub-funds' projects under investment as at the Valuation Benchmark Date, and finally recognize the equity value of the sub-fund held by the China Structural Reform Fund in combination with its shareholding ratio.

- (3) Liabilities: The authenticity and accuracy of the liabilities are verified based on historical payment vouchers collected and accruals made up to the Valuation Benchmark Date. The appraised value is recognized at the verified amount.

VI. Process and Situation for the Implementation of Valuation Procedures

In accordance with the relevant provisions of laws, regulations and asset valuation standards, the valuation has been carried out in accordance with appropriate valuation procedures. The specific implementation process is set out below:

(I) Clarifying basic business matters

Important matters such as the entity being valued and other users of the valuation report other than the trustor, the purpose of the valuation, the valuation subject and scope of the valuation, the type of value, the Valuation Benchmark Date, the approval of economic acts requiring approval for the asset valuation project, the scope of use of the valuation report, the deadline and the method for submission of the valuation report, the valuation service fee and the method of payment, and the cooperation and assistance of the trustor and other relevant parties with the asset valuation institution and valuation professionals have been discussed and clarified.

(II) Signing of business entrustment contract

After conducting a comprehensive analysis and valuation of the professional competence, independence and business risks of the asset valuation institution and valuation professionals in accordance with the specific circumstances of the valuation business, an asset valuation engagement contract is entered into with the trustor to stipulate the rights, obligations, liabilities for breach of contract and settlement of disputes of the asset valuation institution and the trustor.

(III) Preparation of asset valuation plans

In accordance with the specific circumstances of the asset valuation business, a valuation work plan is prepared, including determining the main process, time schedule and staffing arrangement for the implementation of the valuation business.

(IV) Conducting valuation site investigations

1. To instruct the trustor, evaluated entity and other relevant parties to check inventory assets and prepare detailed information concerning the valuation subject and the valuation scope;
2. According to the specific circumstances of the valuation subject, select appropriate ways to carry out investigations by way of inquiry, correspondence, verification, supervision, survey and inspection, etc., to understand the current status of the valuation subject and pay attention to the legal ownership of the valuation subject; where it is not appropriate to carry out item-by-item investigations, adopt sampling and other methods of investigation according to the degree of importance.

(V) Collection and collation of valuation information

Valuation professionals obtain information independently from the market and other channels, from relevant parties such as the trustor and evaluated entity, and from government departments, various professional organizations and other relevant authorities.

The valuation professionals verify and validate the information used in the asset valuation activities in an appropriate manner, which usually includes observation, inquiry, written examination, field investigation, query, correspondence and review.

(VI) Formation of conclusions on valuation estimates

1. To analyze the applicability of the three basic asset valuation approaches, namely, the market approach, income approach and cost approach, and appropriately select the valuation approaches in accordance with the valuation purpose, valuation subject, type of value and collection of information;
2. According to the valuation approaches adopted, the corresponding formulas and parameters are selected for analysis, calculation and judgement to form reasonable valuation conclusions.

(VII) Preparation and submission of the valuation report

1. The valuation professionals form preliminary valuation conclusions after valuation and estimation, and prepare preliminary asset valuation reports in accordance with the requirements of laws, administrative regulations and asset valuation standards;
2. To conduct internal review of the preliminary asset valuation report in accordance with the internal quality control system of the asset valuation firm;
3. To communicate with the trustor or relevant parties permitted by the trustor on the contents of the valuation report, analyze the communication independently and decide whether or not to adjust the asset valuation report on the premise of independent judgment;
4. To issue and submit a formal asset valuation report to the trustor after the asset valuation firm and its valuation professionals have completed the above valuation procedures.

VII. Valuation Assumptions

The valuation assumptions we rely on and use during the valuation process are the basic premise of the asset valuation work, and we draw the attention of the users of the valuation report to the contents of the valuation assumptions in order to understand and use the valuation conclusions correctly.

(i) Underlying assumptions**1. Transaction assumption**

The transaction assumption assumes that the valuation subject and the assets and liabilities within the valuation scope are already in the process of being traded, and the valuation personnel perform the valuation on the basis of a simulated market based on the terms of the transaction. The transaction assumption is one of the most basic assumptions on which the asset valuation is based.

2. Open market assumption

The open market assumption assumes that both parties to an asset transaction are on an equal footing with each other and have access to sufficient market information and time to make rational judgments about the function and use of the asset and its transaction price. The open market assumption is based on the assumption that the asset is publicly tradable in the market.

3. Assumption of continuous use of assets

The assumption of continuous use of assets means that the asset valuation needs to be based on the continuous use of the asset under valuation according to its current use and mode of use, scale, frequency and environment, or on a changed basis, with the valuation approach, parameters and basis determined accordingly.

4. Assumption of contract-based operations by the enterprise

The assumption of the enterprise operating in accordance with the contract means that the entity being valued will operate in an orderly manner in accordance with the provisions of the articles of association and the promoter agreement, reasonably arrange the withdrawal of fund projects, and be consistent with the current mode of operation.

(ii) General assumptions

1. It is assumed that there will be no significant changes in the political, economic, social and other macro-environment affecting the operations of the evaluated entity and its business environment after the Valuation Benchmark Date;

2. It is assumed that the information provided by the trustor and the evaluated entity is true, complete and reliable, and that there are no other defective matters or contingencies that should have been provided but have not been provided, or that could not have been made known to the valuation professionals even though they had performed the necessary valuation procedures, which might have an impact on the valuation conclusion;

In accordance with the requirements for asset valuation, we have determined that these assumptions are valid as at the Valuation Benchmark Date. When the valuation assumptions change significantly after the date of the valuation report, we do not assume responsibility for deducing different valuation conclusions as a result of the change in valuation assumptions.

VIII. Valuation Conclusions

(I) Cost approach valuation results

Based on the principles of independence, impartiality and objectivity, the valuation results formed by adopting the cost approach after implementing the necessary asset valuation procedures are set out below:

As at Valuation Benchmark Date of December 31, 2023, the book value of the Beneficial Interest of the Target Trust held by PSBC within the valuation scope, corresponding to the beneficial interest units of the Bank under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit, was RMB19,684,981,600, and the valuation was based on the results of the cost approach valuation as the final conclusion of the valuation: the appraised value of the Beneficial Interest of the Target Trust held by PSBC was RMB19,586,701,100, with a devaluation of RMB98,280,500, or a devaluation rate of 0.50%.

The assets and liabilities of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit are as follows:

Unit: RMB ten thousand

Items	Remaining invested principal	Book value of Beneficial Interest of the Target Trust held by PSBC	Appraised value	Devaluation amount	Devaluation rate%
Bank deposits	0.68	0.68	0.68		
Trading financial assets	1,750,000.00	1,969,314.44	1,959,486.39	9,828.05	0.50
Other current assets	195.99	195.99	195.99		
Total trust assets	1,750,196.66	1,969,511.11	1,959,683.06	9,828.05	0.50
Total trust liabilities	1,012.95	1,012.95	1,012.95		
Trust equity	1,749,183.72	1,968,498.16	1,958,670.11	9,828.05	0.50

Note: The devaluation is the difference formed between the current appraised value and the book value held by Postal Savings Bank of China, and the differences are mainly as follows: (1) For the listed stocks, this valuation calculated market value based on the arithmetic average of the daily weighted average price for the 30 trading days preceding the benchmark date, which is to some extent different from the fair value of the closing price used in the book value, resulting in a devaluation compared with the book value; (2) For unlisted equity investment projects, according to the market conditions on the benchmark date, the appraised value of the direct investment projects has a certain devaluation compared with the book value by the market approach of this valuation.

(II) Validity period of the valuation conclusion

The validity period for the use of the valuation conclusions is one year from December 31, 2023, the Valuation Benchmark Date, to December 30, 2024. Except for the special matters disclosed in this report, the valuation conclusions shall be valid for the period of validity of use after the Valuation Benchmark Date, provided that no significant change has occurred in the development environment of the enterprise affecting its business conditions when an economic act occurs.

In accordance with Article 10 of the Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35), a valuation report shall specify the validity period for the use of the valuation conclusions. Generally, a valuation report shall only be used when the Valuation Benchmark Date is not more than one year from the date on which the economic behavior was realized.

When there are significant changes in the market conditions or the condition of the assets on which the valuation conclusion is based, even if it has been less than one year from the Valuation Benchmark Date to the date of the economic act, the conclusion of the valuation report can no longer reflect the value of the valuation subject on the date on which the economic act is realized, and shall be dealt with in accordance with the following principles:

1. When there is a change in the number of assets or a material change in the condition of use of assets, the valuation conclusion shall be adjusted accordingly based on the original valuation approach;
2. When there is a change to the market conditions on which the valuation conclusions are based, which has a significant impact on the asset valuation conclusions, the trustor shall promptly engage a qualified asset valuation firm to re-determine the value of the valuation subject;
3. After the Valuation Benchmark Date, the trustor shall give full consideration to changes in asset conditions and market conditions and make corresponding adjustments in the actual valuation of the valuation subject.

IX. Statement of Special Matters

Special matters refer to matters identified by the valuation personnel in the course of the valuation process that may affect the valuation result but are beyond the valuation personnel's level of practice and competence to assess and estimate, provided that the conclusion of the valuation has been determined. We would like to draw the attention of users of the asset valuation report to the impact of special matters on the valuation conclusion of this valuation report.

1. Circumstances where ownership information is incomplete or flawed:

None.

2. Circumstances where the valuation procedures are restricted:

None.

3. Circumstances where the valuation materials are incomplete:

None.

4. Pending legal, economic, or other issues existing on the Valuation Benchmark Date of the valuation:

None.

5. The nature, amount, and relationship to the valuation subject of guarantees, leases, contingent liabilities (or assets), and other matters:

None.

6. Matters that may affect the valuation conclusions between the Valuation Benchmark Date of the valuation and the date of the asset valuation report:

On May 15, 2024, the Shareholder Meeting of China Structural Reform Fund passed a resolution to distribute the distributable profits in 2023 and reduce the capital by 3.40% based on the retained capital of RMB69.178 billion as of December 31, 2023. So CCB (Beijing) Investment Fund Management Co., Ltd. will receive a distribution of RMB770,000,000.00, including a distribution principal of RMB595,000,000.00 and a distribution income of RMB175,000,000.00. This valuation does not take into account the impact of the above matter on the valuation conclusion, and the users of the report should pay attention to it.

7. The financial statements of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit and Shanghai Trust – CCB (Beijing) Investment No. 1 Single Property Trust have not been audited. Custody fees and storage fees have been accrued in the financial statements of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 26 Investment Unit. The valuation personnel recognize the appraised value at carrying value.
8. Some listed companies within scope of evaluation, such as Tianma Microelectronics Co., Ltd., Shengyi Electronics Co., Ltd., AECC Aero Engine Control Co., Ltd., COFCO Capital Holdings Co., Ltd., etc., have large stock price fluctuations after the Valuation Benchmark Date. This valuation confirms the appraised value according to the average daily price 30 days before the Valuation Benchmark Date. The users of the report should pay attention to the impact of stock price fluctuations of listed companies on the conclusion of valuation.
9. For the direct investment projects that adopt the market approach for the China Structural Reform Fund this time, the recent financial statements provided by the enterprises are adopted and have not been audited. Some of the direct investment projects are invested through SPV or partnership enterprises, and the China Structural Reform Fund does not provide SPV statements and partnership agreements. This valuation directly evaluates the underlying assets based on the statement information provided by the enterprises, and does not consider the impact of SPV structure on the valuation results.
10. According to the operation plan communicated between the valuation personnel and the enterprise, the China Structural Reform Fund did not provide sufficient information, and the valuation of the sub-funds cannot be opened in this valuation. For the valuation of the sub-funds, this valuation is mainly based on the NAV provided by the sub-funds, which has not been audited, and the management uses this NAV as the accounting basis. Since other information cannot be obtained, this appraised value is based on the NAV reconciliation amount provided by the sub-fund managers. However, the fund managers have not provided the specific calculation process of NAV, and the valuation personnel are not able to review whether the NAV takes into account distribution and whether the valuation is reasonable. In addition, the fund managers have the right to interpret the specific final distribution, so the valuation results may differ from the actual results.
11. The valuation conclusions in the report reflect the market value of the valuation subject for the valuation purposes, determined in accordance with the principles of the open market, without taking into account the relevant fees and taxes to be borne in the process of registering the property rights or changing the ownership of the assets, and without making any provision for tax adjustments to be made for the appreciation of the evaluated assets.
12. The conclusion of this valuation reflects the current fair market value of the subject of the valuation for the purpose of this valuation and on the Valuation Benchmark Date, determined in accordance with the principles of the open market, and does not take into account the impact on the conclusion of the valuation of matters such as mortgages, guarantees and indemnification for lawsuits that may be assumed in the future, as well as additional prices that may be paid by special counterparties.

13. The valuation report is based on the information provided by the trustor and the evaluated entity, and the trustor and the evaluated entity are responsible for its authenticity, legality and completeness. The asset valuation firm and the valuation personnel shall be legally responsible for the valuation results formed on this basis.
14. The valuation conclusion is established under the premise of the valuation assumptions and is limited to the use for the purpose of this valuation. When there is a significant change in the business environment on which the evaluated entity's production and operation depend, the valuation professionals will not be responsible for deriving different valuation results due to a significant change in the premises and the basis of the valuation.

X. Limitations on the Use of Valuation Reports

1. The valuation report shall only be used for the purposes and uses of the valuation as stated herein and by the person using the valuation report as stated in the valuation report.
2. The asset valuation firm and its valuation personnel shall not be liable if the trustor or other users of the asset valuation report fail to use the asset valuation report in accordance with the provisions of the laws and administrative regulations and the scope of use set out in the asset valuation report.
3. Except for the trustor, other users of the asset valuation report agreed in the asset valuation engagement contract and users of the asset valuation report prescribed by laws and administrative regulations, no other organization or individual can be a user of the asset valuation report.
4. The users of the asset valuation report shall correctly understand the valuation conclusion. The valuation conclusion is not equivalent to the realizable price of the valuation subject, and the valuation conclusion should not be regarded as a guarantee of the realizable price of the valuation subject.

XI. Date of the Valuation Report

The date of this valuation report is May 20, 2024.

XII. Identity, Qualifications and Independence of the Valuation Personnel

The valuation personnel primarily involved in this valuation, namely Bao Yingchun and Wang Zongli, are registered members of China Appraisal Society, who have sufficient qualifications and experience in similar valuation projects. Bao Yingchun and Wang Zongli confirm that they have no existing or expected interest relationships with the valuation subject in the valuation report; no existing or expected interest relationships with the relevant parties, and no bias towards the relevant parties.

**Postal Savings Bank of China Co., Ltd. Intends to Transfer Its
Holdings of the Beneficial Interest Units Under the CCB Trust – Firmiana
Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit
Summary of the Asset Valuation Report
ChungRui Valuation Report No. 300845 2024**

POSTAL SAVINGS BANK OF CHINA CO., LTD.:

Chungrui Worldunion Assets Appraisal Group Co., Ltd. (hereinafter referred to as “Chungrui Worldunion” or “our company”), pursuant to the engagement by your company and subject to laws, administrative regulations and asset valuation standards, based on the principles of independence, objectivity, and fairness, conducted proper valuation procedures, adopted cost approach¹, and conducted an evaluation of the market value of the beneficial interest units held by your company under the “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit” as of December 31, 2023. The valuation process is now reported as follows:

I. Subject of Valuation

1. Basic Information

Name: The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit (hereinafter referred to as “No. 28 Investment Unit”)

Trustor: Postal Savings Bank of China Co., Ltd.

Trustee: CCB Trust Co., Ltd. (hereinafter referred to as “CCB Trust”)

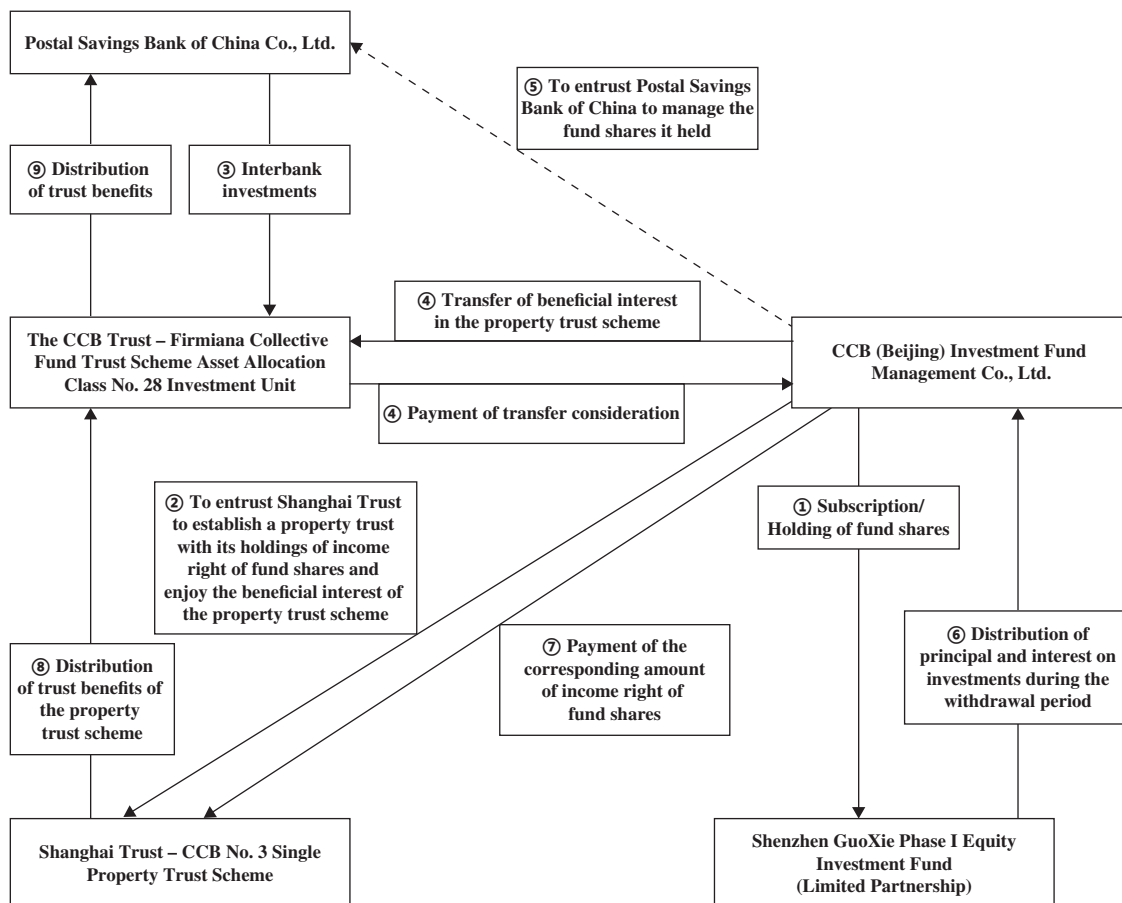
Duration of the Trust Beneficial Interest: The duration of the trust beneficial interest under this investment unit is 10 years, calculated from the date the trustor joins the trust scheme.

¹ According to the Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35), the cost approach includes restoration replacement cost method, updating replacement cost method, cost aggregation method (also known as asset-based method) and so on.

2. Transaction Structure

The underlying asset corresponding to “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit” is the 99.94% share of Shenzhen GuoXie Phase I Equity Investment Fund (Limited Partnership) held by CCB (Beijing) Investment Fund Management Co., Ltd. as the preferred limited partner of Shenzhen GuoXie Phase I Equity Investment Fund (Limited Partnership).

The specific transaction structure is set out below:



- (1) PSBC invested in the trust scheme the “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit” (see step ③).
- (2) CCB (Beijing) Investment Fund Management Co., Ltd., as a limited partner, subscribed for the shares of Shenzhen GuoXie Phase I Equity Investment Fund (Limited Partnership). CCB (Beijing) Investment Fund Management Co., Ltd. entrusted Shanghai International Trust Co., Ltd. to establish Shanghai Trust – CCB No. 3 Single Property Trust with the income right of its subscribed shares in Shenzhen GuoXie Phase I Equity Investment Fund (Limited Partnership) as the trust property, and is entitled to the beneficial interest of the property trust scheme (see step ①, ② and ⑦).
- (3) The “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit” used the investment funds from PSBC as consideration for acquiring the beneficial interest of Shanghai Trust – CCB No. 3 Single Property Trust from CCB (Beijing) Investment Fund Management Co., Ltd. (see step ④).

According to the above transaction structure, Postal Savings Bank of China ultimately invested in Shenzhen GuoXie Phase I Equity Investment Fund (Limited Partnership) through investing in Shanghai Trust – CCB No. 3 Single Property Trust.

3. *Shanghai Trust – CCB No. 3 Single Property Trust*

(1) Basic Information

Name: Shanghai Trust – CCB No. 3 Single Property Trust

Trustor: CCB (Beijing) Investment Fund Management Co., Ltd.

Trustee: Shanghai International Trust Co., Ltd.

Trust Property: The priority limited partnership share in the Shenzhen GuoXie Phase I Equity Investment Fund (Limited Partnership) formed by the trustor’s contribution

Trust Duration: 12 years from the effective date

- (2) According to the Shanghai Trust – CCB No. 3 Single Property Trust Trust Unit Transfer Contract No. 1, CCB (Beijing) Investment transferred the trust units of Shanghai Trust – CCB No. 3 Single Property Trust to CCB Trust, which, as the trustee of the “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit”, agrees to accept the trust units of the target trust in its own name on behalf of the “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit”.

In 2017, CCB (Beijing) Investment Fund Management Co., Ltd. and Shanghai International Trust Co., Ltd. entered into the Shanghai Trust – CCB No. 3 Single Property Trust Contract with the number of X3-13-16911-1, pursuant to which CCB (Beijing) Investment Fund Management Co., Ltd. entrusted the beneficial interests of Shanghai Trust – CCB No. 3 Single Property Trust to Shanghai International Trust Co., Ltd. and Shanghai Trust, as the trustee, shall manage the trust property in accordance with the trust contract and distribute the trust benefits to the beneficiaries.

(3) Financial Status

The asset status of Shanghai Trust – CCB No. 3 Single Property Trust as of the Valuation Benchmark Date is shown in the table below:

Unit: RMB10,000

Assets	December 31, 2023
Bank Deposits	0.42
Trading Financial Assets	200,122.34
Total Assets	200,122.76
Total Liabilities	23.83
Net Assets	200,098.93

Note: The above financial data is the financial statement data (unaudited) provided by the corresponding manager of the trust scheme.

4. *Fund Profile*

(1) Registration Details

Name: Shenzhen GuoXie Phase I Equity Investment Fund (Limited Partnership) (hereinafter referred to as “GuoXie Phase I Equity”, “the fund”)

Unified Social Credit Code: 91440300MA5DPCX668

Type: Limited Partnership Enterprise

Address: Room 201, Building A, No. 1 Qianwan 1st Road, Qianhai Shenzhen-Hong Kong Cooperation Zone, Shenzhen (with Shenzhen Qianhai Business Secretary Co., Ltd.)

Executive General Partner: Shenzhen Merchants GuoXie No.1 Equity Investment Fund Management Co., Ltd.

Contribution: RMB30,009,500,000

Date of Establishment: November 18, 2016

Scope of Business: Investment management (projects that require approval as stipulated by laws, administrative regulations, decisions of the State Council, and other provisions, may only be operated after obtaining the relevant approval documents); entrusted management of equity investment funds (prohibited from engaging in securities investment activities; prohibited from raising funds through public offerings for investment activities; prohibited from engaging in the business of publicly raising fund management); equity investment in unlisted companies; entrusted asset management (prohibited from engaging in trust, financial asset management, securities asset management, and other businesses); equity investment; investment consulting (excluding restricted items). (The above items exclude projects prohibited by laws, administrative regulations, decisions of the State Council, and other provisions, and restricted items may only be operated after obtaining the relevant permits)

II. Valuation Subject and Scope

(I) Valuation Subject

The subject of valuation is the beneficial interest units under the “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit”.

(II) Valuation Scope

As of the Valuation Benchmark Date, the book value of the beneficial interest units under the No. 28 Investment Unit held by Postal Savings Bank of China was RMB1,989,077,600.

The net book value of the Shanghai Trust – CCB No. 3 Single Property Trust as of the Valuation Benchmark Date was RMB2,000,989,300, of which the book value of trading financial assets was RMB2,001,223,400. The trading financial assets are the priority shares of income right held by CCB (Beijing) Investment in GuoXie Phase I Equity, and this valuation mainly focuses on the underlying investment of GuoXie Phase I Equity.

The scope of the valuation mainly includes all assets and liabilities of GuoXie Phase I Equity. As of the Valuation Benchmark Date, the assets included in the scope of the valuation mainly consisted of trading financial assets and other non-current financial assets. For details of the specific types of assets and their audited book values, please refer to the table below:

Unit: RMB

Item	Book Value
I. Total Current Assets	1,172,118,895.61
Cash and cash equivalents	19,652,452.23
Trading Financial Assets	1,149,311,928.10
Prepayments	59,929.84
Other Current Assets	3,094,585.44
II. Total Non-Current Assets	669,429,654.44
Other Non-Current Financial Assets	669,429,654.44
III. Total Assets	1,841,548,550.05
IV. Total Current Liabilities	402,657.22
Notes Payable and Accounts Payable	280,596.71
Other Payables	122,060.51
V. Total Liabilities	402,657.22
VI. Net Assets (Owner's Equity)	1,841,145,892.83
Paid-in Capital	2,002,352,820.77
Undistributed Profits	-161,206,927.94
Total Net Assets of Partners	1,841,145,892.83

The subject of valuation and the scope of valuation in this entrustment are consistent with the subject of valuation and the scope of valuation involved in the economic activity. The book value has been audited by the Shenzhen branch of Deloitte Huayong Certified Public Accountants (Special General Partnership) and an unqualified opinion has been issued in the Audit Report (Deloitte Shenzhen Report (24) No. P00271).

(III) Main Assets of the Enterprise

The assets included in the scope of the valuation are mainly trading financial assets and other non-current financial assets.

1. Trading Financial Assets

As of the Valuation Benchmark Date, the trading financial assets included investments in stocks, funds, and other investments, as detailed below:

Unit: RMB

Item	Book Value
Trading Financial Assets – Stock Investments	141,831,343.86
Trading Financial Assets – Fund Investments	556,912,880.46
Trading Financial Assets – Other Investments	450,567,703.78
Total Trading Financial Assets	1,149,311,928.10

2. Other Non-Current Financial Assets

For the non-listed investment projects of GuoXie Phase I Equity, the book value totals RMB669,429,700, which includes 9 equity investments, 1 debt investment, and 1 project has yet to be funded.

(IV) Types and Quantities of Off-Balance Sheet Assets Declared by the Enterprise

As of the Valuation Benchmark Date, there are no off-balance sheet assets declared.

(V) Reference to Reports from Other Institutions Involving the Type, Quantity, and Carrying Amount (or Appraised Value) of the Assets

This valuation report has utilized the unqualified opinion Audit Report for GuoXie Phase I Equity (Deloitte Shenzhen Report (24) No. P00271) provided by the Shenzhen branch of Deloitte Huayong Certified Public Accountants (Special General Partnership) as of the benchmark date of GuoXie Phase I Equity.

III. Valuation Benchmark Date

The Valuation Benchmark Date for this project is December 31, 2023.

The determination of the Valuation Benchmark Date takes into account the realization of the trustor's relevant economic activities, the accounting period, changes in interest rates and exchange rates, etc., and is agreed upon after consultation with the trustor.

Asset valuation is a professional judgment of the value of the subject of valuation at a certain point in time. Choosing the end of the accounting period as the Valuation Benchmark Date can more comprehensively reflect the overall situation of the subject of valuation. Following the principles of serving the valuation purpose effectively, accurately defining the scope of valuation, efficiently verifying the assets, and reasonably selecting the basis for valuation pricing, a date close to the realization date of the trustor's economic activities is chosen as the Valuation Benchmark Date.

IV. Basis for Valuation

Laws and regulations of the state, local governments and relevant departments we followed during this asset valuation, as well as documents and materials we referred to in the valuation mainly included:

(I) Basis for Economic Activities

This economic activity has been approved by the 16th CPC Committee Meeting in 2024 and the 11th President's Office Meeting in 2024 of Postal Savings Bank of China Co., Ltd.

(II) Legal Basis

1. Asset Valuation Law of the People's Republic of China (Adopted by the 21st Meeting of the 12th NPC Standing Committee (NPCSC) on July 2, 2016);
2. Company Law of the People's Republic of China (Adopted by the 6th Meeting of the 13th NPC Standing Committee (NPCSC) on October 26, 2018);

3. Civil Code of the People's Republic of China (Adopted at the 3rd Meeting of the 13th National People's Congress on May 28, 2020);
4. Law of the People's Republic of China on Enterprise Income Tax (Second amendment in the Decision of the Standing Committee of the National People's Congress to Amend Four Laws Including the Electric Power Law of the People's Republic of China by the 7th Meeting of the 13th NPC Standing Committee (NPCSC) on December 29, 2018);
5. Financial Supervision and Management Regulations for the Asset Valuation Industry (Promulgated by Order No. 86 of the Ministry of Finance on April 21, 2017, and amended according to Order No. 97 of the Ministry of Finance the Decision of the Ministry of Finance to Amend Two Departmental Rules including the Measures for the Practice Licensing and Supervision and Administration of Accounting Firms on January 2, 2019);
6. Notice on Further Strengthening Financial and Accounting Supervision (Issued by the General Office of the CPC Central Committee 2023 No. 4);
7. Measures for the Administration of State-Owned Asset Valuation (State Council Order No. 91 of 1991);
8. Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises (State Council Order No. 378);
9. Interim Regulations for the Supervision and Administration of State-Owned Asset Valuation of Financial Enterprises (Ministry of Finance Order No. 47);
10. Administrative Measures for the Transfer of State-Owned Asset of Financial Enterprises (Ministry of Finance Order No. 54);
11. People's Republic of China Securities Law (Revised for the second time on December 28, 2019, at the 15th meeting of the Standing Committee of the Thirteenth National People's Congress);
12. Other laws and regulations related to asset valuation.

(III) Standard Basis

1. Valuation Standards – General Standard (Finance 2017 No. 43);
2. Valuation Ethical Standards – General Standard (China Appraisal Society 2017 No. 30);
3. Valuation Standards – Valuation Procedures (China Appraisal Society 2018 No. 36);
4. Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35);

5. Valuation Standards – Valuation Contract (China Appraisal Society 2017 No. 33);
6. Valuation Standards – Valuation Files (China Appraisal Society 2018 No. 37);
7. Valuation Standards – Enterprise Value (China Appraisal Society 2018 No. 38);
8. Valuation Expert Guidance No. 8 – Verification in Valuation (China Appraisal Society 2019 No. 39);
9. Valuation Application for Valuation Reports of State-Owned Asset of Enterprise (China Appraisal Society 2017 No. 42);
10. Valuation Standards – Utilizing Expert Work and Related Reports (China Appraisal Society 2017 No. 35);
11. Valuation Application for Business Quality Control of Valuation Firms (China Appraisal Society 2017 No. 46);
12. Valuation Guidance Note on the Basis of Value for Valuation (China Appraisal Society 2017 No. 47);
13. Valuation Guidance Note on the awareness of the Legal Ownership of the Valuation Subject (China Appraisal Society 2017 No. 48);
14. Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35);

(IV) Basis of Rights

1. Proof of shareholding or capital contribution as of the Valuation Benchmark Date;
2. Relevant asset property rights contracts and investment agreements;
3. Other relevant property rights proofs.

(V) Pricing Basis

1. *Data provided by the enterprise*
 - (1) Financial statements and audit reports of the enterprise for the Valuation Benchmark Date and previous years;
 - (2) Asset list and asset valuation declaration form provided by the enterprise;

2. *Data collected by the asset valuation firm*

- (1) iFIND Financial Database;
- (2) On-site inspection records by valuation personnel;
- (3) Data collected independently by valuation personnel related to the valuation;
- (4) Other materials related to this valuation.

(VI) Other Reference Basis

1. Asset Valuation Declaration Schedule provided by the entity being evaluated; interview records;
2. Securities Company Financial Instrument Valuation Guidelines (China Securities Association 2018 No. 216);
3. Private Equity Fund Non-listed Equity Investment Valuation Guidelines (Trial) (China Securities Investment Fund Association, 2018);
4. Securities Investment Fund Investment in Restricted Circulation Stock Valuation Guidelines (Trial) (China Securities Investment Fund Association, Zhongji Fa 2017 No. 6);
5. Special Provisions on the Reduction of Shares by Shareholders of Venture Capital Funds of Listed Companies (China Securities Regulatory Commission Announcement No. 17 of 2020, March 31, 2020);
6. The Asset Assessment Commission Contract signed between the client and our company;
7. Data materials of Chungrui Worldunion Assets Appraisal Group Co., Ltd.

V. Valuation Methodology

(I) Selection of Valuation Approach

1. Basis for the Selection of the Valuation Approach

According to Article 16 of the Valuation Standards – Valuation Approach, “the approaches for determining the value of assets in asset valuation include three basic approaches and their derived methods: the market approach, the income approach, and the cost approach. Asset valuation professionals should analyze the applicability of the above three basic approaches based on the purpose of the valuation, the subject of the valuation, the type of value, and collected information, and choose the valuation approach in accordance with the law.”

2. Conditions for the Application of the Valuation Approach

(1) Income approach

The income approach in valuation refers to the approach of determining the value of the subject of valuation by capitalizing or discounting expected earnings. Asset valuation professionals should consider the applicability of the income approach in conjunction with the historical operation of the entity being evaluated, the predictability of future earnings, and the adequacy of the valuation information obtained.

Specific methods commonly used in the income approach include the dividend discount method and the discounted cash flow method.

The dividend discount method is a specific method of discounting expected dividends to determine the value of the subject of valuation and is generally suitable for the valuation of partial interests of shareholders who lack control. The discounted cash flow method typically includes the enterprise free cash flow discount model and the equity free cash flow discount model. Asset valuation professionals should appropriately choose the cash flow discount model based on the industry, business model, capital structure, and development trend of the entity being evaluated.

(2) Market approach

The market approach in valuation refers to the approach of determining the value of the subject of valuation by comparing it with comparable listed companies or transaction cases. Asset valuation professionals should consider the applicability of the market approach based on the adequacy and reliability of the operating and financial data of comparable enterprises obtained, and the number of comparable enterprises that can be collected.

Two specific methods commonly used in the market approach are the listed company comparison method and the transaction case comparison method.

The listed company comparison method involves obtaining and analyzing the operating and financial data of comparable listed companies, calculating value ratios, and determining the value of the subject of valuation based on comparative analysis with the entity being evaluated. The transaction case comparison method involves obtaining and analyzing the information of comparable enterprises' sales, acquisitions, and mergers, calculating value ratios, and determining the value of the subject of valuation based on comparative analysis with the entity being evaluated.

(3) Cost approach

The cost approach refers to the collective term for valuation approaches that determine the value of the subject of valuation based on the concept of rebuilding or replacing the subject, using the cost of reconstruction or replacement as the basis for determining the value, and deducting relevant depreciation to determine the value of the subject of valuation.

3. *Selection of Valuation Approach*

Analysis of the applicability of the three valuation approaches for this project:

(1) Income approach applicability analysis

Considering that the main business of the entity being evaluated is financial investment, and the future investment and earnings of the projects are unpredictable, the valuation personnel are unable to make a more accurate forecast of the investment management scale and investment returns of the future projects. Therefore, the income approach is not suitable for evaluating the subject of valuation in this project.

(2) Market approach applicability analysis

Given that there is a lack of a sufficient number of comparable listed companies in the same industry as the entity being evaluated in China's capital market, a scarcity of market transaction cases in the same industry, and insufficient disclosed information, the market approach is not applicable to this project.

(3) Cost approach applicability analysis

Taking into account that the various assets and liabilities subject to the entrustment for valuation can undergo on-site inspection procedures and meet the information requirements for appraisal and estimation, the cost approach is adopted for evaluating the subject of valuation in this project.

In summary, for this valuation, we have chosen the cost approach to evaluate the subject of valuation.

(II) Introduction to the Cost Approach

1. Operational Plans of the Cost Approach of Valuation

The current valuation employs the cost approach to assess the trading financial assets of the beneficial interest units under the “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit” held by Postal Savings Bank of China.

2. Trading Financial Assets: These refer to beneficial interest units under the “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit” invested by the entity being evaluated.

The valuation personnel firstly verify the reasons for the formation of the investment, its book value, and actual conditions, and review investment agreements, contracts, and other documents to ascertain the authenticity and completeness of the investment. For the investment in the beneficial interest units under the “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit”, the cost approach is used to determine the overall market value of the “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit”, and then the value of the trading financial assets is determined based on the trust units held.

The balance sheet as of the Valuation Benchmark Date for the beneficial interest units under the “Shanghai Trust – CCB No. 3 Single Property Trust” mainly included bank deposits and trading financial assets.

(1) Bank deposits: For bank deposits in RMB, the verified book value is the appraised value.

- (2) Trading financial assets: These refer to the income right shares under the Shenzhen GuoXie Phase I Equity Investment Fund (Limited Partnership) invested by the subject being evaluated. The valuation personnel firstly verify the reasons for the formation of the investment, its book value, and actual conditions, and review investment agreements, contracts, and other documents to ascertain the authenticity and completeness of the investment. For the investment in the GuoXie Phase I Equity, the cost approach is used to determine the market value of all shares of the partnership, and then the value of the trading financial assets is determined based on the limited partnership shares held.

The balance sheet as of the Valuation Benchmark Date for the GuoXie Phase I Equity mainly included cash and cash equivalents, trading financial assets, prepayment, other current assets, and other non-current financial assets. For cash and cash equivalents, the valuation approach is consistent with the one introduced above; for trading financial assets and other non-current financial assets, they are all direct investment projects of GuoXie Phase I Equity, including both listed and unlisted projects. Various materials on listed and unlisted projects are collected, the financial conditions of the invested entity as of the Valuation Benchmark Date are investigated and understood, and the financial statements for the historical years and as of the Valuation Benchmark Date are obtained.

The fair value of the equity in the projects directly held by GuoXie Phase I Equity is calculated one by one, and combined with other assets and liabilities at the statement level of GuoXie Phase I Equity, the fair value of the equity of all investors in GuoXie Phase I Equity is determined. Then, based on the distribution arrangements in the fund contract, partnership agreement, or limited partnership agreement, the fair value of the income right corresponding to the priority limited partnership shares is calculated.

① Direct Investment Projects:

The valuation approaches for direct investment projects refer to the following:

Current status of investment projects under management		Valuation approach	
Listed	Trading prices of the stocks are available as at the Valuation Benchmark Date	Calculate the market value by multiplying the arithmetic average of the weighted average price of the stocks for each of the 30 trading days prior to the Valuation Benchmark Date by the number of shares held	
	The stocks are subject to a lock-up period	The AAP option pricing model is used to determine the value of restricted shares. The formula is: $FV = S \times (1 - LOMD)$	
Listed on NEEQ (the New Third Board)	The stocks have been trading frequently or there are private placements around the Valuation Benchmark Date	Calculate the enterprise value using prices from recent private placements occurring close to the Valuation Benchmark Date	
	There was no trading activity or infrequent trading activity in the stocks around the Valuation Benchmark Date	Calculate the enterprise value using the market approach	
Others	The company is undergoing a merger and acquisition process, and the draft merger agreement has been issued (as part of the acquisition of assets by a listed company through restructuring)	Refer to the valuation of the target company outlined in the merger and acquisition plan	
	Recent financing prices are available	Refer to the prices of recent refinancing or transfer transactions	
	Repurchase agreement has been signed	Determine the valuation based on the redemption terms and recoverability outlined in the repurchase agreement	
	Equity investment	Conditions satisfying the adoption of market approach	Market approach
		Conditions not satisfying the adoption of market approach	Final valuation level will be determined based on the net assets of the invested unit and other specific circumstances
	Convertible debts	The current investment cost and recoverability will be used to confirm the valuation	
Recent equity investments within one year	Valuation is based on current investment cost		

The formula for restricted stock is: $FV = S \times (1 - LOMD)$, where:

FV: The value of the restricted stock on the Valuation Benchmark Date

S: The fair value of the same stock listed and traded on the stock exchange on the Valuation Benchmark Date

LOMD: The liquidity discount corresponding to the remaining lock-up period of the restricted stock.

The liquidity discount for a restricted stock is calculated using the put option: $LOMD = P/S$, where P is the value of the put option on the Valuation Benchmark Date, determined using the Average Price Asian Options Model (AAP Model).

The details of the direct investment projects involved in this benchmark date are described in the valuation scope section. Different valuation methods are adopted for different projects based on the obtained information:

1) Stock Market Price Method

As of the Valuation Benchmark Date, there are 2 such projects, and the stocks of this type are freely tradable. Therefore, the stock value is determined by calculating the arithmetic average of the daily weighted average price for the 30 trading days prior to the Valuation Benchmark Date, multiplied by the number of shares held.

There are 3 listed projects invested through Special Purpose Vehicles (SPVs), which measure the investment projects at fair value. The valuation is determined based on the amount allocated by the SPV on the Valuation Benchmark Date.

There are a total of 5 listed projects invested through asset management plans. The valuation of these investment projects is determined by calculating the arithmetic average of the daily weighted average price for the 30 trading days prior to the Valuation Benchmark Date, multiplied by the number of shares held, and then adding other assets and liabilities of the asset management plan.

2) Latest Financing Price Method

As of the Valuation Benchmark Date, there are 2 direct investment projects. For the invested companies do have their most recent financing activity close to the Valuation Benchmark Date, the equity value is determined by referring to the latest financing price method. The financing dates are September 2023 and September 2023, respectively.

3) Market Approach

For equities of unlisted companies as of the Valuation Benchmark Date, if there are a sufficient number of comparable listed companies in the same industry on the Chinese capital market, the listed company comparison method is used for valuation. At this time, there are 7 projects using this approach.

4) Other Approaches

As of the Valuation Benchmark Date, there is one direct investment project that has not yet been invested and one that is a debt investment. The valuation is determined by the principal plus interest and the recoverability for these respective projects.

3. Current Liabilities

In this valuation, the authenticity and accuracy of the liabilities are verified based on the historical payment vouchers collected and the accruals as of the Valuation Benchmark Date. The appraised value is confirmed based on the amount verified.

VI. Process and Situation for the Implementation of Valuation Procedures

Asset valuation professionals, in accordance with the Chinese asset valuation standards and relevant national asset valuation regulations, have conducted valuations on the assets and liabilities involved in the subject of valuation. The main process and situation for the implementation of valuation procedures are as follows:

(I) Acceptance of Commission

Our company has discussed with the trustor and reached an agreement on the basic terms of the asset valuation business, including the purpose of the valuation, the subject and scope of the valuation, the type of value, the Valuation Benchmark Date, the scope of use of the asset valuation report, the submission deadline and approach of the asset valuation report, the valuation service fee and payment approach, and the cooperation and assistance of the parties involved in the asset valuation work. An asset valuation commission contract was signed, and a valuation plan was formulated.

(II) Preliminary Preparation

In light of the characteristics of this project and the distribution of assets, our company has developed an asset valuation plan and established a valuation team.

To facilitate the understanding and submission of asset valuation information by the financial and asset management personnel of the entity being evaluated, our company has trained the relevant personnel of the entity being evaluated on the preparation of asset valuation information, and assigned a dedicated person to guide the entity being evaluated in conducting asset inventory, preparing valuation information, verifying assets, and validating information. Issues encountered during the preparation of asset valuation information were addressed.

(III) On-site Inspection

Asset valuation professionals conducted necessary inspections and verifications of the assets and liabilities involved in the subject of valuation from March 29, 2024, to May 20, 2024. They also carried out necessary due diligence on the operational and management conditions of the entity being evaluated.

1. Asset Verification

- (1) Guide the entity being evaluated to fill out forms and prepare information to be provided to the asset valuation institution

Asset valuation professionals guided the financial and asset management personnel of the entity being evaluated to conduct a thorough and accurate declaration of assets included in the scope of the valuation, based on their own asset

inventory. They followed the “Asset Valuation Declaration Schedule” provided by the asset valuation institution, along with its filling requirements and a list of required documents. At the same time, they collected and prepared documents and materials that prove the ownership, status, and economic and technical indicators, etc. of the assets.

- (2) Preliminary review and improvement of the asset valuation declaration schedule filled out by the entity being evaluated

Asset valuation professionals reviewed relevant materials to understand the detailed conditions of the specific assets included in the valuation scope. They then carefully examined various “Asset Valuation Declaration Schedules” to check for any incomplete entries, errors, or unclear asset items. Based on their experience and the information they had, they also checked for any omissions in the “Asset Valuation Declaration Schedules”. They provided feedback to the entity being evaluated to help them refine and improve the “Asset Valuation Declaration Schedules”.

- (3) On-site field inspection

In accordance with the type, quantity, and distribution of the assets included in the valuation scope, asset valuation professionals, with the cooperation of relevant personnel from the entity being evaluated, conducted on-site inspections of each asset according to the relevant provisions of the asset valuation standards. The main activities involved visiting the office premises of the entity being evaluated to collect and verify the documents and materials for each asset.

- (4) Supplement, modify, and improve the asset valuation declaration schedule

Asset valuation professionals, based on the results of the on-site inspections and after thorough communication with the relevant personnel of the entity being evaluated, further refined the “Asset Valuation Declaration Schedule” to ensure that the records, the forms, and the actual assets are consistent with each other.

- (5) Verification of property right certificate documents

The valuation personnel inspected the ownership documents and materials for the assets and liabilities included in the valuation scope. In cases where the ownership information was incomplete or unclear, they requested the company to verify the details.

2. *Due Diligence*

Asset valuation professionals conducted necessary due diligence to fully understand the management status and risks faced by the entity being evaluated. The main contents of the due diligence are as follows:

- (1) The history and evolution, partners, and shares of the entity being evaluated;
- (2) The status of assets, finances, and investment project management of the entity being evaluated;
- (3) Investment plans and development plans of the entity being evaluated;
- (4) Past valuation and transaction situations of the subject of valuation and the entity being evaluated;
- (5) The development status and prospects of the industry of the entity being evaluated;
- (6) Other relevant information.

(IV) Data Collection

Asset valuation professionals collected valuation information according to the specific circumstances of the valuation project, including information independently obtained directly from the market and other channels, information obtained from the trustor and other relevant parties, and information obtained from government departments, various professional institutions, and other relevant departments. The collected valuation information was analyzed, summarized, and organized as the basis for the valuation.

(V) Valuation and Estimation

Asset valuation professionals, based on the specific circumstances of each type of asset, according to the selected valuation approach, selected the appropriate formulas and parameters for analysis, calculation, and judgment, forming preliminary valuation conclusions. The project leader summarized the preliminary conclusions of each asset valuation, and wrote and formed a preliminary asset valuation report.

(VI) Internal Review

In accordance with the provisions of our company's asset valuation business process management regulations, the preliminary asset valuation report will be submitted for internal review to the company after the project leader completes it. After the internal review, the project leader communicates with the trustor or other relevant parties agreed by the trustor regarding the contents of the asset valuation report. Based on the feedback, reasonable modifications are made to the report, which is then issued and submitted.

VII. Valuation Assumptions

The assumptions used in this asset valuation report are as follows:

(I) Basic Assumptions**1. Transaction Assumption**

The transaction assumption assumes that the subject of the valuation and the assets and liabilities within the scope of the valuation are already in the process of being traded. Based on the transaction conditions, the asset valuation personnel simulate a market assessment. This assumption is a fundamental prerequisite for the conduct of asset valuation.

2. Open Market Assumption

The open market assumption is a hypothetical scenario that considers the market conditions into which the asset is intended to be introduced and the impacts it would receive under such conditions. An open market refers to a fully developed and perfected market environment, characterized by a competitive market with both resourceful buyers and sellers. In this market, buyers and sellers are on an equal footing, have access to sufficient market information, and have the time to make informed decisions. Transactions occur voluntarily, rationally, and without compulsion or restrictions. The open market assumption is based on the premise that the asset can be openly bought and sold in the market.

3. Assumption of continuous use of assets

Assumption of use of assets for current purposes is a hypothetical scenario concerning the market conditions into which the asset is intended to be introduced and the state of the asset's use under such conditions. It firstly assumes that the assets within the scope of the valuation are currently in use. Secondly, it assumes that the asset will continue to be used in its present form without considering a change in the asset's use or its optimal utilization conditions.

4. Assumption of contract-based operations by the enterprise

The assumption of the enterprise operating in accordance with the contract means that the entity being valued will operate in an orderly manner in accordance with the provisions of the partnership agreement, reasonably arrange the withdrawal of investment projects, and be consistent with the current mode of operation.

(II) General Assumptions

1. It is assumed that after the Valuation Benchmark Date, there will be no significant changes in the current national laws, regulations, policies, and macroeconomic conditions, and the political, economic, and social environment of the region where the parties to the transaction are located will not undergo significant changes;
2. It is assumed that after the Valuation Benchmark Date, the management team of the entity being evaluated is responsible, stable, and capable of fulfilling their duties;
3. It is assumed that after the Valuation Benchmark Date, there will be no force majeure or unforeseeable factors that have a significant adverse impact on the entity being evaluated;
4. The basic and financial information provided by the trustor and the entity being evaluated is true, accurate, and complete;
5. It is assumed that the financial reports and transaction data of the comparative companies relied upon by the valuation personnel are all true and reliable.

(III) Special Assumptions

1. It is assumed that the fund is distributed under simulated liquidation conditions on the Valuation Benchmark Date;
2. It is assumed that after the Valuation Benchmark Date, the entity being evaluated maintains its current business scope and approaches based on the existing management style and level;
3. It is assumed that the accounting policies used by the entity being evaluated after the Valuation Benchmark Date remain consistent with those used at the time this report was prepared;
4. It is assumed that there are no significant changes to the interest rates, exchange rates, tax bases and rates, and policy-related fees relevant to the entity being evaluated after the Valuation Benchmark Date;
5. It is assumed that the entity being evaluated strictly complies with all relevant laws and regulations.

The valuation conclusions in this report are based on the above assumptions and restrictions. If there are events that do not align with the above assumptions and restrictions, the valuation results are generally considered to be invalid.

VIII. Valuation Conclusions

This asset valuation employs the cost approach to assess the beneficial interest units held by Postal Savings Bank of China in “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit”. Based on the above valuation work, the following conclusions have been drawn:

(I) Valuation Conclusion and Analysis of the Reasons for Increase or Decrease in Value

As at Valuation Benchmark Date of December 31, 2023, the book value of the Beneficial Interest of the Target Trust held by PSBC within the valuation scope, corresponding to the beneficial interest units of the Bank under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit, was RMB1,989,077,600, and the valuation was based on the results of the cost approach valuation as the final conclusion of the valuation: the appraised value of the Beneficial Interest of the Target Trust held by PSBC was RMB1,863,484,900, with a devaluation of RMB125,592,700, or a devaluation rate of 6.31%.

The assets and liabilities of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 28 Investment Unit are as follows:

Unit: RMB ten thousand

Items	Remaining invested principal	Book value of the Beneficial Interest of the Target Trust held by PSBC	Appraised value	Devaluation amount	Devaluation rate %
Trading financial assets	200,122.34	198,934.08	186,374.81	12,559.27	6.31
Total trust assets	200,122.34	198,934.08	186,374.81	12,559.27	6.31
Total trust liabilities	26.32	26.32	26.32		
Trust equity	200,096.02	198,907.76	186,348.49	12,559.27	6.31

Note: The devaluation is the difference formed between the current appraised value and the book value held by Postal Savings Bank of China, and the difference is mainly as the following: for unlisted equity investment projects, according to the market conditions on the benchmark date, the appraised value of direct investment projects has a certain devaluation compared with the book value by the market approach of this valuation.

(II) Validity Period of Valuation Conclusions

The validity period of the valuation conclusions is one year, from the Valuation Benchmark Date of December 31, 2023, to December 30, 2024. The valuation conclusions listed in this asset valuation report are considered invalid if this report is used for more than one year, except as otherwise stipulated by national laws and regulations.

In accordance with Article 10 of the Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35), a valuation report shall specify the validity period for the use of the valuation conclusions. Generally, a valuation report shall only be used when the Valuation Benchmark Date is not more than one year from the date on which the economic behavior was realized.

IX. Statement of Special Matters

The following are matters that may affect the valuation conclusions but are beyond the professional level and ability of the valuation personnel to assess and estimate:

(I) Reference to Reports From Other Institutions

This valuation report has utilized the unqualified opinion Audit Report (Deloitte Shenzhen Report (24) No. P00271) provided by the Shenzhen branch of Deloitte Huayong Certified Public Accountants (Special General Partnership) for the entity being evaluated as of the Valuation Benchmark Date.

(II) Post-Valuation Distribution and the Most Recent Distribution Prior to the Valuation Benchmark Date

GuoXie Phase I Equity conducted a distribution of the distributable funds for the year 2023 on March 13, 2024, from which Postal Savings Bank of China received a distribution of RMB9,500 in ten thousand yuan. This included a threshold income distribution of RMB2,983.11 in ten thousand yuan and an early principal repayment amount of RMB6,516.89 in ten thousand yuan, with a management fee of RMB73.69 in ten thousand yuan.

The most recent distribution date prior to the Valuation Benchmark Date for GuoXie Phase I Equity was November 22, 2023, when Postal Savings Bank of China received a distribution of RMB2,000 in ten thousand yuan. This distribution consisted of a threshold income distribution of RMB662.33 in ten thousand yuan and an early principal repayment amount of RMB1,337.67 in ten thousand yuan, with a management fee of RMB47.29 in ten thousand yuan.

The impact of the above matters on the conclusions of the valuation was not taken into account in this valuation and is brought to the attention of the users of the report.

(III) Special Explanations on the Situation of Incomplete Valuation Materials

Most of the unlisted projects on the Valuation Benchmark Date have not provided audited financial reports for 2023 due to various reasons, and unaudited financial data is cited this time.

(IV) Special Explanation of the Legal, Economic and Other Outstanding Matters Existing on the Valuation Benchmark Date

The valuation personnel noted from public channels that several invested projects have outstanding legal and economic matters. As of the date of the valuation report, the actual situation of the company may be inconsistent with the public inquiry information, and the impact of the above matters on the valuation conclusion is not considered in this valuation.

The conclusion of this valuation reflects the current fair market value in accordance with the principles of the open market and under the purpose and Valuation Benchmark Date of the valuation, and does not consider the impact of the mortgage, guarantee, litigation compensation and other matters that the invested projects may bear, as well as the additional price that may be paid by special counterparties, on the valuation conclusion.

(V) Special Explanation of Matters That May Affect the Valuation Conclusions Between the Valuation Benchmark Date and the Date of the Asset Valuation Report

None.

(VI) Other Matters Requiring Explanation

1. The valuation conclusions of this report reflect the value of the subject of valuation under the assumptions that the business continues to operate and that there are no changes in the external macroeconomic environment as of the Valuation Benchmark Date, for the purposes stated in this report.
2. The valuation conclusions of this report do not take into account the costs and taxes associated with the registration of property rights or the change of ownership of the entrusted assets for valuation; It also does not take into account any changes in tax liability that may arise from the increase or decrease in the appraised value.
3. The scale of the GuoXie Phase I Equity's subscribed capital was RMB30 billion, and the fund's cumulative paid-in capital amounted to only RMB5.632 billion. The parties have not amended or supplemented the partnership agreement with respect to subsequent contributions, and there is a potential breach of contract liability for failure to fulfill subsequent contributions.
4. If the trustor and relevant parties fail to promptly inform the valuation personnel of any flaws that may affect the valuation conclusions, and the valuation personnel, after performing the necessary valuation procedures, are unable to become aware of them, the valuation organization and the valuation personnel will not bear related responsibilities.
5. Within the validity period following the Valuation Benchmark Date, if there are changes in the quantity of assets or pricing standards, they should be handled according to the following principles:
 - (1) When there is a change in the quantity of assets, the asset amount should be adjusted accordingly based on the original valuation approach;
 - (2) When there is a change in the asset pricing standards that significantly affects the valuation results, the trustor should timely engage a qualified asset valuation institution to re-determine the valuation value;

- (3) For changes in the quantity of assets and pricing standards after the Valuation Benchmark Date, the trustor should fully consider these changes and make corresponding adjustments when actually pricing the assets.

Users of the asset valuation report should pay attention to the impact of the above special matters on the valuation conclusions.

X. Limitations on the Use of Valuation Reports

(I) Scope of Use of the Asset Valuation Report

1. The users of the asset valuation report are: Postal Savings Bank of China and other users of the asset valuation report as stipulated by national laws and regulations.
2. The valuation conclusions revealed in the asset valuation report are only valid for the corresponding economic activities of this project.
3. The validity period of the valuation conclusions in the asset valuation report is one year, from the Valuation Benchmark Date. The trustor or other users of the asset valuation report should use the asset valuation report within the stated validity period of the valuation conclusions.
4. Without the written consent of the trustor, the asset valuation institution and its asset valuation professionals shall not provide or disclose the content of the asset valuation report to a third party, except as otherwise provided by laws and administrative regulations.
5. Without the consent of the asset valuation organization, the content of the asset valuation report shall not be excerpted, quoted, or disclosed in the public media, except as stipulated by laws, administrative regulations, and other relevant parties.

(II) If the trustor or other users of the asset valuation report fail to use the asset valuation report in accordance with the provisions of laws, administrative regulations, and the scope of use stated in the asset valuation report, the asset valuation institution and its valuation personnel shall not bear any responsibility.

(III) Except for the trustor, other users of the asset valuation report as agreed in the asset valuation contract, and users stipulated by laws and administrative regulations, no other organizations or individuals may become users of the asset valuation report.

(IV) Users of the asset valuation report should correctly understand the valuation conclusions. The valuation conclusions are not equivalent to the realizable price of the valuation subject and should not be considered as a guarantee of the realizable price of the valuation subject.

- (V) The asset valuation report is a professional report issued by the asset valuation institution and its valuation personnel in compliance with laws, administrative regulations, and asset valuation standards, after performing the necessary asset valuation procedures according to the entrustment. The report can be officially used after the asset valuation institution seals and the valuation personnel sign it, and after it is filed (approved) by the state-owned assets supervision and administration institution or enterprises funded by such institution.

XI. Valuation Report Date

The valuation report date of this asset valuation report is May 20, 2024.

XII. Identity, Qualifications and Independence of the Valuation Personnel

The valuation personnel primarily involved in this valuation, namely Hu Jiahao and Wang Jingyu, are registered members of China Appraisal Society, who have sufficient qualifications and experience in similar valuation projects. Hu Jiahao and Wang Jingyu confirm that they have no existing or expected interest relationships with the valuation subject in the valuation report; no existing or expected interest relationships with the relevant parties, and no bias towards the relevant parties.

**Postal Savings Bank of China Co., Ltd. Intends to Transfer Its Holdings of
the Beneficial Interest Units Under the CCB Trust – Firmiana Collective Fund
Trust Scheme Asset Allocation Class No. 29 Investment Unit**

Summary of the Asset Valuation Report

ChungRui Valuation Report 2024 No. 300844

POSTAL SAVINGS BANK OF CHINA CO., LTD.:

Chungrui Worldunion Assets Appraisal Group Co., Ltd. (hereinafter referred to as “Chungrui Worldunion” or “our company”), pursuant to the engagement by your company and subject to laws, administrative regulations and asset valuation standards, based on the principles of independence, objectivity, and fairness, conducted proper valuation procedures, adopted cost approach¹, and conducted an evaluation of the market value of the beneficial interest units held by your company in the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit as of December 31, 2023. The valuation process is now reported as follows:

I. Valuation Subject

1. Basic Information

Name: CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit (hereinafter referred to as “No. 29 Investment Unit”)

Trustor: Postal Savings Bank of China Co., Ltd.

Trustee: CCB Trust Co., Ltd. (hereinafter referred to as “CCB Trust”)

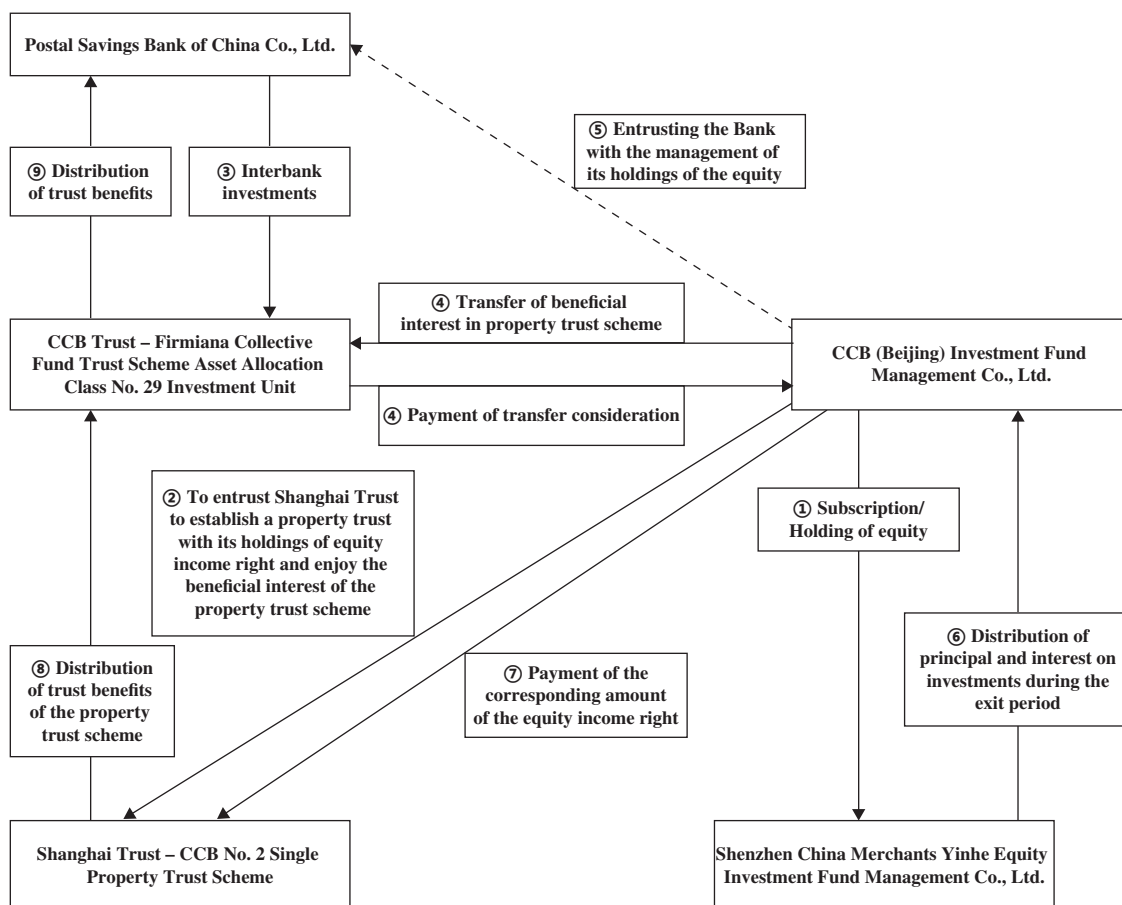
Duration of the Trust Beneficial Interest: The duration of the trust beneficial interest under this investment unit is 12 years, calculated from the date the trustor joins the trust scheme.

¹ According to the Valuation Standards - Valuation Approach (China Appraisal Society 2019 No. 35), the cost approach includes restoration replacement cost method, updating replacement cost method, cost aggregation method (also known as asset-based method) and so on.

2. Transaction Structure

The underlying asset corresponding to “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit” is the 80% share of Shenzhen China Merchants Yinhe Equity Investment Fund Management Co., Ltd. held by CCB (Beijing) Investment Fund Management Co., Ltd. as a shareholder of Shenzhen China Merchants Yinhe Equity Investment Fund Management Co., Ltd.

The specific transaction structure is set out below:



- (1) PSBC invested in the trust scheme the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit (see step ③).
- (2) CCB (Beijing) Investment Fund Management Co., Ltd., as a shareholder, participated in the establishment of Shenzhen China Merchants Yinhe Equity Investment Fund Management Co., Ltd. and subscribed for the fund shares. CCB (Beijing) Investment Fund Management Co., Ltd. entrusted Shanghai International Trust Co., Ltd. to establish Shanghai Trust – CCB No. 2 Single Property Trust with the income right of its subscribed shares in Shenzhen China Merchants Yinhe Equity Investment Fund Management Co., Ltd. as the trust property, and is entitled to the beneficial interest of the property trust scheme (see step ①, ② and ⑦).
- (3) The CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit used the investment funds from PSBC as consideration for acquiring the beneficial interest of Shanghai Trust – CCB No. 2 Single Property Trust from CCB (Beijing) Investment Fund Management Co., Ltd. (see step ④).

According to the above transaction structure, Postal Savings Bank of China ultimately invested in Shenzhen China Merchants Yinhe Equity Investment Fund Management Co., Ltd. through investing in Shanghai Trust – CCB No. 2 Single Property Trust.

3. *Shanghai Trust – CCB No. 2 Single Property Trust*

(1) *Basic Information*

Name: Shanghai Trust – CCB No. 2 Single Property Trust

Trustor: CCB (Beijing) Investment Fund Management Co., Ltd.

Trustee: Shanghai International Trust Co., Ltd.

Trust Property: The equity of Shenzhen China Merchants Yinhe Equity Investment Fund Management Co., Ltd. formed by the trustor's contribution

(2) According to the Shanghai Trust – CCB No. 2 Single Property Trust Beneficial Interest Units Transfer Contract No. 1, CCB (Beijing) Investment has transferred the beneficial interest of the Shanghai Trust – CCB No. 2 Single Property Trust to Shanghai International Trust Co., Ltd. Shanghai Trust has the right to acquire the income right corresponding to the target equity (i.e., the equity in Shenzhen China Merchants Yinhe Equity Investment Fund Management Co., Ltd.) actually contributed by CCB (Beijing) Investment. Thus, CCB (Beijing) Investment is obliged to pay to Shanghai Trust an amount of funds equal to the cash income generated by the target equity (i.e., the future cash flows generated by the target equity).

(3) *Financial Status*

The asset status of beneficial interest units of Shanghai Trust – CCB No. 2 Single Property Trust as of the Valuation Benchmark Date is shown in the table below:

Unit: RMB10,000

Assets	December 31, 2023
Bank Deposits	0.01
Trading Financial Assets	42,400.00
Total Assets	42,400.01
Total Liabilities	29.37
Net Assets	42,370.64

Note: The above financial data is the financial statement data (unaudited) provided by the corresponding manager of the trust scheme.

4. *Profile of the fund*

(1) Information About the Registration

Name: Shenzhen China Merchants Yinhe Equity Investment Fund Management Co., Ltd. (hereinafter referred to as “Merchants Yinhe”, the company)

Unified Social Credit Code: 91440300MA5DN24Y2N

Type: Limited Liability Company

Office Address: Room 201, Building A, No. 1 Qianwan 1st Road, Qianhai Shenzhen – Hong Kong Cooperation Zone, Shenzhen (with Shenzhen Qianhai Business Secretary Co., Ltd.)

Registered Address: Room 201, Building A, No. 1 Qianwan 1st Road, Qianhai Shenzhen – Hong Kong Cooperation Zone, Shenzhen (with Shenzhen Qianhai Business Secretary Co., Ltd.)

Legal Representative: Yang Baiqian

Fund Manager: China Merchants Capital Management Co., Ltd.

Registered Capital: RMB10,000 million

Paid-in Capital: RMB530 million

Date of Establishment: October 24, 2016

Scope of Business: Entrusted management of equity investment funds (prohibited from engaging in securities investment activities, prohibited from raising funds through public offerings for investment activities; prohibited from engaging in the business of publicly raising fund management); investment management (projects that require approval as stipulated by laws, administrative regulations, decisions of the State Council, and other provisions operate only after obtaining the relevant approval documents); entrusted asset management (prohibited from engaging in trust, financial asset management, securities asset management, and other restricted items); equity investment in unlisted companies; equity investment; investment consulting (excluding restricted items). (The above items exclude projects prohibited by laws, administrative regulations, decisions of the State Council, and restricted items may only be operated after obtaining the relevant permits)

II. Valuation Subject and Scope

(I) Valuation Subject

The subject of valuation is the beneficial interest units of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit.

(II) Valuation Scope

As of the Valuation Benchmark Date, the book value of the beneficial interest under the No. 29 Investment Unit held by Postal Savings Bank of China was RMB39,181.30 in ten thousand yuan.

The net book value of the Shanghai Trust – CCB No. 2 Single Property Trust as of the Valuation Benchmark Date was RMB42,370.65 in ten thousand yuan, of which the book value of trading financial assets was RMB42,400.00 in ten thousand yuan. The trading financial assets are the beneficial interest units held by CCB (Beijing) Investment in Merchants Yinhe, and this valuation mainly focuses on the underlying investment of Merchants Yinhe.

The scope of the valuation mainly includes all assets and liabilities of Merchants Yinhe. As of the Valuation Benchmark Date, the assets included in the scope of the valuation mainly consist of trading financial assets and other non-current financial assets. For details of the specific types of assets and their audited book values, please refer to the table below:

Unit: RMB

Item	Book Value
I. Total Current Assets	492,270,121.18
Cash and Cash Equivalents	232,992,617.33
Trading Financial Assets	259,277,503.85
II. Total Non-Current Assets	13,452,552.21
Deferred Tax Assets	10,047,016.62
Other Non-Current Financial Assets	3,405,535.59
III. Total Assets	505,722,673.39
IV. Total Current Liabilities	6,194,353.35
Other Payables	6,194,353.35
V. Total Liabilities	6,194,353.35
VI. Net Assets (Owner's Equity)	499,528,320.04

The subject and scope of this commissioned valuation are consistent with the subject and scope of involved in economic activity. The book values have been audited by the Shenzhen branch of Ernst & Young Hua Ming Certified Public Accountants (Special General Partnership), and an unqualified opinion was issued in the Audit Report (Ernst & Young Hua Ming (2024) Audit No. 70063005-H01).

(III) Main Assets of the Enterprise

The assets within the scope of the valuation are mainly trading financial assets.

Merchants Yinhe mainly invests in two funds under the manager, the book value on the benchmark date was RMB257,265,400.

(IV) Types and Quantities of Off-Balance Sheet Assets Declared by the Enterprise

As of the Valuation Benchmark Date, there are no off-balance sheet assets declared.

(V) Reference to Reports From Other Institutions Involving the Type, Quantity, and Carrying Amount (or Appraised Value) of the Assets

This valuation report has utilized the unqualified opinion Audit Report (Ernst & Young Huayong (2024) Audit No. 70063005-H01) audited and provided by the Shenzhen branch of Ernst & Young Hua Ming Certified Public Accountants (Special General Partnership) as of the Valuation Benchmark Date of the entity being evaluated.

III. Valuation Benchmark Date

The Valuation Benchmark Date for this project is December 31, 2023.

The determination of the Valuation Benchmark Date takes into account the realization of the trustor's relevant economic activities, the accounting period, changes in interest rates, and exchange rates, etc., and is agreed upon after consultation with the trustor.

Asset valuation is a professional judgment of the value of the subject being valued at a certain point in time. Choosing the end of the accounting period as the Valuation Benchmark Date can more comprehensively reflect the overall situation of the subject of valuation. Following the principles of serving the valuation purpose effectively, accurately defining the scope of valuation, efficiently verifying the assets, and reasonably selecting the basis for valuation pricing, a date close to the realization date of the trustor's economic activities is chosen as the Valuation Benchmark Date.

IV. Basis for Valuation***(I) Basis for Economic Behavior***

This economic activity has been approved by the 16th CPC Committee Meeting in 2024 and the 11th President's Office Meeting in 2024 of Postal Savings Bank of China Co., Ltd.

(II) Legal Basis

1. Asset Valuation Law of the People's Republic of China (Adopted by the 21st Meeting of the 12th NPC Standing Committee (NPCSC) on July 2, 2016);
2. Company Law of the People's Republic of China (Adopted by the 6th Meeting of the 13th NPC Standing Committee (NPCSC) on October 26, 2018);
3. Civil Code of the People's Republic of China (Adopted at the 3rd Meeting of the 13th National People's Congress on May 28, 2020);
4. Law of the People's Republic of China on Enterprise Income Tax (Second amendment in the Decision of the Standing Committee of the National People's Congress to Amend Four Laws Including the Electric Power Law of the People's Republic of China by the 7th Meeting of the 13th NPC Standing Committee (NPCSC) on December 29, 2018);
5. Financial Supervision and Management Regulations for the Asset Valuation Industry (Promulgated by Order No. 86 of the Ministry of Finance on April 21, 2017, and amended according to Order No. 97 of the Ministry of Finance the Decision of the Ministry of Finance to Amend Two Departmental Rules including the Measures for the Practice Licensing and Supervision and Administration of Accounting Firms on January 2, 2019);
6. Notice on Further Strengthening Financial and Accounting Supervision (Issued by the General Office of the CPC Central Committee 2023 No. 4);
7. Measures for the Administration of State-Owned Asset Valuation (State Council Order No. 91 of 1991);
8. Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises (State Council Order No. 378);
9. Interim Regulations for the Supervision and Administration of State-Owned Asset Valuation of Financial Enterprises (Ministry of Finance Order No. 47);
10. Administrative Measures for the Transfer of State-Owned Asset of Financial Enterprises (Ministry of Finance Order No. 54);
11. People's Republic of China Securities Law (Revised for the second time on December 28, 2019, at the 15th meeting of the Standing Committee of the Thirteenth National People's Congress);
12. Other laws and regulations related to asset valuation.

(III) Standard Basis

1. Valuation Standards – General Standard (Finance 2017 No. 43);
2. Valuation Ethical Standards – General Standard (China Appraisal Society 2017 No. 30);
3. Valuation Standards – Valuation Procedures (China Appraisal Society 2018 No. 36);
4. Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35);
5. Valuation Standards – Valuation Contract (China Appraisal Society 2017 No. 33);
6. Valuation Standards – Valuation Files (China Appraisal Society 2018 No. 37);
7. Valuation Standards – Enterprise Value (China Appraisal Society 2018 No. 38);
8. Valuation Expert Guidance No. 8 – Verification in Valuation (China Appraisal Society 2019 No. 39);
9. Valuation Application for Valuation Reports of State-Owned Asset of Enterprise (China Appraisal Society 2017 No. 42);
10. Valuation Standards – Utilizing Expert Work and Related Reports (China Appraisal Society 2017 No. 35);
11. Valuation Application for Business Quality Control of Valuation Firms (China Appraisal Society 2017 No. 46);
12. Valuation Guidance Note on the Basis of Value for Valuation (China Appraisal Society 2017 No. 47);
13. Valuation Guidance Note on the awareness of the Legal Ownership of the Valuation Subject (China Appraisal Society 2017 No. 48);
14. Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35).

(IV) Basis of Rights

1. Proof of shareholding or capital contribution as of the Valuation Benchmark Date;
2. Relevant asset property rights contracts, and investment agreements;
3. Other relevant property rights proofs.

(V) Pricing Basis

1. *Data provided by the enterprise*
 - (1) Financial statements and audit reports of the enterprise as of the Valuation Benchmark Date and for previous years;
 - (2) Asset list and asset valuation declaration form provided by the enterprise;
2. *Data collected by the asset valuation firm*
 - (1) iFIND Financial Database;
 - (2) On-site inspection records by valuation personnel;
 - (3) Data collected independently by valuation personnel related to the valuation;
 - (4) Other materials related to this valuation.

(VI) Other Reference Basis

1. Asset Valuation Declaration Schedule provided by the entity being evaluated; interview records;
2. Securities Company Financial Instrument Valuation Guidelines (China Securities Association 2018 No. 216);
3. Private Equity Fund Non-listed Equity Investment Valuation Guidelines (Trial) (China Securities Investment Fund Association, 2018);
4. Securities Investment Fund Investment in Restricted Circulation Stock Valuation Guidelines (Trial) (China Securities Investment Fund Association, Zhongji Fa 2017 No. 6);
5. Special Provisions on the Reduction of Shares by Shareholders of Venture Capital Funds of Listed Companies (China Securities Regulatory Commission Announcement No. 17 of 2020, March 31, 2020);

6. The Asset Assessment Commission Contract signed between the client and our company;
7. Data materials of Chungrui Worldunion Assets Appraisal Group Co., Ltd.

V. Valuation Methodology

(I) Selection of Valuation Approach

1. Basis for the Selection of the Valuation Approach

According to Article 16 of the Valuation Standards – General Standard, “the approaches for determining the value of assets in asset valuation include three basic approaches and their derived methods: the market approach, the income approach, and the cost approach. Asset valuation professionals should analyze the applicability of the above three basic approaches based on the purpose of the valuation, the subject of the valuation, the type of value, and collected information, and choose the valuation approach in accordance with the law.”

2. Conditions for the Application of the Valuation Approach

(1) Income approach

The income approach in valuation refers to the approach of determining the value of the subject of valuation by capitalizing or discounting expected earnings. Asset valuation professionals should consider the applicability of the income approach in conjunction with the historical operation of the entity being evaluated, the predictability of future earnings, and the adequacy of the valuation information obtained.

Specific methods commonly used in the income approach include the dividend discount method and the discounted cash flow method.

The dividend discount method is a specific method of discounting expected dividends to determine the value of the subject of valuation and is generally suitable for the valuation of partial interests of shareholders who lack control. The discounted cash flow method typically includes the enterprise free cash flow discount model and the equity free cash flow discount model. Asset valuation professionals should appropriately choose the cash flow discount approach based on the industry, business model, capital structure, and development trend of the entity being evaluated.

(2) Market approach

The market approach in valuation refers to the approach of determining the value of the subject of valuation by comparing it with comparable listed companies or transaction cases. Asset valuation professionals should consider the applicability of the market approach based on the adequacy and reliability of the operating and financial data of comparable enterprises obtained, and the number of comparable enterprises that can be collected.

Two specific methods commonly used in the market approach are the listed company comparison method and the transaction case comparison method.

The listed company comparison method involves obtaining and analyzing the operating and financial data of comparable listed companies, calculating value ratios, and determining the value of the subject of valuation based on comparative analysis with the entity being evaluated. The transaction case comparison method involves obtaining and analyzing the information of comparable enterprises sales, acquisitions, and mergers, calculating value ratios, and determining the value of the subject of valuation based on comparative analysis with the entity being evaluated.

(3) Cost approach

The cost approach refers to the collective term for valuation approaches that determine the value of the subject of valuation based on the concept of rebuilding or replacing the subject, using the cost of reconstruction or replacement as the basis for determining the value, and deducting relevant depreciation to determine the value of the subject of valuation.

3. *Selection of Valuation Approach*

Analysis of the applicability of the three valuation approaches for this project:

(1) Income approach applicability analysis

Considering that the main business of the entity being evaluated is financial investment, and the future investment and earnings of the projects are unpredictable, the valuation personnel are unable to make a more accurate forecast of the investment management scale and investment returns of the future projects. Therefore, the income approach is not suitable for evaluating the subject of valuation in this project.

(2) Market approach applicability analysis

Given that there is a lack of a sufficient number of comparable listed companies in the same industry as the entity being evaluated in China's capital market, a scarcity of market transaction cases in the same industry, and insufficient disclosed information, the market approach is not applicable to this project.

(3) Cost approach applicability analysis

Taking into account that the various assets and liabilities subject to the entrustment for valuation can undergo on-site inspection procedures and meet the information requirements for appraisal and estimation, the cost approach is adopted for evaluating the subject of valuation in this project.

In summary, for this valuation, we have chosen the cost approach to evaluate the subject of valuation.

(II) Introduction to the Cost Approach

1. Operational Plans of the Cost Approach of Valuation

The current valuation employs the cost approach to assess the trading financial assets of beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit held by Postal Savings Bank of China.

2. Trading financial assets refer to the beneficial interest units of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit invested by the evaluated entity.

The valuation personnel firstly verify the reasons for the investment, its book value, and actual conditions, and review investment agreements and contracts to ascertain the investment's authenticity and completeness. For the investment in the beneficial interest units of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit, the cost approach is employed to determine the overall market value of the trust's beneficial interest, and then the value of the trading financial assets is determined based on the trust units held.

The balance sheet as of the Valuation Benchmark Date for the beneficial interest units of the Shanghai Trust – CCB No. 2 Single Property Trust mainly includes bank deposits and trading financial assets.

- (1) Bank deposits: For bank deposits denominated in RMB, the verified book value is used as the appraised value. Foreign currency funds are converted into RMB based on the central parity rate on the Valuation Benchmark Date for the appraised value.
- (2) Trading financial assets: These refer to the shares of income right of Shenzhen China Merchants Yinhe Equity Investment Fund Management Co., Ltd., invested by the subject of the valuation. The valuation personnel firstly verify the reasons for the investment, its book value, and actual conditions, and review investment agreements and contracts to ascertain the investment's authenticity and completeness. For the investment in Shenzhen China Merchants Yinhe Equity Investment Fund Management Co., Ltd., the cost approach is used to determine the market value of the company's total equity, and then the value of the trading financial assets is determined based on the equity held.

The balance sheet as of the Valuation Benchmark Date for Shenzhen China Merchants Yinhe Equity Investment Fund Management Co., Ltd. mainly included cash and cash equivalents, trading financial assets, deferred income tax assets, other non-current assets, and other payables. For cash and cash equivalents, the valuation approach is consistent with the one introduced above; for trading financial assets, they are all investment projects of Merchants Yinhe in the sub-funds. Various materials of the sub-fund projects are collected, and the financial condition of the entity being invested as of the Valuation Benchmark Date is investigated and understood, with historical financial statements and those as of the Valuation Benchmark Date being obtained.

Each sub-fund held by Merchants Yinhe is calculated for fair value one by one, combined with other assets and liabilities at the parent company's statement level, to calculate the fair value of the equity of all investors in the parent company. Then, based on the distribution arrangement in the investment agreement or the company's articles of association, the fair value of the corresponding equity shares for a specific parent company investor is calculated.

Among them, when considering whether sub-funds need a further penetration valuation, penetration is required under the following three circumstances:

- 1) Control or de facto control over a sub-fund; for example, holding more than 50% of a sub-fund, or being the largest investor and being able to exercise actual control over the sub-fund's operation and management and investment decisions individually or dominantly through the fund and other relevant agreements and arrangements;
- 2) The valuation personnel need to penetrate based on the principle of materiality;
- 3) Other circumstances where the valuation personnel need to penetrate based on professional judgment.

This time, based on the collected project information, the sub-funds do not control the projects under investment. If the projects under investment in the sub-fund's audit report are measured at fair value, the valuation personnel refer to the valuation approach for direct investment projects for the fair value of the projects under investment as of the Valuation Benchmark Date of the sub-fund, while also verifying with the audit report and public data to confirm a reasonable book value for the sub-fund's projects under investment as of the Valuation Benchmark Date; for those not measured at fair value, a comprehensive analysis and judgment are made by collecting information and inquiring about relevant materials through public channels to consider whether to adjust the book value.

3. Liabilities: The authenticity and accuracy of the liabilities are verified based on historical payment vouchers collected and accruals made up to the benchmark date. Liabilities that are not required to be paid in the future are assessed as zero, and other liabilities are recognized based on the verified amounts.

VI. Process and Situation for the Implementation of Valuation Procedures

Asset valuation professionals, in accordance with the Chinese Asset Valuation Standards and relevant national asset valuation regulations, have conducted valuations on the assets and liabilities involved in the subject of valuation. The main process and situation for the implementation of valuation procedures are as follows:

(I) Acceptance of Commission

Our company has discussed with the trustor and reached an agreement on the basic terms of the asset valuation business, including the purpose of the valuation, the subject and scope of the valuation, the type of value, the Valuation Benchmark Date, the scope of use of the asset valuation report, the submission deadline and approach of the asset valuation report, the valuation service fee and payment approach, and the cooperation and assistance of the parties involved in the asset valuation work. An asset valuation commission contract was signed, and a valuation plan was formulated.

(II) Preliminary Preparation

In light of the characteristics of this project and the distribution of assets, our company has developed an asset valuation plan and established a valuation team.

To facilitate the understanding and submission of asset valuation information by the financial and asset management personnel of the entity being evaluated, our company has trained the relevant personnel of the entity being evaluated on the preparation of asset valuation information, and assigned a dedicated person to guide the entity being evaluated in conducting asset inventory, preparing valuation information, verifying assets, and validating information. Issues encountered during the preparation of asset valuation information were addressed.

(III) On-site Inspection

Asset valuation professionals conducted necessary inspections and verifications of the assets and liabilities involved in the subject of valuation from March 29, 2024 to May 20, 2024. They also carried out necessary due diligence on the operational and management conditions of the entity being valued.

1. Asset Verification

- (1) Guide the entity being evaluated to fill out forms and prepare information to be provided to the asset valuation institution

Asset valuation professionals guided the financial and asset management personnel of the entity being evaluated to conduct a thorough and accurate declaration of assets included in the scope of the valuation, based on their own asset inventory. They followed the “Asset Valuation Declaration Schedule” provided by the asset valuation institution, along with its filling requirements and a list of required documents. At the same time, they collected and prepared documents and materials that prove the ownership, status, and economic and technical indicators, etc. of the assets.

- (2) Preliminary review and improvement of the asset valuation declaration schedule filled out by the entity being evaluated

Asset valuation professionals reviewed relevant materials to understand the detailed conditions of the specific assets included in the valuation scope. They then carefully examined various “Asset Valuation Declaration Schedules” to check for any incomplete entries, errors, or unclear asset items. Based on their experience and the information they had, they also checked for any omissions in the “Asset Valuation Declaration Detail Schedules”. They provided feedback to the entity being evaluated to help them refine and improve the “Asset Valuation Declaration Schedules”.

- (3) On-site field inspection

In accordance with the type, quantity, and distribution of the assets included in the valuation scope, asset valuation professionals, with the cooperation of relevant personnel from the entity being evaluated, conducted on-site inspections of each asset according to the relevant provisions of the asset valuation standards. The main activities involved visiting the office premises of the entity being evaluated to collect and verify the documents and materials for each asset.

- (4) Supplement, modify, and improve the asset valuation declaration schedule

Asset valuation professionals, based on the results of the on-site inspections and after thorough communication with the relevant personnel of the entity being evaluated, further refined the “Asset Valuation Declaration Schedule” to ensure that the records, the forms, and the actual assets are consistent with each other.

- (5) Verification of property right certificate documents

The valuation personnel inspected the ownership documents and materials for the assets and liabilities included in the valuation scope. In cases where the ownership information was incomplete or unclear, they requested the company to verify the details.

2. *Due Diligence*

Asset valuation professionals conducted necessary due diligence to fully understand the operation and management status and risks faced by the entity being evaluated. The main contents of the due diligence are as follows:

- (1) The history and evolution, partners, and shares of the entity being evaluated;
- (2) The status of assets, finances, and investment project management of the entity being evaluated;
- (3) Investment plans and development plans of the entity being evaluated;

- (4) Past valuation and transaction situations of the subject of valuation and the entity being evaluated;
- (5) The development status and prospects of the industry of the entity being evaluated ;
- (6) Other relevant information.

(IV) Data Collection

Asset valuation professionals collected valuation information according to the specific circumstances of the valuation project, including information independently obtained from the market and other channels, information obtained from the trustor and other relevant parties, and information obtained from government departments, various professional institutions, and other relevant departments. The collected valuation information was analyzed, summarized, and organized as the basis for the valuation.

(V) Valuation and Estimation

Asset valuation professionals, based on the specific circumstances of each type of asset, according to the selected valuation approach, selected the appropriate formulas and parameters for analysis, calculation, and judgment, forming preliminary valuation conclusions. The project leader summarized the preliminary conclusions of each asset valuation, wrote and formed a preliminary asset valuation report.

(VI) Internal Review

In accordance with the provisions of our company's asset valuation business process management regulations, the preliminary asset valuation report will be submitted for internal review by the company after the project leader completes it. After the internal review, the project leader communicates with the trustor or other relevant parties agreed by the trustor regarding the contents of the asset valuation report. Based on the feedback, reasonable modifications are made to the report, which is then issued and submitted.

VII. Valuation Assumptions

The assumptions used in this asset valuation report are as follows:

(I) Basic Assumptions***1. Transaction Assumption***

The transaction assumption assumes that the subject of the valuation and the assets and liabilities within the scope of the valuation are already in the process of being traded. Based on the transaction conditions, the asset valuation personnel simulate a market assessment. This assumption is a fundamental prerequisite for the conduct of asset valuation.

2. *Open Market Assumption*

The open market assumption is a hypothetical scenario that considers the market conditions into which the asset is intended to be introduced and the impacts it would receive under such conditions. An open market refers to a fully developed and perfected market environment, characterized by a competitive market with both resourceful buyers and sellers. In this market, buyers and sellers are on an equal footing, have access to sufficient market information, and have the time to make informed decisions. Transactions occur voluntarily, rationally, and without compulsion or restrictions. The open market assumption is based on the premise that the asset can be openly bought and sold in the market.

3. *Assumption of continuous use of assets*

The current use assumption is a hypothetical scenario concerning the market conditions into which the asset is intended to be introduced and the state of the asset's use under such conditions. It firstly assumes that the assets within the scope of the valuation are currently in use. Secondly, it assumes that the current use will continue without considering a change in the asset's use or its optimal utilization conditions.

4. *Assumption of contract-based operations by the enterprise*

The assumption of the enterprise operating in accordance with the contract means that the entity being valued will operate in an orderly manner in accordance with the provisions of the partnership agreement, reasonably arrange the withdrawal of investment projects, and be consistent with the current mode of operation.

(II) *General Assumptions*

1. It is assumed that after the Valuation Benchmark Date, there will be no significant changes in the current national laws, regulations, policies, and macroeconomic conditions, and the political, economic, and social environment of the region where the parties to the transaction are located will not undergo significant changes;
2. It is assumed that after the Valuation Benchmark Date, the management team of the entity being valued is responsible, stable, and capable of fulfilling their duties;
3. It is assumed that after the Valuation Benchmark Date, there will be no force majeure or unforeseeable factors that have a significant adverse impact on the entity being valued;
4. The basic and financial information provided by the trustor and the entity being valued is true, accurate, and complete;
5. It is assumed that the financial reports and transaction data of the comparative companies relied upon by the valuation personnel are all true and reliable.

(III) Special Assumptions

1. It is assumed that the fund is distributed under simulated liquidation conditions on the Valuation Benchmark Date;
2. It is assumed that after the Valuation Benchmark Date, the entity being evaluated maintains its current business scope and approaches based on the existing management style and level;
3. It is assumed that the accounting policies used by the entity being evaluated after the Valuation Benchmark Date remain consistent with those used at the time this report was prepared;
4. It is assumed that there are no significant changes to the interest rates, exchange rates, tax bases and rates, and policy-related fees relevant to the entity being evaluated after the Valuation Benchmark Date;
5. It is assumed that the entity being evaluated strictly complies with all relevant laws and regulations.

The valuation conclusions in this report are based on the above assumptions and restrictions. If there are events that do not align with the above assumptions and restrictions, the valuation results are generally considered to be invalid.

VIII. Valuation Conclusions

This asset valuation employs the cost approach to assess the beneficial interest units held by Postal Savings Bank of China in the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit. Based on the above valuation work, the following conclusions have been drawn:

(I) Valuation Conclusion Reached by Adopting Cost Approach

As at Valuation Benchmark Date of December 31, 2023, the book value of the Beneficial Interest of the Target Trust held by the Bank within the valuation scope, corresponding to the beneficial interest units of the Bank under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit, was RMB391,813,000, and the valuation was based on the results of the cost approach valuation as the final conclusion of the valuation: the appraised value of the Beneficial Interest of the Target Trust held by the Bank was RMB402,622,300, with an appreciation of RMB10,809,300, or an appreciation rate of 2.76%.

The assets and liabilities of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 29 Investment Unit are as follows:

Unit: RMB ten thousand

Items	Remaining invested principal	Book value of the Beneficial Interest of the Target Trust held by PSBC	Appraised value	Appreciation amount	Appreciation rate%
Trading financial assets	42,400.00	39,537.28	40,618.21	1,080.93	2.73
Total trust assets	42,400.00	39,537.28	40,618.21	1,080.93	2.73
Total trust liabilities	355.98	355.98	355.98		
Trust equity	42,044.02	39,181.30	40,262.23	1,080.93	2.76

Note: The appreciation is the difference between the appraised value and the book value held by Postal Savings Bank, which is mainly due to the following reasons: (1) the fair value of investment projects of the underlying assets upon valuation on the benchmark date is slightly lower than the book value at the fund level; (2) but according to the partnership agreement, Postal Savings Bank of China has a larger share, so after simulated liquidation distribution, its share value is higher than the book value held by Postal Savings Bank of China.

(II) Validity Period of Valuation Conclusions

The validity period of the valuation conclusions revealed in the asset valuation report is one year, from the Valuation Benchmark Date of December 31, 2023, to December 30, 2024. The valuation conclusions listed in this asset valuation report are considered invalid if this report is used for more than one year, except as otherwise stipulated by national laws and regulations.

In accordance with Article 10 of the Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35), a valuation report shall specify the validity period for the use of the valuation conclusions. Generally, a valuation report shall only be used when the Valuation Benchmark Date is not more than one year from the date on which the economic behavior was realized.

IX. Statement of Special Matters

The following are matters that may affect the valuation conclusions but are beyond the professional level and ability of the valuation personnel to assess and estimate:

(I) Reference to Reports From Other Institutions

This valuation report has utilized the unqualified opinion Audit Report (Ernst & Young Huayong (2024) Audit No. 70063005-H01) audited and provided by the Shenzhen branch of Ernst & Young Hua Ming Certified Public Accountants (Special General Partnership) as of the Valuation Benchmark Date of the entity being evaluated.

(II) Post-Valuation Distribution

Since its establishment, Merchants Yinhe has not conducted any profit distributions.

(III) Special Explanations on the Situation of Incomplete Valuation Materials

Most of the unlisted projects on the Valuation Benchmark Date have not provided audited financial reports for 2023 due to various reasons, and unaudited financial data is cited this time.

(IV) Special Explanation of the Legal, Economic and Other Outstanding Matters Existing on the Valuation Benchmark Date

The valuation personnel noted from public channels that several invested projects have outstanding legal and economic matters. As of the date of the valuation report, the actual situation of the company may be inconsistent with the public inquiry information, and the impact of the above matters on the assessment conclusion is not considered in this valuation.

The conclusion of this valuation reflects the current fair market value in accordance with the principles of the open market under the purpose and Valuation Benchmark Date of the valuation, and does not consider the impact of the mortgage, guarantee, litigation compensation and other matters that the invested projects may bear, as well as the additional price that may be paid by special counterparties, on the valuation conclusion.

(V) Special Explanation of Matters That May Affect the Valuation Conclusions Between the Valuation Benchmark Date and the Date of the Asset Valuation Report

None.

(VI) Other Matters Requiring Explanation

1. The valuation conclusions of this report reflect the value of the subject of valuation under the assumptions that the business continues to operate and that there are no changes in the external macroeconomic environment as of the Valuation Benchmark Date, for the purposes stated in this report.
2. If the trustor and relevant parties fail to promptly inform the valuation personnel of flaws that may affect the valuation conclusions, and the valuation personnel, having performed the necessary valuation procedures, are unable to become aware of these matters, the valuation institution and the valuation personnel will not assume related responsibility.
3. Merchants Yinhe's scale of the subscribed capital is RMB10 billion, but due to a variety of reasons, the shareholders of the both sides only contributed to the first phase, and both parties have the potential default responsibility for not fulfilling the subsequent contributions.
4. Within the validity period following the Valuation Benchmark Date, if there are changes in the quantity of assets and pricing standards, they should be handled according to the following principles:
 - (1) When there is a change in the quantity of assets, the asset amount should be adjusted accordingly based on the original valuation approach;
 - (2) When there is a change in the asset pricing standards that significantly affects the valuation results, the trustor should timely engage a qualified asset valuation institution to re-determine the valuation value;
 - (3) For changes in the quantity of assets and pricing standards after the Valuation Benchmark Date, the trustor should fully consider these changes and make corresponding adjustments when actually pricing the assets.

Users of the asset valuation report should pay attention to the impact of the above special matters on the valuation conclusions.

X. Limitations on the Use of Valuation Reports***(I) Scope of Use of the Asset Valuation Report***

1. The users of the asset valuation report are: Postal Savings Bank of China and users of the asset valuation report as stipulated by national laws and regulations.
2. The valuation conclusions revealed in the asset valuation report are only valid for the corresponding economic activities of this project.

3. The validity period of the valuation conclusions in the asset valuation report is one year, from the Valuation Benchmark Date. The trustor or other users of the asset valuation report should use the asset valuation report within the stated validity period of the valuation conclusions.
 4. Without the written consent of the trustor, the asset valuation institution and its asset valuation professionals shall not provide or disclose the content of the asset valuation report to a third party, except as otherwise provided by laws and administrative regulations.
 5. Without the consent of the asset valuation institution, the content of the asset valuation report shall not be excerpted, quoted, or disclosed in the public media, except as stipulated by laws, administrative regulations, and otherwise agreed by the relevant parties.
- (II) If the trustor or other users of the asset valuation report fail to use the asset valuation report in accordance with the provisions of laws, administrative regulations, and the scope of use stated in the asset valuation report, the asset valuation institution and its valuation personnel shall not bear responsibility.
- (III) Except for the trustor, other users of the asset valuation report as agreed in the asset valuation contract, and users stipulated by laws and administrative regulations, no other organizations or individuals may become users of the asset valuation report.
- (IV) Users of the asset valuation report should correctly understand the valuation conclusions. The valuation conclusions are not equivalent to the realizable price of the valuation subject and should not be considered as a guarantee of the realizable price of the valuation subject.
- (V) The asset valuation report is a professional report issued by the asset valuation institution and its valuation personnel in compliance with laws, administrative regulations, and asset valuation standards, after performing the necessary asset valuation procedures according to the entrustment. The report can be officially used after the asset valuation institution seals and the valuation personnel sign it, and after it is filed by the state-owned assets supervision and administration institution or enterprises funded by such institution.

XI. Valuation Report Date

The valuation report date of this asset valuation report is May 20, 2024.

XII. Identity, Qualifications and Independence of the Valuation Personnel

The valuation personnel primarily involved in this valuation, namely Hu Jiahao and Wang Jingyu, are registered members of China Appraisal Society, who have sufficient qualifications and experience in similar valuation projects. Hu Jiahao and Wang Jingyu confirm that they have no existing or expected interest relationships with the valuation subject in the asset valuation report; no existing or expected interest relationships with the relevant parties, and no bias towards the relevant parties.

**Postal Savings Bank of China Co., Ltd. Intends to Transfer Its Holdings of
the Beneficial Interest Units Under the CCB Trust – Firmiana Collective Fund
Trust Scheme Asset Allocation Class No. 31 Investment Unit
Summary of the Asset Valuation Report
Vocation Valuation Letter (2024) No. 1143**

POSTAL SAVINGS BANK OF CHINA CO., LTD.:

Pursuant to the engagement by your company and subject to laws, administrative regulations and asset valuation standards, Vocation (Beijing) International Assets Appraisal Co., Ltd. conducted an evaluation of the market value of the beneficial interest units held by Postal Savings Bank of China Co., Ltd. in the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit as of December 31, 2023, based on the principles of independence, objectivity, and fairness, adopting the cost approach¹ and following necessary valuation procedures. The valuation process is now reported as follows:

I. Profile of Valuation Subject

1. Basic Information

Name: CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit

Trustor: Postal Savings Bank of China Co., Ltd.

Trustee: CCB Trust Co., Ltd.

Custodian: Guangdong Branch, Postal Savings Bank of China Co., Ltd.

Establishment Date of the Trust: June 30, 2017

Initial Principal: RMB1,380,000,000.00

According to the investment reminder letter in the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit Subscription Blank, fund utilization and transaction structure of the trust are as follows:

The trust fund of RMB1,380 million is planned to be used to acquire the trust units of “Huarong – Jiuying No. 1 Single Property Trust” held by CCB (Beijing) Investment Fund Management Co., Ltd. The transaction structure and investment tool are designed as follows:

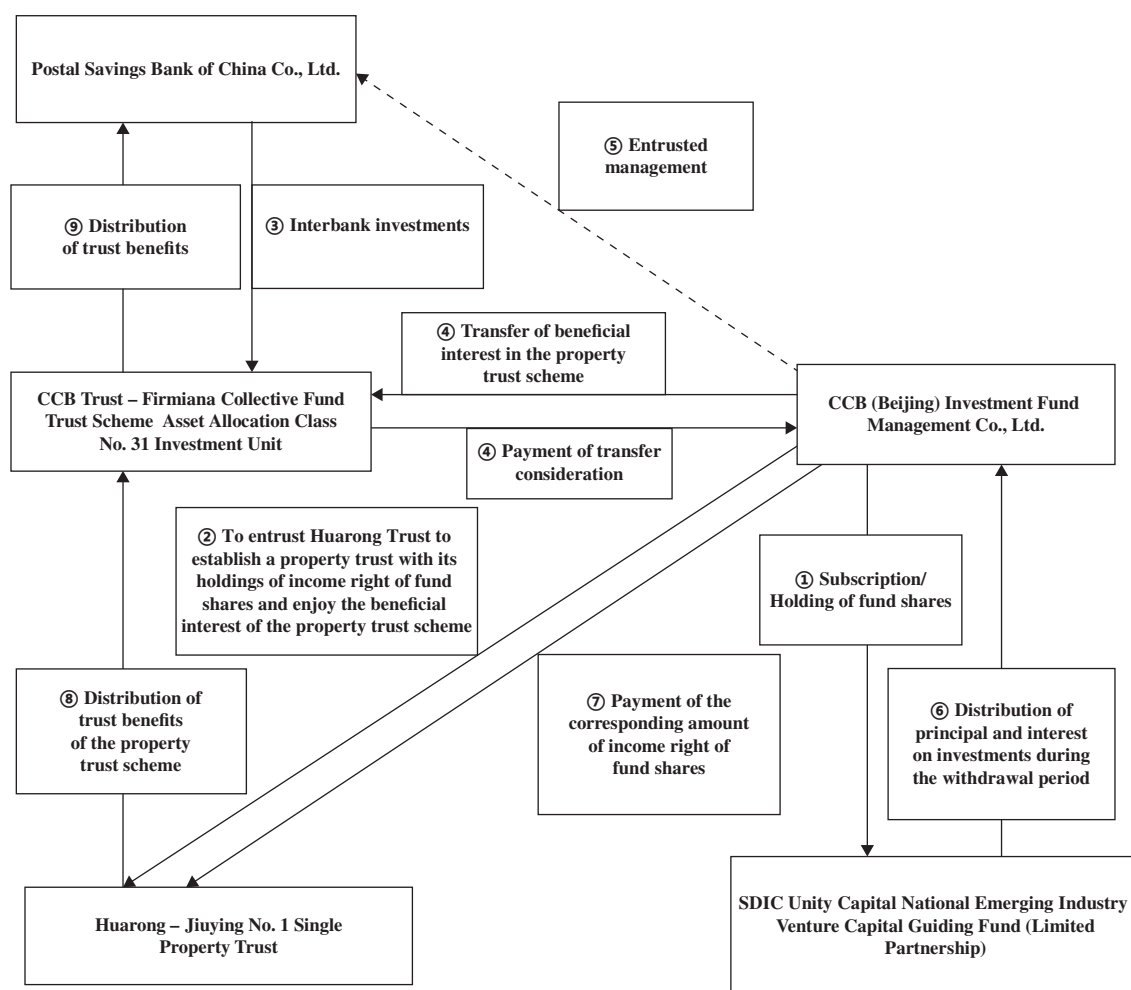
- (1) The trustor subscribes for the trust beneficial interest of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit (hereinafter referred to as “C31”);
- (2) C31 acquires the trust shares of “Huarong – Jiuying No.1 Single Property Trust” held by CCB (Beijing) Investment Fund Management Co., Ltd. This property trust was established by CCB (Beijing) Investment Fund Management Co., Ltd. through Huarong International Trust Co., Ltd., with income right of its subscribed shares of SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership) as the trust property.

¹ According to the Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35), the cost approach includes restoration replacement cost method, updating replacement cost method, asset-based method and so on.

2. Underlying Asset Information

The underlying asset corresponding to “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit” is the 13.34% share of SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership) held by CCB (Beijing) Investment Fund Management Co., Ltd. as a limited partner of SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership).

The specific transaction structure is as follows:



- (1) PSBC invested in the trust scheme the “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit” (see step ③).
- (2) CCB (Beijing) Investment Fund Management Co., Ltd., as a shareholder, participated in the establishment of SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership) and subscribed for the fund shares. CCB (Beijing) Investment Fund Management Co., Ltd. entrusted Huarong International Trust Co., Ltd. to establish Huarong – Jiuying No. 1 Single Property Trust with the income right of its subscribed shares in SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership) as the trust property, and is entitled to the beneficial interest of the property trust scheme (see step ①, ② and ⑦).

- (3) The “CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit” used the investment funds from PSBC as consideration for acquiring the beneficial interest of Huarong – Jiuying No. 1 Single Property Trust from CCB (Beijing) Investment Fund Management Co., Ltd. (see step ④).

According to the above transaction structure, Postal Savings Bank of China ultimately invested in SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership) through investing in Huarong – Jiuying No. 1 Single Property Trust.

(1) *Huarong – Jiuying No. 1 Single Property Trust*

1) Introduction of Property Trust

Trustor/Beneficiary: CCB (Beijing) Investment Fund Management Co., Ltd.

Trustee: Huarong International Trust Co., Ltd.

Trust Property: The trust property initially delivered under this contract by the trustor consists of the limited partnership share income right held by the trustor corresponding to the capital contribution of RMB6,900,000,000.00 to the SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership).

Trust Effective Date: June 30, 2017

In 2017, CCB (Beijing) Investment Fund Management Co., Ltd. signed a trust contract numbered Huarong Trust 2017 Trust No. 101 with Huarong International Trust Co., Ltd. under the title Huarong – Jiuying No. 1 Single Property Trust Contract. CCB (Beijing) Investment Fund Management Co., Ltd. entrusted the trust beneficial interest of the Huarong – Jiuying No. 1 Single Property Trust to Huarong International Trust Co., Ltd., which managed the trust property as the trustee and distributed the trust benefits to the beneficiaries in accordance with the trust contract.

2) Financial Status

The financial status of the Huarong – Jiuying No.1 Single Property Trust as of the Valuation Benchmark Date is shown in the following table:

Unit: RMB10,000

Asset	December 31, 2023
Bank deposits	0.52
Long-term equity investment	125,806.97
Total trust assets	125,807.49
Total trust liabilities	0.00
Total trust equity	125,807.49

Note: The above financial data are financial statement data (unaudited) provided by the manager of the trust.

(2) *SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership)*

1) Company Registration Details

Name: SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership)

Legal Address: 4-68, Building 6, Ronghui Park, Linkong economic core area, Shunyi District, Beijing

Operating Location: 4-68, Building 6, Ronghui Park, Linkong economic core area, Shunyi District, Beijing

Executing Partner: SDIC Unity Capital Co., Ltd.

Contribution Amount: RMB10,343,400,000

Paid-in Capital: RMB10,343,400,000

Business scope: Non-securities business investment, investment management, consulting; Project investment; Investment management; Investment consulting. (“1. No public funds may be raised without the approval of the relevant departments; 2. Shall not publicly carry out securities products and financial derivatives trading activities; 3. No loans shall be granted; 4. No guarantee shall be provided to any enterprise other than the invested enterprises; 5. Shall not promise investors that the investment principal will not suffer losses or promise a minimum return”; Enterprises independently choose business projects and carry out business activities according to law; For projects subject to approval according to law, business activities shall be carried out in accordance with the approved contents after approval by relevant departments; Shall not engage in business activities of items prohibited and restricted by this municipality’s industrial policies.)

II. Valuation Subject and Scope

The subject and scope of this valuation are consistent with the subject and scope involved in the economic activity.

(I) Valuation Subject

The subject of this asset valuation report is the market value of the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit.

(II) Valuation Scope

The valuation scope covers all assets and related liabilities of the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit as declared on the Valuation Benchmark Date. The financial statements as of the Valuation Benchmark Date for the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit are the financial data provided by the enterprise.

As of the Valuation Benchmark Date, December 31, 2023, the book value of the beneficial interest units of the trading financial assets within the valuation scope was RMB1,653,199,200.

The subject and scope of the valuation are consistent with those involved in the economic activity. As of the Valuation Benchmark Date, the book value of the assets within the valuation scope has been audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP, which issued Audit Report under document (Audit) (24) No. P01658, expressing an unqualified opinion.

Information of major underlying assets:

As of the Valuation Benchmark Date, the beneficial interest units of trading financial assets included underlying assets comprising 27 direct investment projects by the parent fund, with a total investment cost of RMB1,542,559,700, and a total book value of RMB1,755,200,600; and 88 sub-funds, with a total investment cost of RMB6,659,574,400 and a total book value of RMB10,395,493,900.

(III) Types and Quantities of Off-Balance Sheet Assets Declared by the Enterprise

None.

(IV) Reference to Reports from Other Institutions

This asset valuation report utilizes the Audit Report 2024 No. ZG28121 issued by BDO China Shu Lun Pan Certified Public Accountants LLP for SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership).

(V) Other Issues that Need to be Clarified

None.

III. Valuation Benchmark Date

The Valuation Benchmark Date for this project is December 31, 2023.

The determination of this Valuation Benchmark Date takes into account factors such as the realization of the trustor's related economic activities, accounting periods, and changes in interest and exchange rates, etc., and is agreed upon after consultation with the trustor.

Asset valuation is a professional judgment of the value of the valuation subject at a specific point in time. Selecting the end of the accounting period as the Valuation Benchmark Date allows for a more comprehensive reflection of the overall situation of the valuation subject. Following the principles of ensuring that the valuation conclusion effectively serves the valuation purpose, accurately delineating the valuation scope, efficiently auditing and verifying assets, and reasonably selecting the basis for valuation pricing, a date close to the realization of the trustor's economic activities is chosen as the Valuation Benchmark Date.

IV. Basis for Valuation

The national, local government, and relevant departmental laws, regulations, as well as the documents and materials referred to in the valuation work mainly include:

(I) *Basis for Economic Activities*

This economic activity has been approved by the 16th CPC Committee Meeting in 2024 and the 11th President's Office Meeting in 2024 of Postal Savings Bank of China Co., Ltd.

(II) *Legal and Regulatory Basis*

1. Asset Valuation Law of the People's Republic of China (Adopted by the 21st Meeting of the 12th NPC Standing Committee (NPCSC) on July 2, 2016);
2. Company Law of the People's Republic of China (Adopted by the 6th Meeting of the 13th NPC Standing Committee (NPCSC) on October 26, 2018);
3. Civil Code of the People's Republic of China (Adopted at the 3rd Meeting of the 13th National People's Congress on May 28, 2020);
4. Law of the People's Republic of China on Enterprise Income Tax (Second amendment in the Decision of the Standing Committee of the National People's Congress to Amend Four Laws Including the Electric Power Law of the People's Republic of China by the 7th Meeting of the 13th NPC Standing Committee (NPCSC) on December 29, 2018);

5. Financial Supervision and Management Regulations for the Asset Valuation Industry (Promulgated by Order No. 86 of the Ministry of Finance on April 21, 2017, and amended according to Order No. 97 of the Ministry of Finance the Decision of the Ministry of Finance to Amend Two Departmental Rules including the Measures for the Practice Licensing and Supervision and Administration of Accounting Firms on January 2, 2019);
6. Notice on Further Strengthening Financial and Accounting Supervision (Issued by the General Office of the CPC Central Committee 2023 No. 4);
7. Measures for the Administration of State-Owned Asset Valuation (State Council Order No. 91 of 1991);
8. Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises (State Council Order No. 378);
9. Interim Regulations for the Supervision and Administration of State-Owned Asset Valuation of Financial Enterprises (Ministry of Finance Order No. 47);
10. Administrative Measures for the Transfer of State-Owned Asset of Financial Enterprises (Ministry of Finance Order No. 54);
11. People's Republic of China Securities Law (Revised for the second time on December 28, 2019, at the 15th meeting of the Standing Committee of the Thirteenth National People's Congress);
12. Other laws and regulations related to asset valuation.

(III) Standards Basis

1. Valuation Standards – General Standard (Finance 2017 No. 43, on August 23, 2017);
2. Valuation Ethical Standards – General Standard (China Appraisal Society 2017 No. 30);
3. Valuation Standards – Valuation Procedures (China Appraisal Society 2018 No. 36);
4. Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35);
5. Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35);
6. Valuation Standards – Valuation Contract (China Appraisal Society 2017 No. 33);

7. Valuation Standards – Valuation Files (China Appraisal Society 2018 No. 37);
8. Valuation Standards – Utilizing Expert Work and Related Reports (China Appraisal Society 2017 No. 35);
9. Valuation Standards – Enterprise Value (China Appraisal Society 2018 No. 38);
10. Valuation Expert Guidance No. 8 – Verification in Valuation (China Appraisal Society 2019 No. 39);
11. Valuation Application for Valuation Reports of State-Owned Asset of Enterprise (China Appraisal Society 2017 No. 42);
12. Valuation Application for Business Quality Control of Valuation Firms (China Appraisal Society 2017 No. 46);
13. Valuation Guidance Note on the Basis of Value for Valuation (China Appraisal Society 2017 No. 47);
14. Valuation Guidance Note on the awareness of the Legal Ownership of the Valuation Subject (China Appraisal Society 2017 No. 48).

(IV) Basis of Rights

1. Proof of shareholding or capital contribution as of the Valuation Benchmark Date;
2. Relevant asset property rights contracts, investment agreements;
3. Other relevant property rights proofs.

(V) Pricing Basis

1. *Data provided by the enterprise*
 - (1) The financial statements and audit reports as at the Valuation Benchmark Date and of the previous years provided by the enterprise;
 - (2) Asset list and asset valuation declaration form provided by the enterprise;
2. *Data collected by the asset valuation firm*
 - (1) iFIND Financial Database;
 - (2) On-site inspection records by valuation personnel;

- (3) Data collected independently by valuation personnel related to the valuation;
- (4) Other materials related to this valuation.

V. Valuation Methodology

(I) Selection of Valuation Approach

1. Basis for the selection of valuation approaches

According to Article 16 of the Valuation Standards – General Standard, “valuation approaches for determining the value of assets include the three basic approaches of market approach, income approach and cost approach and their derived methods. Asset valuation professionals shall analyze the applicability of the above three basic approaches and select the valuation approaches based on the valuation purpose, valuation subject, type of value and collected information.”

2. Conditions for the application of the valuation approach

(1) Income approach

The income approach in valuation refers to the approach of determining the value of the valuation subject by capitalizing or discounting expected earnings. Asset valuation professionals shall properly consider the applicability of the income approach in the light of the historical operation of the evaluated entity, the predictability of future earnings and the adequacy of the valuation information obtained.

Specific methods commonly used for the income approach include the dividend discount method and the discounted cash flow method.

The dividend discount method is a specific method of discounting expected dividends to determine the value of the valuation subject, which is usually applicable to the valuation of partial interests of shareholders who lack control; the discounted cash flow method usually includes the discounted free cash flow model of the enterprise and the discounted free cash flow model of the equity. Asset valuation professionals shall appropriately select the discounted cash flow model based on the industry, business model, capital structure and development trend of the evaluated entity.

(2) Market approach

The market approach in valuation refers to the approach of determining the value of the valuation subject by comparing the valuation subject with comparable listed companies or comparable transaction cases. Asset valuation professionals

should consider the applicability of the market approach in the light of the adequacy and reliability of the operational and financial data obtained on comparable enterprises and the number of comparable enterprises that can be collected.

Two specific methods commonly used in the market approach are the listed company comparison method and the transaction case comparison method.

The listed company comparison method refers to the specific method of obtaining and analyzing the operating and financial data of comparable listed companies, calculating the value ratios, and determining the value of the evaluated entity based on a comparative analysis with the evaluated entity. The transaction case comparison method refers to the specific method of determining the value of the evaluated entity on the basis of obtaining and analyzing information on cases of sales, acquisitions and mergers of comparable enterprises, calculating the value ratios and comparing and analyzing them with the evaluated entity.

(3) Cost approach

The cost approach is a general term for valuation approaches that determines the value of a valuation subject by taking the cost of reconstruction or replacement as the basis for determining the value of the valuation subject and deducting the related depreciation, along the lines of reconstruction or replacement of the valuation subject.

3. *Selection of valuation approach*

Analysis of the applicability of the three valuation approaches for this project:

(1) Analysis of the applicability of the income approach:

Considering that the primary business of the evaluated entity is financial investment, and the future investment and returns of the projects are unpredictable, the valuation personnel are unable to make accurate forecasts of the future scale of investment management and investment returns of the projects. Therefore, the income approach is not applicable.

(2) Analysis of the applicability of the market approach:

Considering the insufficient number of comparable listed companies in the same industry as the evaluated entity in China's capital market, the limited availability of market transaction cases in the same industry, and inadequate disclosure of information, the market approach is also not applicable.

(3) Analysis of the applicability of the cost approach:

Considering that the various types of assets and liabilities for valuation are capable of fulfilling the on-site investigation procedures and meeting the information requirements for the valuation and estimation, the cost approach is adopted for the valuation of the valuation subject.

In summary, the cost approach has been selected for the valuation of the valuation subject.

(II) Specific Operational Plans of Valuation

1. Operational plans of the cost approach of valuation

This valuation adopts the cost approach to evaluate the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit.

Trading financial assets: These refer to the beneficial interest units under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit invested by the evaluated entity.

The valuation personnel firstly verified the reasons for the formation of the investment, its book value and actual status, and reviewed the investment agreement, contract and other information to determine the authenticity and completeness of the investment. In this case, for the investment in the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit, the cost approach was used to determine the overall market value of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit, and then the value of the trading financial assets was determined on the basis of the trust units held.

(1) The financial statements of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit included bank deposits, trading financial assets and relevant liabilities as of the Valuation Benchmark Date.

- a. Bank deposits: For bank deposits in RMB, the verified book value is the appraised value.
- b. Trading financial assets: These refer to the evaluated entity's investment in Huarong – Jiuying No. 1 Single Property Trust. The valuation personnel firstly verified the reasons for the formation of the investment, its book value and actual status, and reviewed the investment agreement, contract and other information to determine the authenticity and completeness of the investment. In this case, for the investment in Huarong – Jiuying No. 1 Single Property Trust, the cost approach was

used to determine the overall market value of the property trust, and then the value of the trading financial assets was determined on the basis of the shares held in the property trust.

- c. For the relevant liabilities, the amount of the liabilities is verified based on the historical payments collected and the accruals made up to the Valuation Benchmark Date. The appraised value is recognized at the verified amount.

- (2) *The financial statements of Huarong – Jiuying No. 1 Single Property Trust included bank deposits, long-term equity investment and the relevant liabilities as of the Valuation Benchmark Date.*

For bank deposits, the valuation method is consistent with that described above. For long-term equity investment, it is mainly its investment in SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership). The valuation personnel firstly verified the reasons for the formation of the investment, its book value and actual status, and reviewed the investment agreement, contract and other information. The cost approach was adopted for the valuation of SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership). For the relevant liabilities, the amount of the liabilities is verified based on the historical payments collected and the accruals made up to the Valuation Benchmark Date. The appraised value is recognized at the verified amount.

The financial statements of SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership) included cash and cash equivalents, trading financial assets, prepayments, other current assets, other non-current financial assets, taxes payable, other payables and other non-current liabilities as of the Valuation Benchmark Date.

For cash and cash equivalents, it mainly includes bank deposits and other cash and cash equivalents, and the verified book value is the appraised value.

For prepayments, other current assets and the relevant liabilities, the verified book value is the appraised value.

For trading financial assets and other non-current financial assets, it mainly includes direct investment projects and sub-fund projects. The valuation personnel collect various types of information on direct investment projects and sub-fund projects, investigate and understand the financial status of the investees as at the Valuation Benchmark Date, and obtain financial statements for the historical years and as of the Valuation Benchmark Date. The trading financial assets contain certain structured bank deposits and the verified book value of this item is the appraised value.

The valuation personnel review and calculate the fair value of the sub-fund shares held by the parent fund or the interests in the projects directly held by the parent fund, and together with other assets and liabilities at the parent fund reporting level, calculate the fair value of the equity of all the investors in the parent fund, and then calculate the fair value of the equity corresponding to the shares of the investors in the parent fund in accordance with the distribution arrangements in the trust agreement, partnership agreement or the limited partnership agreement.

Direct investment projects:

The valuation approaches for direct investment projects refer to the following:

Current status of investments under management		Valuation approach	
Listed	Trading prices of the stocks are available as at the Valuation Benchmark Date	Calculate the market value by multiplying the arithmetic average of the weighted average price of the stocks for each of the 30 trading days prior to the Valuation Benchmark Date by the number of shares held	
Listed on NEEQ (the New Third Board)	There are private placements around the Valuation Benchmark Date	Calculate the enterprise value using prices from recent private placements occurring close to the Valuation Benchmark Date	
Others	Recent financing prices are available	Refer to the prices of recent refinancing or transfer transactions	
	Equity investment	Conditions satisfying the adoption of market approach	Market approach
		Conditions not satisfying the adoption of market approach	Final valuation level will be determined based on the net assets of the invested unit and other specific circumstances
Recent equity investments within one year		Valuation is based on current investment cost	

The details of the direct investment projects involved in this Valuation Benchmark Date are described in the valuation scope section. Based on the obtained materials, different valuation methods are adopted for different projects:

1) Stock Market Price Method

As of the Valuation Benchmark Date, these stocks are freely tradable. Therefore, this valuation refers to the arithmetic average of the daily weighted average prices over the 30 trading days prior to the benchmark date, multiplied by the number of shares held, to calculate the market value and determine the value of the stocks. There are three direct investment projects using the stock market price method this time.

2) Latest Financing Price Method

For invested enterprises with financing activities closest to the Valuation Benchmark Date, the equity value is determined using the latest financing price method. There are 8 direct investment projects using the latest financing price method. The financing dates are November 2023, November 2023, August 2023, September 2022, January 2024, April 2023, September 2023, and December 2023.

3) Market Approach

For the equity of companies that are not listed as of the Valuation Benchmark Date, if there are a sufficient number of comparable companies in the same industry listed on China's capital market, the Listed Company Comparison Method is employed for the valuation. There are six direct investment projects using the market approach this time.

4) Other Methods

As of the Valuation Benchmark Date, of the remaining 10 direct investment projects in the direct investment project, 3 adopted comprehensive analysis method¹, 1 adopted recent investment cost approach, 3 adopted market multiplier method, and the remaining 3 were withdrawn projects with a valuation of 0.

¹. The comprehensive analysis method mainly adopts other methods, because there are special matters in individual direct investment projects at the Valuation Benchmark Date, which can not be evaluated by normal valuation methods. The details are as follows: SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership) has made full impairment provisions for the book value of the two direct investment projects. After the interview with the fund manager, the reason for the full amount of impairment is mainly that the enterprise being invested is in the bankruptcy and liquidation stage or the actual controller is ill, which leads to the suspension of the company's operation, and there is a risk that the investment cost cannot be recovered, which is valued as zero after this analysis. In addition, another direct investment project has signed an equity transfer agreement between the Valuation Benchmark Date and the reporting date, the valuation personnel determine the valuation according to the transfer price and discloses it in special matters.

Sub-Funds:

When considering whether sub-funds held by the parent fund need a further penetration valuation, penetration is required under the following three circumstances:

- 1) Control or de facto control over a sub-fund; for example, holding more than 50% of a sub-fund, or being the largest investor and being able to exercise actual control over the sub-fund's operation and management and investment decisions individually or dominantly through the fund and other relevant agreements and arrangements;
- 2) The valuation personnel need to penetrate based on the principle of materiality;
- 3) Other circumstances where the valuation personnel need to penetrate based on professional judgment.

The parent fund has no control over the sub-funds projects according to the information collected on the projects. In this valuation, considering that the book value of the sub-funds in the audit report of the parent fund is measured at fair value, the valuation personnel utilized the Audit Report Xin Kuai Shi Zi 2024 No. ZG28121 issued by BDO China Shu Lun Pan Certified Public Accountants LLP to SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership) for the book value of the sub-funds held by the parent fund, reviewed the calculation process of the book value, and made corresponding adjustments to the problems found in the review.

For liabilities, the amount of the liabilities are verified based on historical payment vouchers collected and accruals made up to the benchmark date. The appraised value is recognized at the verified amount.

VI. Process and Situation for the Implementation of Valuation Procedures

In accordance with the relevant provisions of laws, regulations and asset valuation standards, the valuation has been carried out in accordance with appropriate valuation procedures. The specific implementation process is set out below:

(I) Clarifying basic business matters

Important matters such as the entity being valued and other users of the valuation report other than the trustor, the purpose of the valuation, the valuation subject and scope of the valuation, the type of value, the Valuation Benchmark Date, the approval of economic acts requiring approval for the asset valuation project, the scope of use of the valuation report, the

deadline and the method for submission of the valuation report, the valuation service fee and the method of payment, and the cooperation and assistance of the trustor and other relevant parties with the asset valuation institution and valuation professionals have been discussed and clarified.

(II) Signing of business entrustment contract

After conducting a comprehensive analysis and evaluation of the professional competence, independence and business risks of the asset valuation institution and valuation professionals in accordance with the specific circumstances of the valuation business, an asset valuation engagement contract is entered into with the trustor to stipulate the rights, obligations, liabilities for breach of contract and settlement of disputes of the asset valuation institution and the trustor.

(III) Preparation of asset valuation plans

In accordance with the specific circumstances of the asset valuation business, a valuation work plan is prepared, including determining the main processes, time schedule and staffing arrangements for the implementation of the valuation business.

(IV) Conducting valuation site investigations

1. Instruct the trustor, the entity being valued and other relevant parties to inventory assets and prepare detailed information concerning the valuation subject and the valuation scope;
2. According to the specific circumstances of the valuation subject, select appropriate ways to carry out investigations by way of inquiry, correspondence, verification and inspection, etc., to understand the current status of the valuation subject and pay attention to the legal ownership of the valuation subject; where it is not appropriate to carry out item-by-item investigations, adopt sampling and other methods of investigation according to the degree of importance.

(V) Collection and collation of valuation information

Valuation professionals obtain information independently from the market and other channels, from relevant parties such as the trustor and the entity being valued, and from government departments, various professional organizations and other relevant authorities.

The valuation professionals verify and validate the information used in the asset valuation activities in an appropriate manner, which usually includes observation, inquiry, written examination, field investigation, inquiry, correspondence and review.

(VI) Formation of conclusions on valuation estimates

1. Analyze the applicability of the three basic asset valuation approaches, namely, the market approach, income approach and cost approach, and appropriately select the valuation approach in accordance with the valuation purpose, valuation subject, type of value and collection of information;
2. Analyze, calculate and judge according to the valuation approach adopted and select the corresponding formulas and parameters to form reasonable valuation conclusions.

(VII) Preparation and submission of the valuation report

1. The valuation professionals form preliminary valuation conclusions after valuation and estimation, and prepare preliminary asset valuation reports in accordance with the requirements of laws, administrative regulations and asset valuation standards;
2. To conduct internal review of the preliminary asset valuation report in accordance with the internal quality control system of the asset valuation firm;
3. To communicate with the trustor or relevant parties permitted by the trustor on the contents of the valuation report, analyze the communication independently and decide whether or not to adjust the asset valuation report on the premise of independent judgment;
4. To issue and submit a formal asset valuation report to the trustor after the asset valuation firm and its valuation professionals have completed the above valuation procedures.

VII. Valuation Assumptions

The valuation assumptions we rely on and use during the valuation process are the basic premise of the asset valuation work, and we draw the attention of the users of the valuation report to the contents of the valuation assumptions in order to understand and use the valuation conclusions correctly.

*(i) Underlying assumptions**1. Transaction assumption.*

The transaction assumption assumes that the valuation subject and the assets and liabilities within the valuation scope are already in the process of being traded, and the valuation personnel perform the valuation on the basis of a simulated market based on the terms of the transaction. The transaction assumption is one of the most basic assumptions on which the asset valuation is based.

2. *Open market assumption.*

The open market assumption assumes that both parties to an asset transaction are on an equal footing with each other and have access to sufficient market information and time to make rational judgments about the function and use of the asset and its transaction price. The open market assumption is based on the assumption that the asset is publicly tradable in the market.

3. *Assumption of continuous use of assets.*

The assumption of continuous use of assets means that the asset valuation needs to be based on the continuous use of the asset under valuation according to its current use and mode of use, scale, frequency and environment, or on a changed basis, with the valuation approach, parameters and basis determined accordingly.

4. *Assumption of contract-based operations by the enterprise.*

The assumption of the enterprise operating in accordance with the contract means that the entity being valued will operate in an orderly manner in accordance with the provisions of the articles of association and the promoter agreement, reasonably arrange the withdrawal of investment projects, and be consistent with the current mode of operation.

(ii) *General assumptions*

1. It is assumed that there will be no significant changes in the political, economic, social and other macro-environment affecting the operations of the entity being valued and its business environment after the Valuation Benchmark Date;
2. It is assumed that the information provided by the trustor and the entity being valued is true, complete and reliable, and that there are no other defective matters or contingencies that should have been provided but have not been provided, or that could not have been made known to the valuation professionals even though they had performed the necessary valuation procedures, which might have an impact on the valuation conclusion;

In accordance with the requirements for asset valuation, we have determined that these assumptions are valid as at the Valuation Benchmark Date. If the valuation assumptions change significantly after the date of the valuation report, we shall not assume responsibility for deducing different valuation conclusions as a result of the change in valuation assumptions.

VIII. Valuation Conclusion

(i) Cost approach valuation results

Based on the principles of independence, impartiality and objectivity, the valuation results formed by adopting the cost approach after implementing the necessary asset valuation procedures are set out below:

As at Valuation Benchmark Date of December 31, 2023, the book value of the Beneficial Interest of the Target Trust held by the Bank within the valuation scope, corresponding to the beneficial interest units of the Bank under the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit, was RMB1,653,199,200, and the valuation was based on the results of the cost approach valuation as the final conclusion of the valuation: the appraised value of the Beneficial Interest of the Target Trust held by the Bank was RMB1,654,362,500, with an appreciation of RMB1,163,300, or an appreciation rate of 0.07%.

The assets and liabilities of the CCB Trust – Firmiana Collective Fund Trust Scheme Asset Allocation Class No. 31 Investment Unit are as follows:

Unit: RMB ten thousand

Items	Remaining invested principal	Book value of the Beneficial Interest of the Target Trust held by PSBC	Appraised value	Appreciation amount	Appreciation rate %
Bank deposits	0.00	0.00	0.00		
Trading financial assets	125,806.96	165,350.63	165,466.96	116.33	0.07
Total trust assets	125,806.96	165,350.63	165,466.96	116.33	0.07
Total trust liabilities	30.71	30.71	30.71		
Trust equity	125,776.25	165,319.92	165,436.25	116.33	0.07

Note: The appreciation is the difference between the appraised value and the book value held by PSBC, which is mainly due to the following reasons: (1) the fair value of investment projects of the underlying assets upon valuation on the benchmark date is slightly lower than the book value at the fund level; (2) but according to the partnership agreement, PSBC has a larger share, so after simulated liquidation distribution, its share value is higher than the book value held by PSBC.

(ii) Validity period of the valuation conclusion

The validity period for the use of the valuation conclusions is one year from December 31, 2023, the Valuation Benchmark Date, to December 30, 2024. Except for the special matters disclosed in this report, the valuation conclusions shall be valid for the period of validity of use after the Valuation Benchmark Date, provided that no significant change has occurred in the development environment of the enterprise that affect its business conditions when an economic act occurs.

In accordance with Article 10 of the Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35), a valuation report shall specify the validity period for the use of the valuation conclusions. Generally, a valuation report shall only be used when the Valuation Benchmark Date is not more than one year from the date on which the economic behavior was realized.

When there are significant changes in the market conditions or the condition of the assets on which the valuation conclusion is based, even if it has been less than one year from the Valuation Benchmark Date to the date of the economic activity, the conclusion of the valuation report can no longer reflect the value of the valuation subject on the date on which the economic activity is realized, and shall be dealt with in accordance with the following principles:

1. When there is a change in the number of assets or a material change in the condition of use of assets, the valuation conclusion shall be adjusted accordingly based on the original valuation approach;
2. When the market conditions on which the valuation conclusions are based change and have a significant impact on the asset valuation conclusions, the trustor shall promptly engage a qualified asset valuation firm to re-determine the value of the valuation subject;
3. After the Valuation Benchmark Date, the trustor shall give full consideration to changes in asset conditions and market conditions and make corresponding adjustments when determining the actual value of the valuation subject.

IX. Statement of Special Matters

Special matters refer to matters identified by the valuation personnel in the course of the valuation process that may affect the valuation result but are beyond the valuation personnel's level of practice and competence to assess and estimate, provided that the conclusion of the valuation has been determined. We would like to draw the attention of users of the asset valuation report to the impact of special matters on the valuation conclusion of this valuation report.

1. *Legal, economic and other outstanding matters existing at the Valuation Benchmark Date:*

The valuation personnel have learned about a total of 147 relevant legal and economic outstanding matters related to the parent fund, sub-funds, and direct investment projects through the public inquiry of the Qichacha website. As of the valuation report date, the actual situation of the enterprise may not be consistent with the public search information. The impact of the above issues on the valuation conclusion was not considered in this valuation.

2. *The nature and amount of matters such as guarantees, leases and their contingent liabilities (contingent assets) and their relationship to the subject of valuation:*

The valuation personnel have learned about a total of 13 relevant equity pledge or freeze issues related to the parent fund, sub-funds, and direct investment projects through the public inquiry of the Qichacha website. As of the valuation report date, the actual situation of the enterprise may not be consistent with the public search information. The impact of the above issues on the valuation conclusion was not considered in this valuation.

3. *Significant matters between the Valuation Benchmark Date and the report date of the asset valuation report:*

On April 26, 2024, SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership) distributed the distributable funds in 2023, and CCB (Beijing) Investment Fund Management Co., Ltd. received a distribution of RMB77,933,280.07, including a distribution principal of RMB5,482,905.34 and a distribution income of RMB72,450,374.73. This valuation does not take into account the impact of the above matters on the valuation conclusion, and the users of the report should pay attention to it.

4. As of the Valuation Benchmark Date, three of the direct investment projects in the parent fund were in the quiet period before listing and were unable to provide historical annual financial statements. In this case, the market multiplier method is used to calculate the fair value of the above three companies. In the direct investment projects, one company is applying for the listing on the Science and Technology Innovation Board, and is currently in the stage of having passed the IPO meeting but not registered for listing. Due to the inability to obtain historical annual financial statements, the book value is used for confirmation this time.

5. The valuation measurement of the parent fund's statements as at the benchmark date is mainly based on the principal investment, dividend data and the proportion of interest in each investment target provided by the relevant staff of the fund manager and is analyzed and estimated in conjunction with the main terms of the partnership agreement. Due to asymmetric data and information, and the fact that the final allocation of the right of interpretation rests with the fund manager, the projected results may therefore differ to a certain extent from the actual results.

6. For the six direct investment projects by the parent fund using the market approach in this valuation, the audit reports of 2023 have not been obtained, so the financial statements of 2023 provided by the company are quoted.

7. The parent fund has no control over the sub-funds projects according to the information collected on the projects. In this valuation, considering that the book value of the sub-funds in the audit report of the parent fund is measured at fair value, the valuation

personnel utilized the Audit Report issued by BDO China Shu Lun Pan Certified Public Accountants LLP to SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership) for the book value of the sub-funds held by the parent fund, reviewed the calculation process of the book value, and made corresponding adjustments to the problems found in the review.

8. According to the Partnership Agreement of SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership) (hereinafter referred to as “SDIC”), for the portion of income of the state-funded limited partner on the actual use of the paid-in capital of SDIC that exceeds the income calculated according to the threshold rate of return (refers to the rate of return calculated at 10% per year when all pre-tax distributions accrued by a state-funded limited partner from the partnership over the term of the partnership reached the actual use of the paid-in capital of the state-funded limited partner) (hereinafter referred to as “excess income”), the state-funded limited partner transfers 50%-100% to other investors (hereinafter referred to as “transfer ratio range”). The specific transfer amount shall be determined within the scope of transfer ratio range according to the performance assessment of the state-funded limited partners when the state-funded limited partners withdraw from SDIC or the duration of SDIC ends, and the liquidation shall be carried out. The performance assessment of state-funded limited partner focuses on the realization of the policy objectives of SDIC. The relevant assessment methods shall be formulated separately by the state-funded limited partners after the establishment of SDIC, and shall be adjusted in due time according to the investment and operation situation of SDIC. Before the report is issued, the relevant assessment methods were not clear, so the impact of excess income transfer on the valuation results was not considered in this valuation report.
9. In March 2024, SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership) transferred its 15% partnership share of one sub-fund to another fund. The transfer agreement has already signed, and the transfer price is RMB11.10 million. This valuation confirms the appraised value of the 15% investment share of the sub-fund held by SDIC Unity Capital National Emerging Industry Venture Capital Guiding Fund (Limited Partnership) at the transfer price. Users of the report should note.
10. The valuation conclusions in the report reflect the market value of the valuation subject for the valuation purposes, determined in accordance with the principles of the open market, without taking into account the relevant fees and taxes to be borne in the process of registering the property rights or changing the ownership of the assets, and without making any provision for tax adjustments to be made for the appreciation of the evaluated assets.
11. The conclusion of this valuation reflects the current fair market value of the subject of the valuation for the purpose of this valuation and on the benchmark date, determined in accordance with the principles of the open market, and does not take into account the

impact on the conclusion of the valuation of matters such as mortgages, guarantees and indemnification for lawsuits that may be assumed in the future, as well as additional prices that may be paid by special counterparties.

12. The valuation report is based on the information provided by the trustor and the entity being valued, and the trustor and the evaluated entity are responsible for its authenticity, legality and completeness. The asset valuation firm and the valuation personnel shall be legally responsible for the valuation results formed on this basis.
13. The valuation conclusion is established under the premise of the valuation assumptions and is limited to the use for the purpose of this valuation. When there is a significant change in the business environment on which the production and operation of the entity being valued depend, the valuation professional will not be responsible for deriving different valuation results due to a significant change in the premises and the basis of the valuation.

X. Limitations on the Use of Valuation Reports

1. The valuation report shall only be used for the purposes and uses of the valuation as stated herein and by the person using the valuation report as stated in the valuation report.
2. The asset valuation firm and its valuation personnel shall not be liable if the trustor or other users of the asset valuation report fail to use the asset valuation report in accordance with the provisions of the laws and administrative regulations and the scope of use set out in the asset valuation report.
3. Except for the trustor, other users of the asset valuation report agreed in the asset valuation engagement contract and users of the asset valuation report prescribed by laws and administrative regulations, no other organization or individual can be users of the asset valuation report.
4. The users of the asset valuation report shall correctly understand the valuation conclusion. The valuation conclusion is not equivalent to the realizable price of the valuation subject, and the valuation conclusion should not be regarded as a guarantee of the realizable price of the valuation subject.
5. The asset valuation report is a professional report issued by the asset valuation firm and its valuation personnel after they comply with laws, administrative regulations and asset valuation standards and perform the necessary valuation procedures as entrusted. It can be formally used after it is stamped by the asset valuation firm and signed by the valuation personnel, and filed by the state-owned assets supervision and administration institution or enterprises funded by such institution.

XI. Date of the Valuation Report

The date of this valuation report is May 20, 2024.

XII. Identity, Qualifications and Independence of the Valuation Personnel

The valuation personnel primarily involved in this valuation, namely Yang Dongmei, Wang Yuan Junwei and Han Jie, are registered members of China Appraisal Society, who have sufficient qualifications and experience in similar valuation projects. Yang Dongmei, Wang Yuan Junwei and Han Jie confirm that they have no existing or expected interest relationships with the valuation object in the asset valuation report; no existing or expected interest relationships with the relevant parties, and no bias towards the relevant parties.

**The Market Value of the Beneficial Interest Units of
the CR Trust • Runying No. 15 Collective Fund Trust Scheme
Held and Being Considered for Transfer
by Postal Savings Bank of China Co., Ltd.
Summary of the Asset Valuation Report
Guo Zhong Lian Ping Bao Zi (2024) No. 3-0119**

TO POSTAL SAVINGS BANK OF CHINA CO., LTD.:

Guozhonglian Asset Valuation and Land and Real Estate Appraisal Co., Ltd. accepts the entrustment from your company, in accordance with the provisions of national laws and regulations, asset valuation standards, technical specifications, guidance and related documents, adheres to the principles of independence, objectivity, and fairness, by formulating the corresponding valuation approaches and working plans, and has carried out necessary valuation procedures such as inventory, verification, market research and confirmation, and valuation estimates. A valuation has been conducted on the market value of the beneficial interest units under the CR Trust • Runying No. 15 Collective Fund Trust Scheme as of December 31, 2023, which was held by Postal Savings Bank of China Co., Ltd. and being considered for transfer, using the cost approach¹ and based on specific evaluation assumptions and limitations. The valuation process is now reported as follows.

I. Profile of the Entity Being Valuated

1. Basic Information

Name: CR Trust • Runying No. 15 Collective Fund Trust Scheme

Trustor: Postal Savings Bank of China Co., Ltd.

Manager: China Resources SZITIC Trust Co., Ltd.

Custodian: Ningbo Branch Postal Savings Bank of China Co., Ltd.

Establishment Date of the Trust: December 20, 2016

Scope of the Trust: Runying No. 15 Collective Fund Trust Scheme has raised a total of RMB1,155,000,000 in trust funds, in which Shenzhen Mangrove Venture Capital Co., Ltd. (hereinafter referred to as “Mangrove”) has RMB1,000,000 and Postal Savings Bank of China Co., Ltd. has RMB1,154,000,000. As of the Valuation Benchmark Date of December 31, 2023, the balance of the trust scheme was RMB967,637,400, of which the balance of trust funds owned by Mangrove was RMB837,800 and the balance of trust funds owned by PSBC was RMB966,799,600.

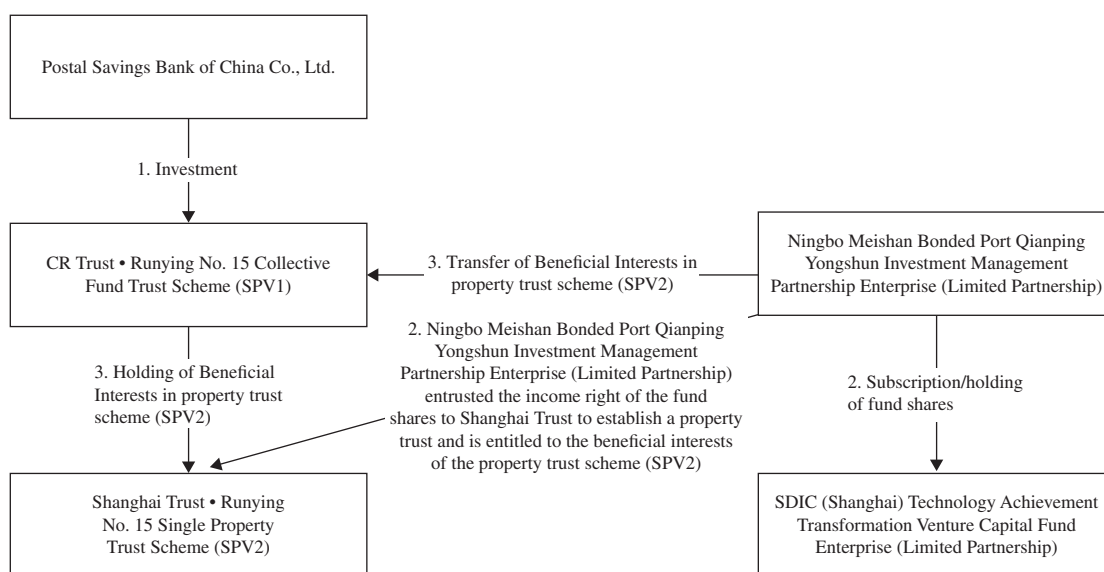
¹ According to the Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35), the cost approach includes restoration replacement cost method, updating replacement cost method, asset-based method and so on.

The Operational Status of the Investment Target: The trustee of the trust scheme has, in accordance with the provisions of the trust documents, completed the transfer of the corresponding share of trust funds for the beneficial interest units of the Shanghai Trust • Runying No. 15 Single Property Trust held by Qianping Yongshun Investment Management Partnership Enterprise (Limited Partnership) in Ningbo Meishan Bonded Port Area.

2. Transaction Structure

The underlying asset corresponding to “CR Trust • Runying No. 15 Collective Fund Trust Scheme” is the 19.33% share of SDIC (Shanghai) Technology Achievement Transformation Venture Capital Fund Enterprise (Limited Partnership) held by Ningbo Meishan Bonded Port Qianping Yongshun Investment Management Partnership Enterprise (Limited Partnership) as a limited partner of SDIC (Shanghai) Technology Achievement Transformation Venture Capital Fund Enterprise (Limited Partnership).

The specific transaction structure is set out below:



- (1) PSBC invested in the trust scheme the “CR Trust • Runying No. 15 Collective Fund Trust” (see step 1).
- (2) Ningbo Meishan Bonded Port Qianping Yongshun Investment Management Partnership Enterprise (Limited Partnership) participated in the establishment of SDIC (Shanghai) Technology Achievement Transformation Venture Capital Fund Enterprise (Limited Partnership) and subscribed for the fund shares. Ningbo Meishan Bonded Port Qianping Yongshun Investment Management Partnership Enterprise (Limited Partnership) entrusted Shanghai International Trust Co., Ltd. to establish Shanghai Trust • Runying No. 15 Single Property Trust with the income right of its subscribed shares of SDIC (Shanghai) Technology Achievement Transformation Venture Capital Fund Enterprise (Limited Partnership) as the trust property, and is entitled to the beneficial interests of such property trust scheme (see step 2).
- (3) The “CR Trust • Runying No. 15 Collective Fund Trust” used the investment fund from PSBC as consideration for acquiring the beneficial interest of Shanghai Trust • Runying No. 15 Single Property Trust from Ningbo Meishan Bonded Port Qianping Yongshun Investment Management Partnership Enterprise (Limited Partnership) (see step 3).

According to the above transaction structure, Postal Savings Bank of China ultimately invested in SDIC (Shanghai) Technology Achievement Transformation Venture Capital Fund Enterprise (Limited Partnership) through investing in Shanghai Trust • Runying No. 15 Single Property Trust.

3. *Underlying Asset*

(1) *Property Trust: Shanghai Trust • Runying No. 15 Single Property Trust*

1) Introduction to the Property Trust

Trustor/Beneficiary: Ningbo Meishan Bonded Port Qianping Yongshun Investment Management Partnership Enterprise (Limited Partnership)

Trustee: Shanghai International Trust Co., Ltd.

Trust Property: The trust property under this contract is the Ningbo Meishan Bonded Port Qianping Yongshun Investment Management Partnership Enterprise (Limited Partnership). Based on its trust in Shanghai International Trust Co., Ltd., it has independently decided to entrust the target limited partnership share income right that it has legal control over to Shanghai International Trust Co., Ltd. The trustee of the property trust has completed the acquisition of the limited partnership share income right of SDIC Venture Capital Fund held by Qian Ping Yongshun, in accordance with the transfer contract of the limited partnership share income right. That is, the trustee has the right to receive an equal amount of cash income (future cash flow generated by the limited partnership shares) from the limited partnership shares of the SDIC Venture Capital Fund.

Effective date of trust: December 20, 2016

On December 20, 2016, China Resources SZITIC Trust Co., Ltd. and Ningbo Meishan Bonded Port Qianping Yongshun Investment Management Partnership Enterprise (Limited Partnership) signed the Shanghai Trust • Runying No. 15 Single Property Trust Unit Transfer Contract 1 with the number X3-13-16968-3-1. Ningbo Meishan Bonded Port Qianping Yongshun Investment Management Partnership Enterprise (Limited Partnership) transferred the beneficial interest of Shanghai Trust • Runying No. 15 Single Property Trust to China Resources SZITIC Trust Co., Ltd.

2) Financial status

The asset status of the Shanghai Trust • Runying No. 15 Single Property Trust on the Valuation Benchmark Date for assessing the beneficial interest is shown in the table below:

Unit: RMB10,000

Asset	2023/12/31 Book Value
Bank deposits	8,969.96
Trading financial assets	93,035.46
Total assets	102,005.42
Redemption payments payable	3,728.28
Payable profits	5,231.06
Payable compensation to managers	10.42
Accounts payable to trustee for advance payments	0.20
Total liabilities	8,969.96
Net asset value	93,035.46

Note: The above financial data is the financial statement data provided by the corresponding manager of the Trust Property (unaudited).

(2) *Fund Name: SDIC (Shanghai) Technology Achievement Transformation Venture Capital Fund Enterprise (Limited Partnership)*

1) Company registration matters

Name: SDIC (Shanghai) Technology Achievement Transformation Venture Capital Fund Enterprise (Limited Partnership) (hereinafter abbreviated as “SDIC Venture Capital Fund”)

Registered address: Room 4064-31, Building 23, No. 1142 Kongjiang Road, Yangpu District, Shanghai

Business premises: Room 4064-31, Building 23, No. 1142 Kongjiang Road, Yangpu District, Shanghai

Executive partner: SDIC (Shanghai) Venture Capital Management Co., Ltd.

Contribution amount: RMB10 billion

Paid-up capital: RMB10 billion

Business scope: venture capital, investment management, venture capital management, and investment consulting. Projects that require approval according to laws can only be operated with the approval of relevant authorities.

4. Financial status of the Entity Being Valuated

The asset status of Runying No. 15 Collective Fund Trust Scheme on the Valuation Benchmark Date is shown in the table below:

Unit: RMB in ten thousand

Asset	2023/12/31 Book Value
Bank deposits	5.91
Trading financial assets	196,372.32
Total assets	196,378.23
Trust fees payable	9.04
Total liabilities	9.04
Net asset value⁽²⁾	196,369.19

Notes:

- (1) The above financial data is the financial statement data (unaudited) provided by the corresponding manager of the trust scheme.
- (2) The net asset value stated herein refers to the net asset value at the level of Runying No. 15 Collective Fund Trust Scheme. Due to the same accounting treatment, the amount of the above net asset value is the same as that of the remaining invested principal of trust equity stated in the table under section VIII. Valuation Conclusions – (I) Valuation Results by Cost Approach in this Summary of the Asset Valuation Report.

II. Valuation Subject and Scope

The subject and scope of this valuation are consistent with the subject and scope involved in the economic activity.

(I) Valuation Subject

The valuation subject is the market value of beneficial interest units of the CR Trust • Runying No. 15 Collective Fund Trust Scheme held by Postal Savings Bank of China Co., Ltd. on the Valuation Benchmark Date.

(II) Valuation Scope

The valuation scope covers all assets and related liabilities of the beneficial interest units under the CR Trust • Runying No. 15 Collective Fund Trust Scheme as declared on the Valuation Benchmark Date. The financial statements as of the Valuation Benchmark Date for the beneficial interest units under the CR Trust • Runying No. 15 Collective Fund Trust Scheme are based on the financial data provided by the enterprise.

As of the Valuation Benchmark Date, December 31, 2023, the book value of the beneficial interest units in the trading financial assets within the valuation scope was RMB1,992,147,600.

The subject and scope of the valuation are consistent with those involved in the economic activity. As of the Valuation Benchmark Date, the book value of the assets within the valuation scope has been audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP, which issued the Audit Report under document Deloitte Accountants Report (Audit) 24 No. P01658, expressing an unqualified opinion.

Status of Major Underlying Assets

The book value of other non-current financial assets of SDIC Venture Capital Fund on the Valuation Benchmark Date is RMB16,096,160,000. The accounting is for 60 investment projects.

(III) Types and Quantities of Off-Balance Sheet Assets Declared by the Enterprise

None.

(IV) Reference to Reports from Other Institutions

This asset valuation report utilizes the audit report issued by BDO China Shu Lun Pan CPAs (Special General Partnership) for SDIC (Shanghai) Technology Achievement Transformation Venture Capital Fund Enterprise (Limited Partnership), and issues the Audit Report (Xin Kuai Shi Zi 2024 No. ZG2023). Besides, no other agency reports have been cited.

(V) Other Issues that Need to be Clarified

None.

III. Valuation Benchmark Date

The benchmark date of asset valuation for this project is December 31, 2023.

The determination of the Valuation Benchmark Date takes into account the realization of the trustor's relevant economic activities, the accounting period, changes in interest rates, and exchange rates, etc., and is agreed upon after consultation with the trustor.

Asset valuation is a professional judgment of the value of the valuation subject at a specific point in time. Selecting the end of the accounting period as the Valuation Benchmark Date allows for a more comprehensive reflection of the overall situation of the valuation subject. This is in line with the principles of ensuring that the valuation conclusion effectively serves the valuation purpose, accurately delineating the valuation scope, efficiently auditing and verifying assets, and reasonably selecting the basis for valuation pricing, choosing a date close to the realization of the trustor's economic activities as the Valuation Benchmark Date.

IV. Basis for Valuation

In this asset valuation work, we followed national and local government laws and regulations, and the documents referred to in the valuation primarily include:

(I) Economic behavior basis

This economic activity has been approved by the 16th CPC Committee Meeting in 2024 and the 11th President's Office Meeting in 2024 of Postal Savings Bank of China Co., Ltd.

(II) Main legal and regulatory basis

1. Asset Valuation Law of the People's Republic of China (Adopted by the 21st Meeting of the 12th NPC Standing Committee (NPCSC) on July 2, 2016);
2. Company Law of the People's Republic of China (Adopted by the 6th Meeting of the 13th NPC Standing Committee (NPCSC) on October 26, 2018);
3. Civil Code of the People's Republic of China (Adopted at the 3rd Meeting of the 13th National People's Congress on May 28, 2020);
4. Securities Law of the People's Republic of China (revised for the second time by the 15th Meeting of the 13th NPC Standing Committee (NPCSC) on December 28, 2019);
5. Law of the People's Republic of China on Enterprise Income Tax (Second amendment in the Decision of the Standing Committee of the National People's Congress to Amend Four Laws Including the Electric Power Law of the People's Republic of China by the 7th Meeting of the 13th NPC Standing Committee (NPCSC) on December 29, 2018);
6. Financial Supervision and Management Regulations for the Asset Valuation Industry (Promulgated by Order No. 86 of the Ministry of Finance on April 21, 2017, and amended according to Order No. 97 of the Ministry of Finance the Decision of the Ministry of Finance to Amend Two Departmental Rules including the Measures for the Practice Licensing and Supervision and Administration of Accounting Firms on January 2, 2019);
7. Notice on Further Strengthening Financial and Accounting Supervision (Issued by the General Office of the CPC Central Committee 2023 No. 4);
8. Measures for the Administration of State-Owned Asset Valuation (State Council Order No. 91 of 1991), amended on November 29, 2020;
9. Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises (State Council Order No. 378), amended for the second time on March 2, 2019;
10. Interim Regulations for the Supervision and Administration of State-Owned Asset Valuation of Financial Enterprises (Ministry of Finance Order No. 47);
11. Administrative Measures for the Transfer of State-Owned Asset of Financial Enterprises (Ministry of Finance Order No. 54);
12. Other laws and regulations related to asset valuation.

(III) Valuation Criteria and Normative Basis

1. Valuation Standards – General Standard (Finance 2017 No. 43);
2. Valuation Ethical Standards – General Standard (China Appraisal Society 2017 No. 30);
3. Valuation Standards – Valuation Procedures (China Appraisal Society 2018 No. 36);
4. Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35);
5. Valuation Standards – Valuation Contract (China Appraisal Society 2017 No. 33);
6. Valuation Standards – Valuation Files (China Appraisal Society 2018 No. 37);
7. Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35);
8. Valuation Standards – Utilizing Expert Work and Related Reports (China Appraisal Society 2017 No. 35);
9. Valuation Standards – Enterprise Value (China Appraisal Society 2018 No. 38);
10. Valuation Expert Guidance No. 8 – Verification in Valuation (China Appraisal Society 2019 No. 39);
11. Valuation Application for Valuation Reports of State-Owned Asset of Enterprise (China Appraisal Society 2017 No. 42);
12. Valuation Application for Business Quality Control of Valuation Firms (China Appraisal Society 2017 No. 46);
13. Valuation Guidance Note on the Basis of Value for Valuation (China Appraisal Society 2017 No. 47);
14. Valuation Guidance Note on the awareness of the Legal Ownership of the Valuation Subject (China Appraisal Society 2017 No. 48).

(IV) Ownership Basis

1. Proof of shareholding or capital contribution on the Valuation Benchmark Date;
2. Relevant asset property rights contracts and investment agreements;
3. Other relevant property rights certificates.

(V) Pricing Basis

1. The financial statements and audit reports as at the Valuation Benchmark Date and of the previous years provided by the enterprise;
2. The asset list and asset valuation declaration form provided by the enterprise;
3. Public information materials of relevant listed companies;
4. Statistics from Shanghai Wind Information Co., Ltd. (WIND Information);
5. Statistical data and technical standard data released by relevant national authorities;
6. Information of site inspections and verifications conducted by the valuation personnel, and market research data.

(VI) Reference Materials and Others

1. Other materials related to valuation.

V. Valuation Approach**(I) Selection of Valuation Approach***1. Basis for selection of valuation approaches*

According to Article 16 of the Valuation Standards – General Standard, “Valuation approaches for determining the value of assets include the three basic approaches, i.e., the market approach, the income approach, the cost approach and methods derived from those approaches. Asset valuation professionals shall analyze the applicability of the above three basic approaches and select the valuation approaches in accordance with law based on the valuation purpose, valuation subject, type of value and collected information.”

*2. Conditions for the Application of the Valuation Approach***(1) Income approach**

The income approach in valuation refers to the approach of determining the value of the subject of valuation by capitalizing or discounting expected earnings. Asset valuation professionals should consider the applicability of the income approach based on the historical operation of the entity being evaluated, the predictability of future earnings, and the adequacy of the valuation information obtained.

Specific methods commonly used in the income approach include the dividend discount method and the discounted cash flow method.

The dividend discount method is a specific method of discounting expected dividends to determine the value of the subject of valuation and is generally suitable for the valuation of partial interests of shareholders who lack control. The discounted cash flow method typically includes the enterprise free cash flow discount model and the equity free cash flow discount model. Asset valuation professionals should appropriately choose the cash flow discount model based on the industry, business model, capital structure, and development trend of the entity being evaluated.

(2) Market approach

The market approach in valuation refers to the approach of determining the value of the subject of valuation by comparing it with comparable listed companies or transaction cases. Asset valuation professionals should consider the applicability of the market approach based on the adequacy and reliability of the operating and financial data of comparable enterprises obtained, and the number of comparable enterprises that can be collected.

Two specific methods commonly used in the market approach are the listed company comparison method and the transaction case comparison method.

The listed company comparison method involves obtaining and analyzing the operating and financial data of comparable listed companies, calculating value ratios, and determining the value of the subject of valuation based on comparative analysis with the entity being evaluated. The transaction case comparison method involves obtaining and analyzing the information of comparable enterprises' sales, acquisitions, and mergers, calculating value ratios, and determining the value of the subject of valuation based on comparative analysis with the entity being evaluated.

(3) Cost approach

The cost approach refers to the collective term for valuation approaches that determine the value of the subject of valuation based on the concept of rebuilding or replacing the subject, using the cost of reconstruction or replacement as the basis for determining the value, and deducting relevant depreciation to determine the value of the subject of valuation.

3. *Selection of Valuation approach*

Analysis of the applicability of the three valuation approaches for this project:

(1) Income approach applicability analysis:

Considering that the main business of the entity being evaluated is financial investment, and the future investment and earnings of the projects are unpredictable, the valuation personnel are unable to make a more accurate forecast of the investment management scale and investment returns of the future projects. Therefore, the income approach is not suitable for evaluating the subject of valuation in this project.

(2) Market approach applicability analysis:

Given that there is a lack of a sufficient number of comparable listed companies in the same industry as the entity being evaluated in China's capital market, a scarcity of market transaction cases in the same industry, and insufficient disclosed information, the market approach is not applicable to this project.

(3) Cost approach applicability analysis:

Taking into account that the various assets and liabilities subject to the entrustment for valuation can undergo on-site inspection procedures and meet the information requirements for appraisal and estimation, the cost approach is adopted for evaluating the subject of valuation in this project.

In summary, for this valuation, we have chosen the cost approach to value the subject of valuation.

(II) Specific Operational Plans of Valuation

This valuation adopts the cost approach to assess the beneficial interest units of the trading financial assets held by Postal Savings Bank of China under the CR Trust • Runying No. 15 Collective Fund Trust Scheme.

Trading financial assets: accounting for the beneficial interest units under the CR Trust • Runying No. 15 Collective Fund Trust Scheme invested by Postal Savings Bank of China.

The valuation personnel first verify the reasons for the formation of the investment, the book value, and the actual situation, and consult investment agreements, contracts, and other materials to determine the authenticity and completeness of the investment. For the investment in the CR Trust • Runying No. 15 Collective Fund Trust Scheme, the cost approach is used to determine the overall market value of the trust scheme, and then the value of trading financial assets is determined based on the held asset trust shares.

1. The statement of the CR Trust • Runying No. 15 Collective Fund Trust Scheme on the Valuation Benchmark Date includes bank deposits, trading financial assets, and payable trust fees.
 - (1) Bank deposits: The bank deposits of the CR Trust • Runying No. 15 Collective Fund Trust Scheme on the Valuation Benchmark Date are RMB59,100. After investigation and verification, the valuation personnel used the amount of currency legally held by the trust scheme on the Valuation Benchmark Date as their valuation value.
 - (2) Trading financial assets: The trading financial assets of the trust scheme on the Valuation Benchmark Date was RMB1,963,723,200. The trading financial assets refer to the corresponding shares of trust funds that the trustee of the trust scheme has acquired in accordance with the provisions of the trust documents, the trust beneficial interest of the Shanghai Trust • Runying No. 15 Single Property Trust held by Ningbo Meishan Bonded Port Area Qianping Yongshun Investment Management Partnership Enterprise (Limited Partnership).
 - (3) Trust fees payable: The liability attached to the trust scheme as at the Valuation Benchmark Date represents trust fees payable of RMB90,400. Upon investigation and verification, the appraised value of such liability is determined in accordance with the liability items and amounts borne by the trust scheme.
2. For the valuation of the corresponding shares of trust funds of the trust beneficial interest of the Shanghai Trust • Runying No. 15 Single Property Trust, the cost approach is adopted. Firstly, the market value of the fund share income right held is calculated, and then combined with other assets and liabilities at the property trust statement level, the market value of the property trust beneficial interest units is obtained.
3. For the market value of the income right of fund shares held by property trusts, due to the fact that the fund equity shares have not been traded in the past year and there is a lack of comparable trading cases in the market, and the information collected by valuation personnel cannot meet the requirements of the income approach for evaluating the adequacy of the valuation data, the cost approach is used to calculate the market value of the project equity directly held by the fund, combined with other assets and liabilities at the fund statement level, to calculate the market value of the equity of all investors in the fund. Then, based on the fund contract, partnership agreement, or limited partnership agreement, distribution arrangement, the market value of the corresponding equity shares of specific fund investors is calculated.

The valuation approaches for direct investment projects refer to the following:

Current status of investment projects under management		Valuation approach
Listed	Trading prices of the stocks are available as at the Valuation Benchmark Date	Calculate the market value by multiplying the arithmetic average of the weighted average price of the stocks for each of the 30 trading days prior to the Valuation Benchmark Date by the number of shares held
	The stocks are subject to a lock-up period	The AAP option pricing model is used to determine the value of restricted shares. The formula is: $FV = S \times (1 - LOMD)$
Others	Recent financing prices are available	Refer to the prices of recent refinancing or transfer prices
	Repurchase agreement has been signed	Determine the valuation based on the redemption terms and recoverability outlined in the repurchase agreement
	Equity investment	Conditions satisfying the adoption of market approach

There are a total of 60 direct investment projects involved in this Valuation Benchmark Date. For details, please see the description of the valuation scope. Based on the obtained materials, different valuation methods are adopted for different projects:

(1) Listed tradable stocks

As of the Valuation Benchmark Date, such stocks can circulate freely, so this valuation refers to the arithmetic average of the daily weighted average prices of the 30 trading days before the Valuation Benchmark Date multiplied by the number of shares held to calculate the market value to determine the stock value. A total of 11 projects adopted the stock market method.

(2) Stocks in the restricted period

For stocks already listed but held by the fund during the restricted period, the value of restricted shares in circulation shall be determined according to the following formula:

$$FV = S \times (1 - LOMD)$$

Among them: FV: The value of the restricted stock in circulation on the valuation date

S: The fair value of the same stock listed and traded on the stock exchange on the valuation date

LOMD: The liquidity discount corresponding to the remaining restricted period of the restricted stock in circulation

Introduce put options to calculate the liquidity discount corresponding to the restricted stock in circulation: $LOMD = P/S$, where P is the value of the put option on the Valuation Benchmark Date.

The value of put options is determined using the Average Price Asian Option Model (“AAP Model”).

The stock is in the restricted period of a total of 3 projects.

(3) Recent financing prices

For those with recent financing or transfer prices, they shall be determined based on the recent financing or transfer prices. There are 9 projects with reference to recent financing prices. The financing dates are September 2023, January 2023, December 2023, August 2023, July 2023, January 2023, March 2023, January 2024 and March 2023, respectively.

(4) Trigger repurchase terms

For those with trigger repurchase clauses, they shall be determined according to the redemption clauses and recoverability in the repurchase agreement. There are 7 projects with reference to the redemption terms of the repurchase agreement.

(5) Market approach

The market approach is a valuation approach determining the value of the appraised entity by comparing the appraised entity to comparable listed companies or comparable transaction cases.

For other conditions that meet the market approach, the listed company comparison method under the market approach shall be adopted. There are 30 projects that use the market approach this time.

The valuation plan and basic steps for listed company comparison are as follows:

① Principles for selecting listed companies

According to the requirements of the Asset Valuation Practice Standards – Enterprise Value, the market approach valuation should select companies that are comparable to the evaluated enterprise. The selection principles for comparable listed companies determined in this valuation are as follows:

A. The industry or its main business engaged in by comparable companies is related to the industry of the evaluated unit;

B. The business structure and business model of the enterprise are similar;

C. The scale and growth of the enterprise are comparable, and the profitability is comparable.

② Choose the appropriate value ratio

Value ratios typically include profit ratios, asset ratios, revenue ratios, and other specific ratios.

A. Revenue ratio multiplier

The ratio multiplier calculated by comparing the market value of a company's equity (owner's equity) or fully invested capital (or overall enterprise value) with income parameters is called the income ratio multiplier. The commonly used income ratio multipliers include:

The ratio multiplier (EV/S) between the total investment capital market value and the main business income;

Multiplier of the ratio of total investment capital market value to pre tax and interest income;

The multiplier between the market value of fully invested capital and the ratio of earnings before tax, interest, depreciation, and amortization;

The multiplier (P/E) between the market value of equity and the post tax return ratio.

B. Asset ratio multiplier

The ratio multiplier calculated by comparing the company's equity (owner's equity) or the overall market value of the enterprise with asset class parameters is called the asset class ratio multiplier. The commonly used asset ratio multipliers include:

Multiplier using the ratio of the overall market value of the enterprise to its assets total (EV/TBVIC);

Multiplier using the ratio of equity market value to net assets (P/B).

Select appropriate indicators based on the specific situation of each project company.

③ Selection of comparable indicators

This valuation evaluates the enterprise from five aspects: enterprise size, profitability, operational capability, debt repayment capability, and development capability. The following specific indicators are selected as comparable indicators in the valuation system based on the information obtained:

Enterprise size: total assets, owner's equity, and operating income;

Profitability: return on total assets, gross profit margin on sales, and return on net assets;

Debt repayment capability: equity ratio, asset liability ratio, quick ratio, current ratio;

Development capability: operating revenue (compound growth rate), operating revenue growth rate, net profit (compound growth rate), net profit growth rate;

Operational capability: accounts receivable turnover, current asset turnover, and total asset turnover.

④ Calculation time of ratio multiplier

Based on the valuation experience, we believe that selecting financial data close to the Valuation Benchmark Date is sufficient when calculating the ratio multiplier. Therefore, in this valuation, we will use the corresponding data to calculate the ratio multiplier based on the collectability of the data.

⑤ Comparison steps

The valuation using the comparative approach of listed companies is carried out through the following steps:

A. Collect information on listed companies, select and determine comparative listed companies;

B. Analyze and adjust the financial statements of comparable enterprises and evaluated units to ensure comparability of the adjusted financial statements. The main analysis and adjustment items are as follows:

Differences in the preparation basis of financial statements between the evaluated unit and comparable enterprises;

Other matters that the valuation personnel deem necessary for adjustment;

C. Analyze and compare the sample of listed companies and the object to be valued, select comparative parameters and indicators, and determine the comparative system;

D. Calculate the indicator values of the valuation object and comparable companies separately;

E. Select appropriate value multipliers for comparable enterprises and use appropriate approaches to correct and adjust them, in order to estimate the value multiplier of the evaluated enterprise;

F. Determine liquidity discounts and bulk trading discounts;

G. Based on the value multiplier of the valued enterprise and considering the lack of market liquidity discounts, determine that the valued unit belongs to the owner's equity of the parent company.

⑥ Valuation Model

Total equity value of shareholders = Net asset book value of the valued unit x Adjusted value multiplier x (1 - Lack of liquidity discount)

VI. Process and Situation for the Implementation of Valuation Procedures

In accordance with the relevant provisions of laws, regulations and asset valuation standards, the valuation has been carried out in accordance with appropriate valuation procedures. The specific implementation process is set out below:

(I) Clarifying basic business matters

Important matters such as the entity being valued and other users of the valuation report other than the trustor, the purpose of the valuation, the valuation subject and scope of the valuation, the type of value, the Valuation Benchmark Date, the approval of economic acts requiring approval for the asset valuation project, the scope of use of the valuation report, the deadline and the method for submission of the valuation report, the valuation service fee and the method of payment, and the cooperation and assistance of the trustor and other relevant parties with the asset valuation institution and valuation professionals have been discussed and clarified.

(II) Signing of business entrustment contract

After conducting a comprehensive analysis and evaluation of the professional competence, independence and business risks of the asset valuation institution and valuation professionals in accordance with the specific circumstances of the valuation business, an asset valuation engagement contract is entered into with the trustor to stipulate the rights, obligations, liabilities for breach of contract and settlement of disputes of the asset valuation institution and the trustor.

(III) Preparation of asset valuation plans

Prepare a valuation work plan in accordance with the specific circumstances of the asset valuation business, including determining the main process, time schedule and staffing arrangement for the implementation of the valuation business.

(IV) Conducting valuation site investigations

1. To instruct the trustor, evaluated entity and other relevant parties to inventory assets and prepare detailed information concerning the valuation subject and the valuation scope;
2. According to the specific circumstances of the valuation subject, selecting appropriate ways to carry out investigations by way of inquiry, correspondence, verification, and inspection, etc., to understand the current status of the valuation subject and pay attention to the legal ownership of the valuation subject; where it is not appropriate to carry out item-by-item investigations, adopting sampling and other methods of investigation according to the degree of importance.

(V) Collection and collation of valuation information

Valuation professionals obtain information independently from the market and other channels, from relevant parties such as the trustor and evaluated entity, and from government departments, various professional organizations and other relevant authorities.

The valuation professionals shall verify and validate the information used in the asset valuation activities in an appropriate manner, which usually includes observation, inquiry, written examination, field investigation, inquiry, correspondence and review.

(VI) Formation of conclusions on valuation estimates

1. To analyze the applicability of the three basic asset valuation approaches, namely, the market approach, income approach and cost approach, and appropriately select the valuation method in accordance with the valuation purpose, valuation subject, type of value and collection of information;
2. According to the valuation methods adopted, the corresponding formulas and parameters are selected for analysis, calculation and judgement to form reasonable valuation conclusions.

(VII) Preparation and submission of the valuation report

1. The valuation professionals form preliminary valuation conclusions after valuation and estimation, and prepare preliminary asset valuation reports in accordance with the requirements of laws, administrative regulations and asset valuation standards;
2. To conduct internal review of the preliminary asset valuation report in accordance with the internal quality control system of the asset valuation firm;
3. Without prejudice to the exercise of independent judgment on the valuation conclusions, communicate with the trustor or relevant parties permitted by the trustor on the contents of the valuation report, analyze the communication independently and decide whether or not to adjust the asset valuation report;
4. After the asset valuation firm and its valuation professionals have completed the above valuation procedures, issue and submit a formal asset valuation report to the trustor.

VII. Valuation Assumptions

The valuation assumptions we rely on and use in the valuation process are the basic premise of the asset valuation work, and we draw the attention of the users of the valuation report to the contents of the valuation assumptions in order to understand and use the valuation conclusions correctly.

(I) *Basic assumption*

1. *Transaction Assumption.*

The transaction assumption assumes that the valuation object is in the process of trading, and the valuer simulates the market based on the evaluated object's trading conditions and other factors to value. The valuation result is an estimate of the most likely transaction price for the valuation object.

2. *Open market assumption.*

The open market assumption is a hypothetical explanation or limitation of the conditions under which assets are intended to enter the market, as well as the impact on assets under such market conditions. The open market refers to a fully developed and perfect market condition, which is a competitive market with voluntary buyers and sellers. In this market, the status of buyers and sellers is equal, and both parties have the opportunity and time to obtain sufficient market information. The trading behavior of buyers and sellers is carried out under voluntary, rational rather than mandatory or unrestricted conditions.

3. *Assumption of continuous use of assets.*

The assumption of continuous use of assets refers to the need to continue using the evaluated asset according to its current purpose, usage mode, scale, frequency, environment, etc., or to use it on the basis of changes, and determine the valuation approach, parameters, and basis accordingly.

4. *Assumption of contract-based operations by the enterprise.*

The assumption of the enterprise operating in accordance with the contract means that the entity being valued will operate in an orderly manner in accordance with the provisions of the articles of association and the promoter agreement, reasonably arrange the withdrawal of investment projects, and be consistent with the current mode of operation.

(II) General assumptions

1. It is assumed that there will be no significant changes in the political, economic, social and other macro-environment affecting the operations of the evaluated entity and its business environment after the Valuation Benchmark Date;
2. It is assumed that the information provided by the trustor and the evaluated entity is true, complete and reliable, and that there are no other defective matters or contingencies that should have been provided but have not been provided, or that could not have been made known to the valuation professionals even though they had performed the necessary valuation procedures, which might have an impact on the valuation conclusion;

In accordance with the requirements for asset valuation, we have determined that these assumptions are valid as at the Valuation Benchmark Date. When the valuation assumptions change significantly after the date of the valuation report, we do not assume responsibility for deducing different valuation conclusions as a result of the change in valuation assumptions.

VIII. Valuation Conclusions*(I) Valuation Results by Cost Approach*

Based on the principle of independence, impartiality and objectivity, after implementing the necessary asset valuation procedures, the valuation results formed by using the cost approach are as follows:

As of Valuation Benchmark Date of December 31, 2023, the book value of the Beneficial Interest of the Target Trust held by the Bank within the valuation scope corresponding to the beneficial interest units of the Bank under the CR Trust • Runying No. 15 Collective Fund Trust Scheme was RMB1,992,147,600, and the valuation was based on the results of the cost approach valuation as the final conclusion of the valuation: the appraised value of the Beneficial Interest of the Target Trust held by the Bank was RMB2,559,444,200, with an appreciation of RMB567,296,600, or an appreciation rate of 28.48%.

The assets and liabilities of the CR Trust • Runying No. 15 Collective Fund Trust Scheme are as follows:

Unit: RMB10,000

Items	Remaining invested principal (100%)	Book value of the Beneficial Interest of the Target Trust held by PSBC (holding 99.91% Beneficial Interest of the Target Trust)	Appraised value of beneficial interest of units held by PSBC	Appreciation amount	Appreciation rate%
Bank deposits	5.91	5.90	5.90	–	–
Trading financial assets	196,372.32	199,199.82	246,995.97	47,796.14	23.99%
Redemption receivables			3,725.05	3,725.05	–
Profit receivables			5,226.53	5,226.53	–
Total trust assets	196,378.23	199,205.73	255,953.45	56,747.73	28.49%
Total trust liabilities	9.04	9.03	9.03	–	–
Trust equity	196,369.19	199,214.76	255,944.42	56,729.66	28.48%

Note: The appreciation is the difference between the appraised value and the book value held by PSBC. The difference is mainly due to the discrepancy between valuation of listed stocks adopting the weighted average price of 30 days prior to the Valuation Benchmark Date and the fair value of the closing price minus liquidity discount used in the book, resulting in the appreciation compared with the book value.

(II) Validity period of the valuation conclusion

The validity period for the use of the valuation conclusions is one year from December 31, 2023, the Valuation Benchmark Date, to December 30, 2024. Except for the special matters disclosed in this report, the valuation conclusions shall be valid for the period of validity of use after the Valuation Benchmark Date, provided that no significant change has occurred in the development environment of the enterprise that affect its business conditions when an economic act occurs.

In accordance with Article 10 of Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35), a valuation report shall specify the validity period for the use of the valuation conclusions. Generally, a valuation report shall only be used when the Valuation Benchmark Date is not more than one year from the date on which the economic behavior was realized.

When there are significant changes in the market conditions or the condition of the assets on which the valuation conclusion is based, even if it has been less than one year from the Valuation Benchmark Date to the date of the economic act, the conclusion of the valuation report can no longer reflect the value of the valuation subject on the date on which the economic act is realized, and shall be dealt with in accordance with the following principles:

1. When there is a change in the number of assets or a material change in the condition of use of assets, the valuation conclusion shall be adjusted accordingly based on the original valuation method;
2. When the market conditions on which the valuation conclusions are based change and have a significant impact on the asset valuation conclusions, the trustor shall promptly engage a qualified asset valuation firm to re-determine the value of the valuation subject;
3. After the Valuation Benchmark Date, the trustor shall give full consideration to changes in asset conditions and market conditions and make corresponding adjustments in the actual valuation of the valuation subject.

IX. Notes on Special Matters

The following matters are beyond the professional level and ability of our company's asset valuation personnel to value and estimate, but these matters may indeed affect the valuation conclusion, and users of this valuation report should pay special attention to this:

- (I) If there are any defects in the enterprise that may affect the asset appraised value, and there is no special explanation made at the time of commission, and the valuation personnel have completed the valuation procedures but are still unable to obtain information, the valuation institution and valuation personnel shall not be held responsible.
- (II) The legal responsibility of the valuer and the valuation institution is to make professional judgments on the asset value under the purpose of the valuation described in this report, and does not involve any judgment made by the valuer and the valuation institution on the economic behavior corresponding to the purpose of the valuation. The valuation work largely relies on the information and materials provided by the trustor, the evaluated unit, and other related parties regarding the valuation object. Valuation personnel are not professionals specialized in verifying the authenticity and completeness of information. They have conducted necessary valuation and verification of relevant information in accordance with the requirements of the Asset valuation Law. Therefore, for the untrue information provided by the trustor and the evaluated unit, the valuer and the valuation institution do not assume any legal responsibility related to the property rights of the assets involved in the valuation object.

- (III) The purpose of asset valuation personnel performing asset valuation business is to estimate the value of the valuation object and express professional opinions. Confirmation of the legal ownership of the valuation object or expression of views is beyond the scope of asset valuer practice.
- (IV) The conclusion of this valuation reflects the current price of the evaluated object determined according to the open market principle for the purpose of this valuation. This report does not consider the impact of additional prices that may be paid by special trading parties on the appraised value, nor does it consider the impact of changes in national macroeconomic policies, as well as the impact of natural forces and other force majeure on asset prices. When the current conditions and the going concern basis followed in the valuation change, the valuation results generally become invalid.
- (V) This report does not take into account factors that may affect the value of the evaluated object and the assets included in the scope of this valuation, such as outstanding transaction related expenses and taxes that should be borne at the time of achieving the purpose of the valuation, nor does it take into account any tax considerations for the assessed revaluation or impairment of various assets. When using this report, the trustor should carefully consider the issue of tax burden and handle it in accordance with relevant national regulations.

Report users should pay attention to the above matters.

X. Restrictions on the Use of Valuation Reports

- (I) This valuation report can only be used for the purpose of the valuation and use stated in the valuation report and can only be used by the valuation report users specified in the valuation report.
- (II) If the trustor or other user of the asset valuation report fails to use the asset valuation report in accordance with the provisions of laws, administrative regulations and the scope of use stated in the asset valuation report, the asset valuation firm and its asset valuer shall not be held responsible.
- (III) Apart from the trustor, other valuation report users specified in the asset valuation contract, and valuation report users specified by laws and administrative regulations, no other institutions or individuals can become users of the asset valuation report.

- (IV) The user of the asset valuation report should correctly understand and use the valuation conclusion. The valuation conclusion is not equivalent to the realizable price of the valuation object, and should not be considered as a guarantee of the realizable price of the valuation object.
- (V) The asset valuation report is a professional report issued by the asset valuation institution and its appraisers in compliance with the laws, administrative regulations and asset valuation standards, sealed by the asset valuation institution and signed by the appraisers according to the entrustment to perform the necessary asset valuation procedures, and can be formally used only after it has been put on record by the state-owned assets supervision and administration institution or enterprises funded by such institution.

XI. Valuation Report Date

The date of formation of the professional opinion on this valuation report is May 20, 2024.

XII. Identity, Qualifications and Independence of the Appraisers

The appraisers involved in this assessment, namely Ou-yang Wenjin and Chen Minchan are primarily members of the China Appraisal Society, who have sufficient qualifications and experience in similar valuation projects. Ou-yang Wenjin, Chen Minchan confirm that they have no existing or expected interest relationships with the valuation object in the valuation report; no existing or expected interest relationships with the relevant parties, and no bias towards the relevant parties.

**Postal Savings Bank of China Co., Ltd. Intends to Transfer
its Holdings of the Beneficial Interest Units Under
CR Yuanta Runying No. 2 Special Asset Management Plan
Asset Valuation Report Summary**
Vocation Valuation Letter (2024) No. 1199

POSTAL SAVINGS BANK OF CHINA CO., LTD.:

Pursuant to the engagement by your company and subject to laws, administrative regulations and asset valuation standards, Vocation (Beijing) International Assets Appraisal Co., Ltd. conducted an evaluation of the market value of the shares of beneficial interest units held by Postal Savings Bank of China Co., Ltd. in the CR Yuanta Runying No. 2 Special Asset Management Plan as of December 31, 2023, based on the principles of independence, objectivity, and fairness, adopting the cost approach¹ and following necessary valuation procedures. The valuation process is now reported as follows.

I. Valuation Subject

1. Basic Information

Name: CR Yuanta Runying No. 2 Special Asset Management Plan

Trustor: Postal Savings Bank of China Co., Ltd.

Trustee: CR Yuanta Asset Management Co., Ltd.

Custodian: Shenzhen Branch of Postal Savings Bank of China Co., Ltd.

Establishment Date of the Asset Management Plan: January 11, 2017

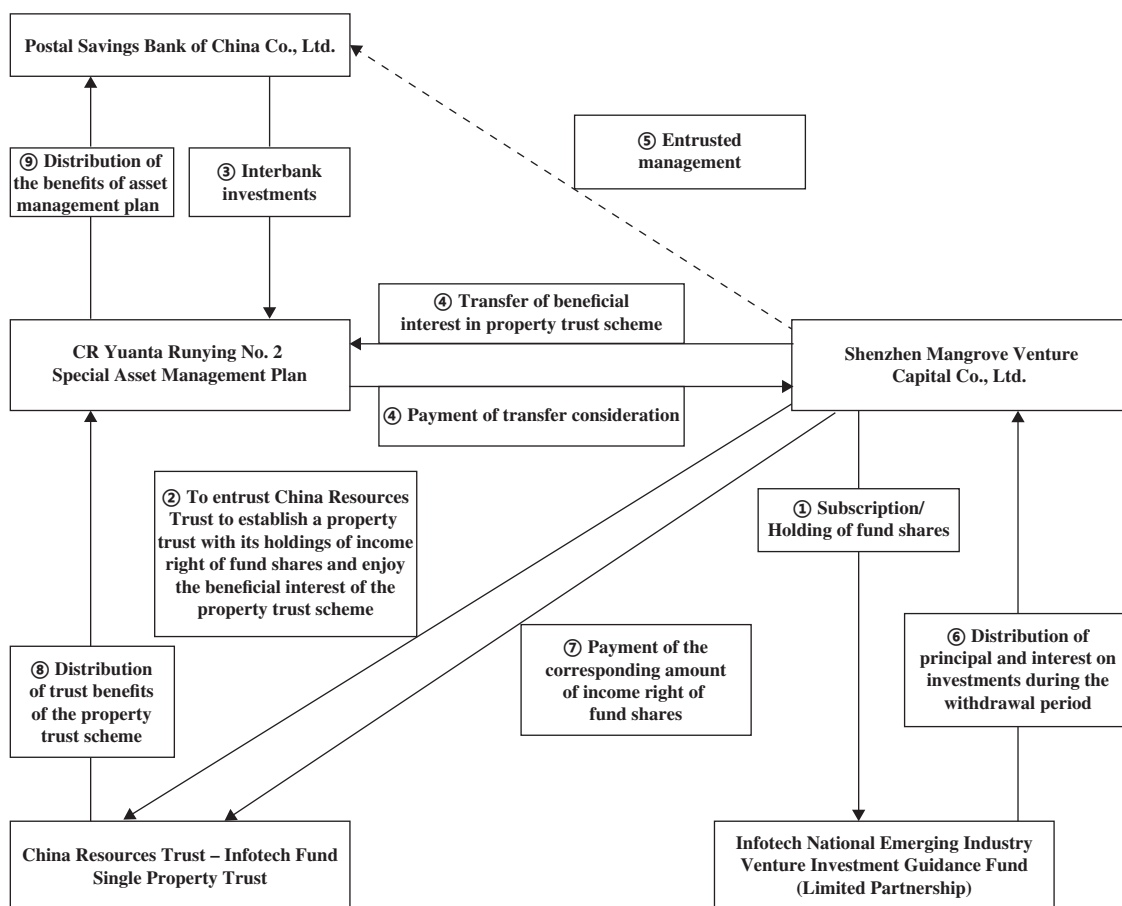
Initial Principal of the Asset Management Plan: RMB40,000.00 in ten thousand yuan

¹. According to the Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35), the cost approach includes restoration replacement cost method, updating replacement cost method, asset-based method and so on.

2. Transaction Structure

The underlying asset corresponding to “CR Yuanta Runying No. 2 Special Asset Management Plan” is the 7.1429% share of Infotech National Emerging Industry Venture Investment Guidance Fund (Limited Partnership) held by Shenzhen Mangrove Venture Capital Co., Ltd. as a limited partner of Infotech National Emerging Industry Venture Investment Guidance Fund (Limited Partnership).

The specific transaction structure is set out below:



- (1) PSBC invested in the asset management plan “CR Yuanta Runying No. 2 Special Asset Management Plan” (see step ③).
- (2) Shenzhen Mangrove Venture Capital Co., Ltd., as a limited partner, participated in the establishment of Infotech National Emerging Industry Venture Investment Guidance Fund (Limited Partnership) and subscribed for the fund shares. Shenzhen Mangrove Venture Capital Co., Ltd. entrusted China Resources SZITIC Trust Co., Ltd. to establish China Resources Trust – Infotech Fund Single Property Trust with the income right of its subscribed shares in Infotech National Emerging Industry Venture Investment Guidance Fund (Limited Partnership) as the trust property, and is entitled to the beneficial interest of the property trust scheme (see step ①, ② and ⑦).
- (3) The “CR Yuanta Runying No. 2 Special Asset Management Plan” used the investment funds from PSBC as consideration for acquiring the beneficial interest of China Resources Trust – Infotech Fund Single Property Trust from Shenzhen Mangrove Venture Capital Co., Ltd. (see step ④).

According to the above transaction structure, Postal Savings Bank of China ultimately invested in Infotech National Emerging Industry Venture Investment Guidance Fund (Limited Partnership) through investing in China Resources Trust – Infotech Fund Single Property Trust.

3. *Underlying Asset Information*

(1) *China Resources Trust – Infotech Fund Single Property Trust*

1) Introduction of Property Trust

Principle/Beneficiary: Shenzhen Mangrove Venture Capital Co., Ltd. (hereinafter referred to as “Mangrove Venture”)

Trustee: China Resources SZITIC Trust Co., Ltd.

Trust Property: The trust property under this contract consists of the limited partnership share income right corresponding to the capital contribution of RMB2 billion to the Infotech National Emerging Industry Venture Investment Guidance Fund (Limited Partnership).

Trust Effective Date: January 11, 2017

Mangrove Venture signed a trust contract numbered 2016-0906-XT01 with China Resources SZITIC Trust Co., Ltd. under the title China Resources Trust – Infotech Fund Single Property Trust Contract. Mangrove Venture entrusted the beneficial interest of the China Resources Trust - Infotech Fund Single Property Trust to China Resources SZITIC Trust Co., Ltd., which managed the trust property as the trustee and distributed the trust benefits to the beneficiaries in accordance with the trust contract.

2) Financial Statement

The asset status of the beneficial interest of China Resources Trust - Infotech Fund Single Property Trust as of the Valuation Benchmark Date is shown in the following table:

Unit: RMB10,000

Assets	December 31, 2023
Bank Deposits	0.42
Trading Financial Assets	30,706.56
Total Assets	30,706.98
Total Liabilities	15.56
Net Asset Value	30,691.42

Note: The above financial data is the financial statement data (unaudited) provided by the corresponding manager of the trust scheme.

(2) *Fund Name: Infotech National Emerging Industry Venture Investment Guidance Fund (Limited Partnership)*

1) Registration Details

Name: Infotech National Emerging Industry Venture Investment Guidance Fund (Limited Partnership) (hereinafter referred to as “Infotech Venture Fund”)

Registered Address : No. 3205, Venture Capital Building, No. 9 Tengfei Road, Huanggekeng Community, Longcheng Street, Longgang District, Shenzhen

Operating Location: No. 3205, Venture Capital Building, No. 9 Tengfei Road, Huanggekeng Community, Longcheng Street, Longgang District, Shenzhen

Executing Partner: Infotech (Shenzhen) Emerging Industries Investment Fund Management Limited

Total Subscribed Size: RMB560,000.00 in ten thousand yuan

Total Paid-in Size: RMB560,000.00 in ten thousand yuan

Business scope: The general business items are – venture capital fund management, equity investment fund management, industrial investment fund management; entrusted management of equity investment funds; equity investment; investment management (The above operating scope shall not engage in securities investment activities, shall not raise funds publicly for investment activities, and shall not engage in publicly raised fund management business). (The above business scope is subject to approval by relevant national regulations before operation.)

II. Valuation Subject and Scope

The subject and scope of this valuation are consistent with the subject and scope involved in the economic activity.

(I) Valuation Subject

The valuation subject is value of the beneficial interest units under the CR Yuanta Runying No. 2 Special Asset Management Plan.

(II) Valuation Scope

The valuation scope covers all assets and related liabilities of the beneficial interest units under the CR Yuanta Runying No. 2 Special Asset Management Plan as declared on the Valuation Benchmark Date. The financial statements as of the Valuation Benchmark Date for the beneficial interest units under the CR Yuanta Runying No. 2 Special Asset Management Plan are the financial data provided by the enterprise.

As of the Valuation Benchmark Date, December 31, 2023, the book value of the beneficial interest units in the trading financial assets within the valuation scope was RMB18,585.01 in ten thousand yuan.

As of the Valuation Benchmark Date, the book value of the assets within the valuation scope has been audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP, which issued Audit Report under document (Audit) 24 No. P01658, expressing an unqualified opinion.

Information of major underlying assets:

As of the Valuation Benchmark Date, the beneficial interest units of trading financial assets include underlying assets comprising 10 direct investment projects by the parent fund. The total investment cost was RMB99,998.50 in ten thousand yuan, and the total book value was RMB74,174.14 in ten thousand yuan. There were 38 sub-funds, with a total investment cost of RMB363,300.00 in ten thousand yuan and a total book value of RMB331,569.77 in ten thousand yuan on the Valuation Benchmark Date.

(III) Types and Quantities of Off-Balance Sheet Assets Declared by the Enterprise

None.

(IV) Reference to Reports from Other Institutions

This asset valuation report utilizes the Zhongzheng Tiantong (2024) Audit Report No. 10101028 issued by Beijing Zhongzheng Tiantong Accounting Firm (Special General Partnership) for Infotech National Emerging Industry Venture Investment Guidance Fund (Limited Partnership) and Legal Analysis Opinions on Income Distribution and Cost Sharing of Infotech National Emerging Industry Venture Investment Guidance Fund (Limited Partnership) issued by Beijing Jingtian Gongcheng Law Firm.

(V) Other Issues that Need to be Clarified

None.

III. Valuation Benchmark Date

The Valuation Benchmark Date for this project is December 31, 2023.

The determination of this Valuation Benchmark Date takes into account factors such as the realization of the trustor's related economic activities, accounting periods, and changes in interest and exchange rates, and is agreed upon in consultation with the trustor.

Asset valuation is a professional judgment of the value of the valuation subject at a specific point in time. Selecting the end of the accounting period as the Valuation Benchmark Date allows for a more comprehensive reflection of the overall situation of the valuation subject. Following the principles of ensuring that the valuation conclusion effectively serves the valuation purpose, accurately delineating the valuation scope, efficiently auditing and verifying assets, and reasonably selecting the basis for valuation pricing, a date close to the realization of the trustor's economic activities is chosen as the Valuation Benchmark Date.

IV. Basis for Valuation

The national, local government, and relevant departmental laws, regulations, as well as the documents and materials referred to in the valuation work mainly include:

(I) Basis for Economic Activities

This economic activity has been approved by the 16th CPC Committee Meeting in 2024 and the 11th President's Office Meeting in 2024 of Postal Savings Bank of China Co., Ltd.

(II) Legal and Regulatory Basis

1. Asset Valuation Law of the People's Republic of China (Adopted by the 21st Meeting of the 12th NPC Standing Committee (NPCSC) on July 2, 2016);
2. Company Law of the People's Republic of China (Adopted by the 6th Meeting of the 13th NPC Standing Committee (NPCSC) on October 26, 2018);
3. Civil Code of the People's Republic of China (Adopted at the 3rd Meeting of the 13th National People's Congress on May 28, 2020);
4. Law of the People's Republic of China on Enterprise Income Tax (Second amendment in the Decision of the Standing Committee of the National People's Congress to Amend Four Laws Including the Electric Power Law of the People's Republic of China by the 7th Meeting of the 13th NPC Standing Committee (NPCSC) on December 29, 2018);

5. Financial Supervision and Management Regulations for the Asset Valuation Industry (Promulgated by Order No. 86 of the Ministry of Finance on April 21, 2017, and amended according to Order No. 97 of the Ministry of Finance the Decision of the Ministry of Finance to Amend Two Departmental Rules including the Measures for the Practice Licensing and Supervision and Administration of Accounting Firms on January 2, 2019);
6. Notice on Further Strengthening Financial and Accounting Supervision (Issued by the General Office of the CPC Central Committee 2023 No. 4);
7. Measures for the Administration of State-Owned Asset Valuation (State Council Order No. 91 of 1991);
8. Interim Regulations on the Supervision and Administration of State-Owned Assets of Enterprises (State Council Order No. 378);
9. Interim Regulations for the Supervision and Administration of State-Owned Asset Valuation of Financial Enterprises (Ministry of Finance Order No. 47);
10. Administrative Measures for the Transfer of State-Owned Asset of Financial Enterprises (Ministry of Finance Order No. 54);
11. People's Republic of China Securities Law (Revised for the second time on December 28, 2019, at the 15th meeting of the Standing Committee of the Thirteenth National People's Congress);
12. Other laws and regulations related to asset valuation.

(III) Standards Basis

1. Valuation Standards – General Standard (Finance 2017 No. 43, on August 23, 2017);
2. Valuation Ethical Standards – General Standard (China Appraisal Society 2017 No. 30);
3. Valuation Standards – Valuation Procedures (China Appraisal Society 2018 No. 36);
4. Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35);
5. Valuation Standards – Valuation Approach (China Appraisal Society 2019 No. 35);
6. Valuation Standards – Valuation Contract (China Appraisal Society 2017 No. 33);
7. Valuation Standards – Valuation Files (China Appraisal Society 2018 No. 37);

8. Valuation Standards – Utilizing Expert Work and Related Reports (China Appraisal Society 2017 No. 35);
9. Valuation Standards – Enterprise Value (China Appraisal Society 2018 No. 38);
10. Valuation Expert Guidance No. 8 – Verification in Valuation (China Appraisal Society 2019 No. 39);
11. Valuation Application for Valuation Reports of State-Owned Asset of Enterprise (China Appraisal Society 2017 No. 42);
12. Valuation Application for Business Quality Control of Valuation Firms (China Appraisal Society 2017 No. 46);
13. Valuation Guidance Note on the Basis of Value for Valuation (China Appraisal Society 2017 No. 47);
14. Valuation Guidance Note on the awareness of the Legal Ownership of the Valuation Subject (China Appraisal Society 2017 No. 48).

(IV) Basis of Rights

1. Proof of shareholding or capital contribution as of the Valuation Benchmark Date;
2. Relevant asset property rights contracts, and investment agreements;
3. Other relevant property rights proofs.

(V) Pricing Basis

1. *Data provided by the enterprise*
 - (1) Financial statements and audit reports as at the Valuation Benchmark Date and of the previous years provided by the enterprise;
 - (2) Asset list and asset valuation declaration schedule provided by the enterprise;
2. *Data collected by the asset valuation firm*
 - (1) iFIND Financial Database;
 - (2) On-site inspection records by valuation personnel;
 - (3) Data collected independently by valuation personnel related to the valuation;
 - (4) Other materials related to this valuation.

(VI) Other Basis

None.

V. Valuation Methodology*(I) Selection of Valuation Approach**1. Basis for selection of valuation approaches*

According to Article 16 of the Valuation Standards – General Standard, “valuation approaches for determining the value of assets include the three basic approaches of market approach, income approach and cost approach and their derived methods. Asset valuation professionals shall analyze the applicability of the above three basic approaches and select the valuation approaches in accordance with the standards based on the valuation purpose, valuation subject, basis of value and collected information.”

*2. Conditions for the application of the valuation approach**(1) Income approach*

The income approach in valuation refers to the approach of determining the value of the valuation subject by capitalizing or discounting the expected income. Asset valuation professionals shall properly consider the applicability of the income approach in the light of the historical operation of the valuation subject, the predictability of future earnings and the adequacy of the valuation information obtained.

Specific methods commonly used for the income approach include the dividend discount method and the discounted cash flow method.

The dividend discount method is a specific method of discounting expected dividends to determine the value of the valuation subject, which is usually applicable to the valuation of partial interests of shareholders lacking control; the discounted cash flow method usually includes the discounted free cash flow model of the enterprise and the discounted free cash flow model of the equity. Asset valuation professionals shall appropriately select the discounted cash flow model based on the industry, business model, capital structure and development trend of the valuation subject.

(2) Market approach

The market approach in valuation refers to the approach of determining the value of the valuation subject by comparing the valuation subject with comparable listed companies or comparable transaction cases. Asset valuation professionals should consider the applicability of the market approach in the light of the adequacy and reliability of the operational and financial data obtained on comparable enterprises and the number of comparable enterprises that can be collected.

Two specific methods commonly used in the market approach are the listed company comparison method and the transaction case comparison method.

The listed company comparison method refers to the specific method of determining the value of the valuation subject on the basis of obtaining and analyzing the operating and financial data of comparable listed companies, calculating the value ratios and comparing and analyzing them with the valuation subject. The transaction case comparison method refers to the specific method of determining the value of the valuation subject on the basis of obtaining and analyzing information on cases of sales, acquisitions and mergers of comparable enterprises, calculating the value ratios and comparing and analyzing them with the evaluated entity.

(3) Cost approach

The cost approach is a general term for valuation approaches that determines the value of a valuation subject by taking the cost of reconstruction or replacement as the basis for determining the value of the valuation subject and deducting the related depreciation, along the lines of reconstruction or replacement of the valuation subject.

3. *Selection of valuation approach*

Analysis of the applicability of the three valuation approaches for this project:

(1) Analysis of the applicability of the income approach:

Considering that the primary business of the valuation subject is financial investment, and the future investment and returns of the projects are unpredictable, and the valuation personnel are unable to make accurate forecasts of the future scale of investment management and the investment returns of the projects. Therefore, the income approach is not applicable.

(2) Analysis of the applicability of the market approach:

Considering the insufficient number of comparable listed companies in the same industry as the valuation subject in China's capital market, the limited availability of market transaction cases in the same industry, and inadequate disclosure of information, the market approach is also not applicable.

(3) Analysis of the applicability of the cost approach:

Considering that the various types of assets and liabilities for valuation are capable of fulfilling the on-site investigation procedures and meeting the information requirements for the valuation and estimation, the cost approach is adopted for the valuation of the valuation subject.

In summary, the cost approach has been selected for the valuation of the valuation subject.

(II) Specific Operational Plans of Valuation

Operational plans of the cost approach of valuation: This valuation adopts the cost approach to evaluate the beneficial interest units under the CR Yuanta Runying No. 2 Special Asset Management Plan.

Based on the Legal Analysis Opinions on Income Distribution and Cost Sharing of Infotech National Emerging Industry Venture Investment Guidance Fund (Limited Partnership) issued by Beijing Jingtian Gongcheng Law Firm, the management fee accrued by Mangrove Venture at the Infotech Venture Fund level shall be shared between PSBC and Mangrove Venture in the following manner: the management fee accrued during the period from December 23, 2016 to March 12, 2017 shall be borne by PSBC; during the period from March 13, 2017 to June 16, 2021, the management fee shall be half borne by PSBC and half by Mangrove Venture; and the management fee accrued from June 17, 2021 until now shall be borne by PSBC. At present, the above time range is determined according to the industrial and commercial change registration information publicized by the national enterprise credit information publicity system, but because the industrial and commercial registration information has a certain lag, the specific time should be based on the time when the partnership changes the subscription amount of capital.

Therefore, the valuation method of beneficial interest units in the trading financial assets under CR Yuanta Runying No. 2 Special Asset Management Plan held by PSBC is as follows:

- (1) Calculate the beneficial interest units value of the Infotech Venture Fund that Mangrove Venture should enjoy.
- (2) Based on the RMB2 billion each subscribed by Mangrove Venture and Postal Savings Bank of China, the management fees (including other incidental expenses) are actually shared between Postal Savings Bank of China and Mangrove Venture in accordance with the above legal opinions. After the result of (1) is added to the management fees (including other incidental expenses) that should be borne by Mangrove Venture, the beneficial interest units value of Infotech Venture Fund enjoyed by Postal Savings Bank of China is obtained. According to the transaction structure, the beneficial interest units value of CR Yuanta Runying No. 2 Special Asset Management Plan held by Postal Savings Bank of China is calculated.
- (3) The management fees (including other incidental expenses) is only calculated based on the above legal opinions, does not represent the actual recoverable amount, and does not take into account the reduction of the amount available for investment due to the additional payment of management fees (including other incidental expenses) and the following decrease in potential income. Only the impact of the future recovery of management fees (including other incidental expenses) that should be borne by Mangrove Venture on the beneficial interest units value of the CR Yuanta Runying No. 2 Special Asset Management Plan that Postal Savings Bank of China should enjoy is considered.

The specific valuation method of the beneficial interest units value of CR Yuanta Runying No. 2 Special Asset Management Plan corresponding to the Infotech Venture Fund that Mangrove Venture should enjoy is as follows:

Trading financial assets: These refer to the beneficial interest units under the CR Yuanta Runying No. 2 Special Asset Management Plan invested by the valuation subject.

The valuation personnel firstly verified the reasons for the formation of the investment, its book value and actual status, and inspected the investment agreement, contract and other information to determine the authenticity and completeness of the investment. In this case, for the investment in CR Yuanta Runying No. 2 Special Asset Management Plan, the cost approach was used to determine the overall market value of the asset management plan, and then the value of the trading financial assets was determined on the basis of the trust units held.

1. The financial statements of CR Yuanta Runying No. 2 Special Asset Management Plan included bank deposits and trading financial assets as of the Valuation Benchmark Date.

- (1) Bank deposits: For bank deposits in RMB, the verified book value is the appraised value.
 - (2) Trading financial assets: These refer to the valuation subject's investment in China Resources Trust – Infotech Fund Single Property Trust. The valuation personnel firstly verified the reasons for the formation of the investment, its book value and actual status, and inspected the investment agreement, contract and other information to determine the authenticity and completeness of the investment. In this case, for the investment in China Resources Trust – Infotech Fund Single Property Trust, the cost approach was used to determine the overall market value of the property trust, and then the value of the trading financial assets was determined on the basis of the trust units held.
2. The financial statements of China Resources Trust – Infotech Fund Single Property Trust included bank deposits and trading financial assets as of the Valuation Benchmark Date.
- (1) Bank deposits: For bank deposits in RMB, the verified book value is the appraised value.
 - (2) Trading financial assets: It mainly includes its investment in Infotech Venture Fund. The valuation personnel firstly verified the reasons for the formation of the investment, its book value and actual status, and reviewed the investment agreement, contract and other information to determine the authenticity and completeness of the investment. The cost approach was adopted for the valuation of Infotech Venture Fund.
 - (3) Accounts payable: This is mainly trust fees, the verified book value is the appraised value.
3. The financial statements of Infotech Venture Fund included monetary funds and other non-current financial assets as of the Valuation Benchmark Date.
- (1) Bank deposits: The verified book value is the appraised value.
 - (2) Other non-current financial assets: It mainly includes direct investment projects and sub-fund projects. The valuation personnel collected various types of information on direct investment projects and sub-fund projects, investigated and understood the financial status of the investees as at the Valuation Benchmark Date, and obtained financial statements for the historical years as of the Valuation Benchmark Date.

The valuation personnel reviewed and calculated the fair value of the sub-fund shares held by the parent fund or the equity in the projects held by the parent fund, and together with other assets and liabilities at the parent fund reporting level, calculated the fair value of the equity of all the investors in the parent fund, and then calculated the fair value of the equity shares of the investors in the parent fund in accordance with the distribution arrangements in the fund contract, partnership agreement or the limited partnership agreement.

Direct investment projects:

The valuation approaches for evaluating direct investment projects is referenced below:

Current status of investment projects under management		Valuation approach	
Listed	Trading prices of the stocks are available as at the Valuation Benchmark Date	Calculate the market value by multiplying the arithmetic average of the weighted average price of the stocks for each of the 30 trading days prior to the Valuation Benchmark Date by the number of shares held	
	The stocks are subject to a lock-up period	The AAP option pricing model is used to determine the value of restricted shares. The formula is: $FV = S \times (1 - LOMD)$	
Listed on NEEQ (the New Third Board)	There was no trading activity or infrequent trading activity in the stocks around the Valuation Benchmark Date	Calculate the evaluation subject using the market approach	
Others	Recent financing prices are available	Refer to the prices of recent refinancing or transfer transactions	
	Equity investment	Repurchase agreement has been signed	Determine the valuation based on the redemption terms and recoverability outlined in the repurchase agreement
		Conditions satisfying the adoption of market approach	Market approach
		Conditions not satisfying the adoption of market approach	Final valuation level will be determined based on the net assets of the invested unit and other specific circumstances
Recent equity investments within one year		Valuation is based on current investment cost	

The formula for restricted stock is: $FV = S \times (1 - LOMD)$, where:

FV: The value of the restricted stock on the Valuation Benchmark Date

S: The fair value of the same stock listed and traded on the stock exchange on the Valuation Benchmark Date

LOMD: The liquidity discount corresponding to the remaining lock-up period of the restricted stock.

The liquidity discount for a restricted stock is calculated using the put option: $LOMD = P/S$, where P is the value of the put option on the Valuation Benchmark Date, determined using the Average Price Asian Options Model (AAP Model).

Based on the obtained materials, different valuation methods are adopted for different projects:

1) Stock Market Price Method

As of the Valuation Benchmark Date, these stocks are freely tradable. Therefore, this valuation refers to the arithmetic average of the daily weighted average prices over the 30 trading days prior to the benchmark date, multiplied by the number of shares held, to calculate the market value and determine the value of the stocks. There are one direct investment project using the stock market price method this time.

2) Latest Financing Price Method

For invested enterprises with financing activities closest to the Valuation Benchmark Date, the equity value is determined using the latest financing price method. There are 3 direct investment projects using the latest financing price method. The financing dates are December 2023, July 2023 and June 2023.

3) Market Approach

For the equity of companies that are not listed as of the Valuation Benchmark Date, if there are a sufficient number of comparable companies in the same industry listed on China's capital market, the listed company comparison method is employed for the valuation. There are 4 direct investment projects using the market approach this time.

4) Other Methods

As of the Valuation Benchmark Date, there are two direct investment projects that have been exited, and the appraised value for these projects is zero.

Sub-funds:

Each sub-fund's holdings of fund shares or project equities are individually reviewed and calculated for their fair value. Combined with other assets and liabilities at the sub-fund statement level, the fair value of the entire sub-fund's investor equity is determined. Then, based on the distribution arrangements in the partnership agreement, and its supplemental agreements, or limited partnership agreement, the fair value of the parent fund's corresponding equity shares is calculated.

Among them, when considering whether sub-funds need a further penetration valuation, penetration is required under the following three circumstances:

- 1) Control or de facto control over a sub-fund; for example, holding more than 50% of a sub-fund, or being the largest investor and being able to exercise actual control over the sub-fund's operation and management and investment decisions individually or dominantly through the fund and other relevant agreements and arrangements;
- 2) The valuation personnel need to penetrate based on the principle of materiality;
- 3) Other circumstances where the valuation personnel need to penetrate based on professional judgment.

The sub-funds have no control over the projects under investment according to the information collected on the projects. If the sub-funds' projects under investment are measured at fair value in the audit report, the valuation personnel refer to the valuation method of direct investment projects for the fair value of the sub-funds' projects under investment as at the Valuation Benchmark Date, and at the same time validate in conjunction with the audit report and publicly available data in order to verify the book value to confirm the appraised value of the sub-funds' projects under investment as at the benchmark date. For non-fair value measurements, a comprehensive analysis was conducted through the collection of information and inquiries from public sources to consider whether to make adjustments to the book value.

VI. Process and Situation for the Implementation of Valuation Procedures

In accordance with the relevant provisions of laws, regulations and asset valuation standards, the valuation has been carried out in accordance with appropriate valuation procedures. The specific implementation process is set out below:

(I) Clarifying basic business matters

Important matters such as the entity being valued and other users of the valuation report other than the trustor, the purpose of the valuation, the valuation subject and scope of the valuation, the type of value, the Valuation Benchmark Date, the approval of economic acts requiring approval for the asset valuation project, the scope of use of the valuation report, the deadline and the method for submission of the valuation report, the valuation service fee and the method of payment, and the cooperation and assistance of the trustor and other relevant parties with the asset valuation institution and valuation professionals have been discussed and clarified.

(II) Signing of business entrustment contract

After conducting a comprehensive analysis and evaluation of the professional competence, independence and business risks of the asset valuation institution and valuation professionals in accordance with the specific circumstances of the valuation business, an asset valuation engagement contract is entered into with the trustor to stipulate the rights, obligations, liabilities for breach of contract and settlement of disputes of the asset valuation institution and the trustor.

(III) Preparation of asset valuation plans

Prepare a valuation work plan in accordance with the specific circumstances of the asset valuation business, including determining the main process, time schedule and staffing arrangement for the implementation of the valuation business.

(IV) Conducting valuation site investigations

1. To instruct the trustor, evaluated entity and other relevant parties to inventory assets and prepare detailed information concerning the valuation subject and the valuation scope;
2. According to the specific circumstances of the valuation subject, select appropriate ways to carry out investigations by way of inquiry, correspondence, verification and inspection, etc., to understand the current status of the valuation subject and pay attention to the legal ownership of the valuation subject; where it is not appropriate to carry out item-by-item investigations, adopt sampling and other methods of investigation according to the degree of importance.

(V) Collection and collation of valuation information

Valuation professionals obtain information independently from the market and other channels, from relevant parties such as the trustor and evaluated entity, and from government departments, various professional organizations and other relevant authorities.

The valuation professionals verify and validate the information used in the asset valuation activities in an appropriate manner, which usually includes observation, inquiry, written examination, field investigation, inquiry, correspondence and review.

(VI) Formation of conclusions on valuation estimates

1. To analyze the applicability of the three basic asset valuation approaches, namely, the market approach, income approach and cost approach, and appropriately select the valuation approaches in accordance with the valuation purpose, valuation subject, type of value and collection of information;
2. According to the valuation approaches adopted, the corresponding formulas and parameters are selected for analysis, calculation and judgement to form reasonable valuation conclusions.

(VII) Preparation and submission of the valuation report

1. The valuation professionals form preliminary valuation conclusions after valuation and estimation, and prepare preliminary asset valuation reports in accordance with the requirements of laws, administrative regulations and asset valuation standards;
2. To conduct internal review of the preliminary asset valuation report in accordance with the internal quality control system of the asset valuation firm;
3. To communicate with the trustor or relevant parties permitted by the trustor on the contents of the valuation report, analyze the communication independently and decide whether or not to adjust the asset valuation report on the premise of independent judgment;
4. To issue and submit a formal asset valuation report to the trustor after the asset valuation firm and its valuation professionals have completed the above valuation procedures.

VII. Valuation Assumptions

The valuation assumptions we rely on and use in the valuation process are the basic premise of the asset valuation work, and we draw the attention of the users of the valuation report to the contents of the valuation assumptions in order to understand and use the valuation conclusions correctly.

(I) Underlying assumptions**1. Transaction assumption.**

The transaction assumption assumes that the valuation subject and the assets and liabilities within the valuation scope are already in the process of being traded, and the valuation personnel carry out the valuation on the basis of a simulated market based on the terms of the transaction. The transaction assumption is one of the most basic assumptions on which the asset valuation is based.

2. Open market assumption.

The open market assumption assumes that both parties to an asset transaction (or a proposed asset transaction) are on an equal footing with each other and have access to sufficient market information and time to make rational judgments about the function and use of the asset and its transaction price. The open market assumption is based on the assumption that the asset is publicly tradable in the market.

3. Assumption of continuous use of assets.

The assumption of continuous use of assets means that the asset valuation needs to be based on the continuous use of the asset under valuation according to its current use and mode of use, scale, frequency and environment, or on a changed basis, with the valuation approach, parameters and basis determined accordingly.

4. Assumption of contract-based operations by the enterprise.

The assumption of the enterprise operating in accordance with the contract means that the entity being valued will operate in an orderly manner in accordance with the provisions of the articles of association and the promoter agreement, reasonably arrange the withdrawal of investment projects, and be consistent with the current mode of operation.

(II) General assumptions

1. It is assumed that there will be no significant changes in the political, economic, social and other macro-environment affecting the operations of the evaluated entity and its business environment after the Valuation Benchmark Date;
2. It is assumed that the information provided by the trustor and the evaluated entity is true, complete and reliable, and that there are no other defective matters or contingencies that should have been provided but have not been provided, or that could not have been made known to the valuation professionals even though they had performed the necessary valuation procedures, which might have an impact on the valuation conclusion;

In accordance with the requirements for asset valuation, we have determined that these assumptions are valid as at the Valuation Benchmark Date. When the valuation assumptions change significantly after the date of the valuation report, we do not assume responsibility for deducing different valuation conclusions as a result of the change in valuation assumptions.

VIII. Valuation Conclusion

(I) Cost approach valuation results

Based on the principles of independence, impartiality and objectivity, the valuation results formed by adopting the cost approach after implementing the necessary asset valuation procedures are set out below:

As at Valuation Benchmark Date of December 31, 2023, the book value of the Beneficial Interest of the Target Asset Management Plan held by the Bank within the valuation scope, corresponding to the beneficial interest units of the Bank under the CR Yuanta Runying No. 2 Special Asset Management Plan, was RMB185,850,100, and the valuation was based on the results of the cost approach valuation as the final conclusion of the valuation: the appraised value of the Beneficial Interest of the Target Asset Management Plan held by the Bank was RMB356,110,400, with an appreciation of RMB170,260,300, or an appreciation rate of 91.61%.

The assets and liabilities of the CR Yuanta Runying No. 2 Special Asset Management Plan are as follows:

Unit: RMB ten thousand

Items	Remaining invested principal	Book value of the Beneficial Interest of the Target Asset Management Plan held by PSBC	Appraised value	Appreciation amount	Appreciation rate %
Bank deposits	0.37	0.37	0.37		
Trading financial assets	37,107.71	18,584.64	35,610.67	17,026.03	91.61
Total trust assets	37,108.08	18,585.01	35,611.04	17,026.03	91.61
Total trust liabilities	-	-	-	-	-
Trust equity	37,108.08	18,585.01	35,611.04	17,026.03	91.61

Note: The appreciation is the difference between the current appraised value and the book value held by the Postal Savings Bank of China, and the difference is mainly due to the increase in the fair value of some of the underlying projects at the time of the valuation and the appreciation resulting from the consideration of the overpayment of management fees by Postal Savings Bank of China at the level of the parent fund.

(II) Validity period of the valuation conclusions

The validity period for the use of the valuation conclusions is one year from December 31, 2023, the Valuation Benchmark Date, to December 30, 2024. Except for the special matters disclosed in this report, the valuation conclusions shall be valid for the period of validity of use after the Valuation Benchmark Date, provided that no significant change has occurred in the development environment of the enterprise that affect its business conditions when an economic behavior occurs.

In accordance with Article 10 of the Valuation Standards – Valuation Report (China Appraisal Society 2018 No. 35), a valuation report shall specify the validity period for the use of the valuation conclusions. Generally, a valuation report shall only be used when the Valuation Benchmark Date is not more than one year from the date on which the economic behavior was realized.

When there are significant changes in the market conditions or the condition of the assets on which the valuation conclusion is based, even if it has been less than one year from the Valuation Benchmark Date to the date of occurrence of the economic behavior, the conclusion of the valuation report can no longer reflect the value of the valuation subject on the date on which the economic behavior is realized, and shall be dealt with in accordance with the following principles:

1. When there is a change in the number of assets or a material change in the condition of use of assets, the valuation conclusion shall be adjusted accordingly based on the original valuation approach;
2. When the market conditions on which the valuation conclusions are based change and have a significant impact on the asset valuation conclusions, the trustor shall promptly engage a qualified asset valuation firm to reassess the value of the valuation subject;
3. After the Valuation Benchmark Date, the trustor shall give full consideration to changes in asset conditions and market conditions and make corresponding adjustments when determining the actual value of the valuation subject.

IX. Statement of special matters

Special matters refer to matters identified by the valuation personnel in the course of the valuation process that may affect the valuation results but are beyond the valuation personnel's level of practice and competence to assess and estimate, provided that the conclusion of the valuation has been determined. We would like to draw the attention of users of the asset valuation report to the impact of special matters on the valuation conclusion of this valuation report.

1. Special considerations for the valuation method:

Through CR Yuanta Asset Management Co., Ltd. PSBC has set up CR Yuanta Runying No. 2 Special Asset Management Plan to invest in the China Resources Trust – Infotech Fund Single Property Trust and ultimately invested in the Infotech Venture Fund of Mangrove Venture, the counterparty of the underlying asset transaction.

In December 2016, Mangrove Venture, as a limited partner, subscribed for a first round of capital contribution of RMB2 billion, corresponding to a paid-in contribution of RMB400 million. PSBC subscribed for CR Yuanta Runying No. 2 Special Asset Management Plan in

January 2017, with a principal amount of RMB400 million of the asset management plan. The CR Yuanta Runying No. 2 Special Asset Management Plan ultimately invested in the limited partnership share income right corresponding to the RMB2 billion subscribed capital contribution in the first round. Subsequently, Mangrove Venture additionally subscribed for RMB2 billion of fund shares, making a total subscription of RMB4 billion after the increase. However, the management expenses (including other incidental expenses) corresponding to the added RMB2 billion subscription by Mangrove Venture were disbursed from the initial investment of RMB400 million by PSBC.

Based on the Legal Analysis Opinions on Income Distribution and Cost Sharing of Infotech National Emerging Industry Venture Investment Guidance Fund (Limited Partnership) issued by Beijing Jingtian Gongcheng Law Firm, the management fee accrued by Mangrove Venture at the Infotech National Emerging Industry Venture Investment Guidance Fund (Limited Partnership) level shall be shared between PSBC and Mangrove Venture in the following manner: The management fee accrued during the period from December 23, 2016 to March 12, 2017 shall be borne by the Bank; the management fee accrued during the period from March 13, 2017 to June 16, 2021 shall be equally split and borne by the Bank and Mangrove Venture; and the management fee accrued from June 17, 2021 until now shall be borne by the Bank. At present, the above time range is determined according to the industrial and commercial change registration information publicized by the national enterprise credit information publicity system. However, as there is a certain time lag for the industrial and commercial registration information, the specific time should be based on the time when the partnership enterprise changes the subscription amount of capital.

Upon calculation, above-mentioned matters resulted in an additional management fee (including other incidental expenses) of RMB8,669.95 in ten thousand yuan paid by PSBC.

In addition, due to the above matters, the calculation results are based on the management fees (including other incidental expenses), recorded in the statements of CR Yuanta Runying No. 2 Special Asset Management Plan on the Valuation Benchmark Date, without considering the impact of others.

Therefore, based on the Legal Analysis Opinions on Income Distribution and Cost Sharing of Infotech National Emerging Industry Venture Investment Guidance Fund (Limited Partnership) issued by Beijing Jingtian Gongcheng Law Firm, the valuation method of beneficial interest units in trading financial assets under CR Yuanta Runying No. 2 Special Asset Management Plan held by PSBC is as follows:

- (1) Calculate the beneficial interest units value of the Infotech Venture Fund that Mangrove Venture should enjoy under the full scope.
- (2) Based on the RMB2 billion each subscribed by Mangrove Venture and PSBC, the management fees (including other incidental expenses) are actually shared between PSBC and Mangrove Venture in accordance with the above legal opinion. After the result of (1) is added to the management fees (including other incidental expenses)

that should be borne by Mangrove Venture, the beneficial interest units value of Infotech Venture Fund enjoyed by PSBC is obtained. According to the transaction structure, the beneficial interest units value of CR Yuanta Runying No. 2 Special Asset Management Plan held by PSBC is calculated.

- (3) The management fees (including other incidental expenses) is only calculated based on the above legal opinions, and does not represent the actual recoverable amount, and does not take into account the reduction of the amount available for investment due to the overpayment of management fees (including other incidental expenses), resulting in a decrease in potential income. Only the impact of the future recovery of management fees (including other incidental expenses) that should be borne by Mangrove Venture on the beneficial interest units value of the CR Yuanta Runying No. 2 Special Asset Management Plan held by PSBC is considered.
2. According to the Partnership Agreement of Infotech Venture Fund, for the portion of income of the state-funded limited partner on the actual use of the paid-in capital of Infotech Venture Fund that exceeds the income calculated according to the threshold rate of return (refers to the rate of return calculated at 10% per year when all pre-tax distributions accrued by a state-funded limited partner from the partnership over the term of the partnership reached the actual use of the paid-in capital of the state-funded limited partner) (hereinafter referred to as “excess income”), the state-funded limited partner transfers 50%-100% to other investors (hereinafter referred to as “transfer ratio range”). The specific transfer amount shall be determined within the scope of transfer ratio range according to the performance assessment of the state-funded limited partners when the state-funded limited partners withdraw from Infotech Venture Fund or the duration of Infotech Venture Fund ends, and the liquidation shall be carried out. The performance assessment of state-funded limited partner focuses on the realization of the policy objectives of Infotech Venture Fund. The relevant assessment methods shall be formulated separately by the state-funded limited partners after the establishment of Infotech Venture Fund, and shall be adjusted in due time according to the investment and operation situation of Infotech Venture Fund. Before the report is issued, the relevant assessment methods were not clear, so the impact of excess income transfer on the valuation results was not considered in this valuation report.
3. ***Legal, economic and other outstanding matters existing at the Valuation Benchmark Date:***

The valuation personnel have learned about a total of 26 relevant legal and economic outstanding matters related to the parent fund, sub-funds, and direct investment projects through the public inquiry of the Qichacha website. As of the valuation report date, the actual situation of the enterprise may not be consistent with the public search information. The impact of the above issues on the valuation conclusion was not considered in this valuation.

4. *The nature and amount of matters such as guarantees, leases and their contingent liabilities (contingent assets) and their relationship to the valuation subject:*

This valuation personnel, through the Qichacha website, Qixinbao and other network public inquiry, did not find the above matters.

5. *Significant matters between the Valuation Benchmark Date and the report date of the asset valuation report:*

In April 2024, Infotech distributed the distributable funds for July-December 2023, and Mangrove Venture received a distribution of RMB1,001.91 in ten thousand yuan, including a distribution principal of RMB285.79 in ten thousand yuan and a distribution income of RMB716.12 in ten thousand yuan. This valuation does not take into account the impact of the above matters on the valuation conclusion, and the users of the report should pay attention to it.

6. The valuation measurement of the parent fund's statements as at the benchmark date is mainly based on the analysis and estimation of the principal investment, dividend data and the proportion of interest in each investment target provided by the relevant staff of the fund manager and in conjunction with the main terms of the partnership agreement. Due to asymmetric data and information and the fact that the final allocation of the right of interpretation rests with the fund manager, and the projected results may therefore differ to a certain extent from the actual results.

7. For the projects using the market approach in this round of direct investment by the parent fund, the following data sources were utilized: For one company, the 2021 and 2023 audit reports and 2022 financial statement data provided by the enterprises were adopted; For two companies, the 2021 and 2022 audit reports and 2023 financial statement data provided by the enterprises were adopted; For one company, the 2021 to 2023 audit reports provided by the enterprises were adopted. For the valuation of the 38 sub-funds, the valuation results were based on the audit reports and unaudited financial statements provided by the enterprises on the benchmark date.

8. According to the project information collected, the sub-fund has no control over the projects under investment. In this valuation, if the projects under investment in the sub-fund's audit report are measured at fair value, the valuation personnel will refer to the valuation method of direct investment projects for the fairness of the projects under investment of the sub-fund at the Valuation Benchmark Date, and at the same time validate the fairness of the projects under investment in the light of the audit report and publicly available data in order to review a reasonable book value to recognize the evaluated value of the projects under investment of the sub-fund as at the benchmark date. For non-fair value measurements, a comprehensive analysis was conducted through the collection of information and inquiries of relevant information, and consideration was given to whether or not to make adjustments to the book value.

9. The valuation conclusions in the report reflect the market value of the valuation subject for the valuation purposes, determined in accordance with the principles of the open market, without taking into account the relevant fees and taxes to be borne in the process of registering the property rights or changing the ownership of the assets, and without making any provision for tax adjustments to be made for the appreciation of the evaluated assets.
10. The conclusion of this valuation reflects the current fair market value of the subject of the valuation for the purpose of this valuation and on the benchmark date, determined in accordance with the principles of the open market, and does not take into account the impact on the conclusion of the valuation of matters such as mortgages, guarantees and indemnification for lawsuits that may be assumed in the future, as well as additional prices that may be paid by special counterparties.
11. The valuation report is based on the information provided by the trustor and the evaluated entity, and the trustor and the evaluated entity are responsible for its authenticity, legality and completeness. The asset valuation firm and the valuation personnel shall be legally responsible for the valuation results formed on this basis.
12. The valuation conclusion is established under the premise of the valuation assumptions and is limited to the use for the purpose of this valuation. When there is a significant change in the business environment on which the evaluated entity's production and operation depend, the valuation professionals will not be responsible for deriving different valuation results due to a significant change in the premises and the basis of the valuation.

X. Explanation of Restrictions on the Use of the Valuation Report

1. The valuation report shall only be used for the purposes and uses of the valuation as stated herein and by the person using the valuation report as stated in the valuation report.
2. The asset valuation firm and its valuation personnel shall not be liable if the trustor or other user of the asset valuation report fails to use the asset valuation report in accordance with the provisions of the laws and administrative regulations and the scope of use set out in the asset valuation report.
3. Except for the trustor, other users of the asset valuation report agreed in the asset valuation engagement contract and users of the asset valuation report prescribed by laws and administrative regulations, no other organization or individual can be a user of the asset valuation report.
4. The user of the asset valuation report shall correctly understand the valuation conclusion. The valuation conclusion is not equivalent to the realizable price of the valuation subject, and the valuation conclusion should not be regarded as a guarantee of the realizable price of the valuation subject.

5. The asset valuation report is a professional report issued by the asset valuation firm and its valuation personnel after they comply with laws, administrative regulations and asset valuation standards and perform the necessary valuation procedures as entrusted. It can be formally used after it is stamped by the asset valuation firm and signed by the valuation personnel, and filed by the state-owned assets supervision and administration institution or enterprises funded by such institution.

XI. Date of the Valuation Report

The date of this valuation report is May 20, 2024.

XII. Identity, Qualifications and Independence of the Valuation Personnel

The valuation personnel primarily involved in this valuation, namely Yang Dongmei, Wang Yuan Junwei and Han Jie, are registered members of China Appraisal Society, who have sufficient qualifications and experience in similar valuation projects. Yang Dongmei, Wang Yuan Junwei and Han Jie confirm that they have no existing or expected interest relationships with the valuation subject in the valuation report; no existing or expected interest relationships with the relevant parties, and no bias towards the relevant parties.

MEASURES FOR EQUITY MANAGEMENT OF
POSTAL SAVINGS BANK OF CHINA

CHAPTER 1 GENERAL PROVISIONS

Article 1 This Measures is formulated to strengthen the equity management of Postal Savings Bank of China Co., Ltd. (hereinafter referred to as the Bank), regulate the behavior of the shareholders, protect the legitimate rights and interests of the Bank, depositors and other customers, safeguard the legitimate interests of the shareholders, and promote the sustained and sound development of the Bank, in accordance with the laws, regulations and regulatory requirements such as the Company Law of the People's Republic of China, the Commercial Banking Law of the People's Republic of China, the Measures for the Supervision and Administration of State-Owned Equities of Listed Companies, the Interim Measures for the Equity Management of Commercial Banks, the Corporate Governance Guidelines for Banking and Insurance Institutions, the Measures for the Supervision of the Behavior of the Substantial Shareholders of Banking and Insurance Institutions (Trial), the Administrative Measures on Related Party Transactions of Banking and Insurance Institutions, Notice on Strengthening the Management of Equity Pledge in Commercial Banks and the Notice on Strengthening the Governance of Data on Equity and Related Party Transactions of Banking and Insurance Institutions and the relevant rules such as the Articles of Association of the Bank as well as based on the realities of the Bank.

Article 2 In terms of equity management, the Bank shall follow the principles of categorized management, good qualifications, clear relationships, well-defined rights and responsibilities, and openness and transparency.

Categorized management refers to the categorized management of Shareholders of the Bank, with a focus on strengthening the management of substantial Shareholders and major Shareholders.

Substantial Shareholders of the Bank are those who hold 15% or more of the Shares in the Bank, or who actually hold the most Shares in the Bank and whose shareholding percentage is not less than 5% (including the Shareholders holding the same number of Shares), or who nominate more than two Directors, or who have controlling influence on the operation and management of the Bank as deemed by the Board of Directors of the Bank, or who fall into the other circumstances affirmed by the banking regulatory authority of the State Council (or its local offices). Where the aggregate shareholding percentage of a Shareholder and its related parties and persons acting in concert satisfies the aforesaid requirements, the relevant Shareholder shall be deemed to be managed as a substantial Shareholder.

Major Shareholders of the Bank are those who hold or control 5% or more of the Shares or voting rights of the Bank, or hold less than 5% of its total capital or total Shares but have significant influence on the operation and management of the Bank. The “significant influence” mentioned above refers to the influence on the Bank’s decision-making of finance, operation and management by circumstances including but not limited to the assignment of Directors, Supervisors or senior management to the Bank, through an agreement or by other means, and other circumstances affirmed by the banking regulatory authority of the State Council (or its local offices).

Good qualifications mean that the Shareholders of the Bank should have good reputation, financial status, integrity records and taxation records, and comply with laws, regulations and regulatory provisions.

Clear relationships mean that the relationship between Shareholders and controlling Shareholders of the Bank, de facto controllers, related parties, parties acting in concert and ultimate beneficiaries shall be clear and transparent. The shareholding ratio of Shareholders and their related parties as well as parties acting in concert shall be calculated on a consolidated basis.

Well-defined rights and responsibilities mean that Shareholders of the Bank shall abide by laws, regulations, regulatory provisions and relevant requirements on Shareholders’ responsibilities and equity management in the Articles of Association of the Bank, exercise Shareholders’ rights and perform Shareholders’ obligations in accordance with the laws. The Bank shall strengthen the management of equity matters in accordance with regulatory provisions and the Articles of Association of the Bank.

Openness and transparency mean that the Bank and its Shareholders shall fully disclose relevant information and accept public supervision in accordance with laws, regulations and regulatory provisions.

Article 3 Shareholders of the Bank shall have the shareholder qualifications stipulated in the Interim Measures for the Equity Management of Commercial Banks and other laws and regulations, regulatory provisions and the Articles of Association of the Bank, and shall perform shareholders’ obligations and undertake shareholders’ responsibilities.

Article 4 The Shares, subscribed in RMB, issued by the Bank are under the centralized registration in Shanghai Branch of China Securities Depository and Clearing Corporation Limited. The Shares, subscribed in foreign currency, issued by the Bank and listed in Hong Kong are under the centralized registration in Computershare Hong Kong Investor Services Limited.

Article 5 This Measures shall apply to all Shareholders who hold Ordinary Shares of the Bank (hereinafter referred to as the Shares) and equity management of Ordinary Shares of the Bank, whereas relevant laws and regulations and relevant provisions of the Articles of Association of the Bank shall apply to the preference Shareholders and equity management of preference Shares.

CHAPTER II EQUITY MANAGEMENT

Article 6 The Board of Directors of the Bank shall assume the ultimate responsibility for the management of equity matters. The Chairman of the Bank is the first person in command for managing the Bank's equity matters. The Secretary to the Board of Directors shall assist the Chairman and shall be the person directly responsible for managing equity matters. The Chairman and Secretary to the Board of Directors shall faithfully, honestly and diligently perform their duties.

Article 7 The Board of Directors of the Bank shall, at least annually, evaluate its major Shareholders regarding their qualifications, performance of commitments, implementation of the Bank's Articles of Association or relevant agreements, as well as their compliance with laws, regulations and regulatory requirements, and submit the evaluation reports thereof to the banking regulatory authority of the State Council (or its local offices) in a timely manner; and it shall, at least annually, evaluate its substantial Shareholders regarding their qualifications, financial position, shareholdings, related party transactions in the last year, exercise of shareholder rights, performance of obligations and commitments, implementation of the Bank's Articles of Association and relevant agreements, as well as their compliance with laws, regulations and regulatory requirements, and submit the evaluation reports thereof to the banking regulatory authority of the State Council (or its local offices) in a timely manner. The evaluation reports of substantial Shareholders shall be reported at the Shareholders' general meeting or through written documents.

Article 8 The Office of the Board of Directors of the Bank takes the lead in carrying out the work regarding the equity management of the Bank.

- (I) To establish and improve the equity information management system and the equity management policy, and effectively conduct equity information registration, equity data management and information disclosure, etc.
- (II) To strengthen communication with its shareholders and investors, and take charge of relevant work of equity matters including applying for administrative permits, reporting of shareholder information and other relevant matters and submitting relevant documents, etc.
- (III) To strengthen the examination of Shareholder qualifications. It shall verify the information about its major Shareholders and controlling Shareholders, de facto controllers, related parties, parties acting in concert, ultimate beneficiaries and understand any changes in such information, make judgment on Shareholders' influence on the Bank's operation and management, and report or disclose relevant information in a timely, accurate and complete manner according to laws.

- (IV) To collect and dynamically grasp the information required by laws and regulations and regulatory provisions to be reported to the Bank by major Shareholders of the Bank, including but not limited to operating information, source of capital for equity investment, capital replenishment capabilities, changes in shares, holding or controlling shares of commercial banks, investment in financial products and fulfillment of commitments, etc., and to remind major Shareholders that their qualifications must meet regulatory requirements.
- (V) To undertake the daily work including collecting, collating and submitting information on the pledge and release of pledge of the Bank's equity, and establish the equity pledge management and monitoring ledger.
- (VI) To actively strengthen communication with regulatory authorities, pay attention to the latest developments of regulatory authorities on equity management, and track news, public opinion and industry information related to equity management.
- (VII) To create information files of substantial Shareholders, record and manage relevant information on these Shareholders, verify and know about the control of such Shareholders, relations as related parties and action in concert with other Shareholders of the Bank, and the pledging and freezing of the equity held at least once every six months by questioning Shareholders, accessing to public information, and other means, and report and disclose relevant information in a timely, accurate and complete manner in accordance with relevant regulations in case of any changes.

Article 9 The Legal Affairs Department of the Bank takes the lead in organizing the management of connected transactions of the Bank.

The Bank shall strengthen the management of connected transactions, and shall regard the major Shareholders and controlling Shareholders, de facto controllers, related parties, parties acting in concert, and ultimate beneficiaries as its own related parties for management according to the principle of penetration. The Bank shall strictly implement the review and approval policies and information disclosure policies for connected transactions, and report connected transactions to the banking regulatory authority of the State Council (or its local offices) in a timely manner.

When entering into the sale or purchase or lease of the Bank's own movable or immovable properties; the purchase and sale of credit assets; the receipt and disposal of repossessed assets; transactions relating to services such as credit enhancement, credit assessment, assets assessment, law, information, technology and infrastructure; commissioned or entrusted sales and other transactions with its major Shareholders or controlling Shareholders, de facto controllers, related parties, parties acting in concert or ultimate beneficiaries, the Bank shall comply with laws and regulations and the relevant requirements of the banking regulatory authority of the State Council, and shall conduct such transactions in accordance with commercial principles which shall be no more favorable than the conditions offered to non-related parties regarding similar transactions, so as to prevent risk contagion and tunneling.

Article 10 The Credit Management Department of the Bank takes the lead in organizing and implementing the credit management of major Shareholders of the Bank.

The Bank should strengthen the credit management of major Shareholders, and shall confirm the ultimate debtor in accordance with the principle of penetration. The credit balance granted by the Bank to an individual entity such as a major Shareholder or its controlling shareholder, de facto controller, related party, party acting in concert and ultimate beneficiary shall not exceed 10% of the net capital of the Bank at the end of last quarter. The total credit balance granted by the Bank to an individual major Shareholder and its controlling shareholder, de facto controller, related party, party acting in concert and ultimate beneficiary shall not exceed 15% of the net capital of the Bank at the end of last quarter.

The credits in the preceding paragraph include but not limited to loans (including trade finances), bill acceptances and discounts, overdrafts, bond investments, special purpose vehicle investments, issuance of letter of credit, factoring, guarantees, letters of guarantee, loan commitments, repurchase of securities, lending and other on- and off-balance sheet businesses the credit risks of which are essentially borne by the Bank or the wealth management products issued by the Bank.

Article 11 When conducting interbank businesses with its major Shareholders or controlling Shareholders, de facto controllers, related parties, parties acting in concert and ultimate beneficiaries which are financial institutions, the Bank shall abide by laws and regulations and relevant requirements of regulatory provisions on interbank businesses.

CHAPTER III EQUITY PLEDGE

Article 12 The Bank shall not accept the Shares of the Bank as the subject matter of the pledge right.

Article 13 In case of providing guarantee for themselves or others with their equity interest in the Bank, the Shareholders shall strictly comply with laws, regulations and regulatory provisions and give a prior notice to the Board of the Bank. The Office of the Board of Directors shall be responsible for the daily work of collecting, collating and reporting of the pledge information of the Bank's equity.

Where Shareholders serving as Directors or Supervisors of the Bank or Shareholders directly, indirectly, or jointly holding or controlling more than 2% of the Shares or voting rights of the Bank wish to pledge the Shares of the Bank, they shall apply to the Board of the Bank for filing in advance, and indicate the reasons for the pledge, number of Shares to be pledged, term of pledge, pledgee and other basic information. Where the Board considers that the pledge has a material adverse effect on the Bank's equity stability, corporate governance, risk and connected transaction control, etc., such pledge shall not be filed. When the Board reviews relevant filings, the Directors appointed by the Shareholders proposing such pledge shall withdraw.

Article 14 After completing the registration of equity pledge, the Shareholders shall timely provide the Bank with relevant information about the equity pledge in accordance with the Bank's risk management and information disclosure requirements.

Article 15 The Bank shall establish and improve the firewall on operational risks between the Bank and its Shareholders to prevent various risks from the equity pledge by Shareholders. Relevant Shareholders who have pledged the Shares of the Bank shall provide the Bank with the financial data. Where Shareholders are involved in lawsuits, freeze, selling at a discounted price or auctions, they shall promptly notify the Board of the Bank after the occurrence of relevant circumstances.

Article 16 Where the loan balance of the Shareholders in the Bank exceeds the audited net equity of the Bank held by them in the previous year, such Shareholders are not allowed to pledge the equity of the Bank.

Article 17 If the number of Shares of the Bank pledged by the Shareholder is equal to or greater than 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' general meeting and the Director(s) nominated by such Shareholder shall not vote or be counted in the number of attendees at the Board meeting. If the number of Shares of the Bank pledged by the substantial Shareholder is equal to or greater than 50% of the Shares held by such Shareholder in the Bank, the substantial Shareholder and the Director(s) nominated by such Shareholder shall not vote at the Shareholders' general meeting and the Board meeting.

CHAPTER IV INFORMATION DISCLOSURE

Article 18 The Bank shall disclose its equity information in a truthful, accurate and complete manner through semi-annual reports or annual reports on the designated websites of the stock exchanges, its official website and via other channels, the contents of which shall include:

- (I) the total number of Shares and Shareholders at the end of the reporting period and any changes in the Shares during the reporting period;
- (II) shareholdings of the top ten Shareholders of the Bank at the end of the reporting period;
- (III) information about the major Shareholders and its controlling shareholders, de facto controllers, related parties, parties acting in concert and ultimate beneficiaries at the end of the reporting period;
- (IV) connected transactions with the major Shareholders and its controlling shareholders, de facto controllers, related parties, parties acting in concert and ultimate beneficiaries during the reporting period;
- (V) pledge of the Bank's equity by any of the major Shareholders;

- (VI) Shareholder's nomination of Directors and Supervisors;
- (VII) other information as required by the banking regulatory authority of the State Council, the securities regulatory authority of the State Council and the stock exchanges where the Bank's Shares are listed.

Article 19 In any of the following circumstances, the Bank shall disclose information through quarterly reports, annual reports and centralized equity custodian institutions, etc., in a timely manner, and report to the banking regulatory authority of the State Council within ten days after any of the following circumstances occurs:

- (I) where the equity pledged reaches or exceeds 20% of the Bank's total equity;
- (II) where a major Shareholder pledges 50% or more of the Shares held by such Shareholder in the Bank;
- (III) where the Bank's pledged equity are subject to freeze, judicial auctions and legal restrictions on voting rights or subject to other right restrictions.

Article 20 Where relevant information of the major Shareholders of the Bank may lead to significant changes in their shareholder qualifications or result in major changes in their equity holdings in the Bank, the Bank shall make timely information disclosure.

Article 21 The Bank shall, when disclosing information, make an explanation about any equity matter that has been reported to the MOF and the banking regulatory authority of the State Council but is still pending for approval thereof.

CHAPTER V SUPPLEMENTARY PROVISIONS

Article 22 The term "more than" mentioned herein is inclusive of the concerned figure.

Article 23 The definitions of "major Shareholders", "controlling Shareholders", "de facto controllers", "related parties", "parties acting in concert" and "ultimate beneficiaries" herein are subject to the provisions of the Interim Measures for the Equity Management of Commercial Banks.

Article 24 Where any matters are not covered by this Measures or are in conflict with any laws, regulations, normative documents, provisions of the stock exchanges in the places where the Bank's Shares are listed or the Articles of Association of the Bank promulgated or amended from time to time after this Measures becomes effective, such laws, regulations, normative documents and provisions of the stock exchanges in the places where the Bank's Shares are listed and the Articles of Association of the Bank shall prevail.

Article 25 This Measures shall be interpreted by the Board of Directors of the Bank and shall be implemented from the date of its issuance. The former Measures for Equity Management of Postal Savings Bank of China (Version 2021) (You Yin Zhi 2021 No. 132) shall be repealed simultaneously.

BIOGRAPHIES OF DIRECTOR CANDIDATES

The biographies of the candidates for re-election or election as Directors at the 2023 AGM and other relevant information are set out below:

Mr. Liu Jianjun

Liu Jianjun, male, Chinese nationality, born in 1965, obtained a master's degree in Economics from Dongbei University of Finance and Economics and holds the title of Senior Economist. He previously served as Deputy General Manager of Weifang Branch and Jinan Branch as well as the General Manager of Dezhou Branch under Shandong Branch of China Construction Bank; Deputy General Manager of Jinan Branch of China Merchants Bank, General Manager of the Retail Banking Department, General Manager of the Retail Management Department, Business Executive of the Head Office and Senior Executive Vice President of the General Office of Retail Finance, Director of the Credit Card Center of China Merchants Bank, Executive Director, Executive Vice President and Secretary of the Board of Directors of China Merchants Bank. He currently serves as Vice President of China Post Group Corporation Limited and an Executive Director and President of the Bank.

Ms. Yao Hong

Yao Hong, female, Chinese nationality, born in 1966, obtained a master's degree in Management from Hunan University and holds the title of Senior Economist. She previously served as Deputy Director of the Savings Business Division under the Postal Savings and Remittance Bureau of the Ministry of Posts and Telecommunications, and Director of the Savings Business Division and Associate Director General of the Postal Savings and Remittance Bureau of the State Post Bureau. She currently serves as an Executive Director, Vice President and Chief Risk Officer of the Bank. She concurrently serves as Vice Chairman of Payment & Clearing Association of China.

Mr. Liu Xin'an

Liu Xin'an, male, Chinese nationality, born in 1968, obtained a master's degree in Economics from Renmin University of China. Mr. Liu previously served as Deputy Director General of the General Office, Deputy Director General of the Department of Education, Science and Culture, and Deputy Director General of the Department of Science, Technology and Education of the Ministry of Finance, Secretary of the Party Committee and President (Director General level) of China State Finance Magazine, Director General of the Department of Policy Research and Director General of the Department of Treaty and Law of the Ministry of Finance, etc. He is now Director of China Post Group Corporation Limited.

Mr. Zhang Xuanbo

Zhang Xuanbo, male, Chinese nationality, born in 1968, obtained a master's degree in Management from Nankai University and holds the title of Senior Auditor. He previously served as Director of Division II of the Trade Audit Bureau, Director of Division III and Director of Division IV of the Department of Public Finance Audit, Deputy Director General of the Development and Statistics Audit Bureau of the National Audit Office, a member of the leading Party members sub-group and Deputy Commissioner of the Changchun Regional Office, Deputy Director General (presiding over work) and Director General of the Health and Medicine Audit Bureau of the National Audit Office, etc. He is now Director General of the Health and Sport Audit Bureau of the National Audit Office.

Mr. Hu Yuting

Hu Yuting, male, Chinese nationality, born in 1979, obtained a master's degree in Finance from the Central University of Finance and Economics and holds the titles of Senior Accountant, Certified Public Accountant and Chartered Financial Analyst. He previously served as Deputy Manager and Manager of the Taxation Management Division in the Finance Department of China Mobile Limited, Deputy General Manager of the Finance Department of China Mobile Limited, and General Manager and Director of China Mobile Group Finance Co., Ltd. He currently serves as General Manager of the Finance Department and Securities Affairs Department of China Mobile Limited.

Mr. Ding Xiangming

Ding Xiangming, male, Chinese nationality, born in 1968, obtained a master's degree in Management from Shanghai Maritime University, and holds the title of Senior Economist. He previously served as General Manager of Investment and Development Department of Shanghai International Port (Group) Co., Ltd. ("SIPG"), Vice President and General Manager of Investment and Development Department of SIPG, as well as Vice President, Board Secretary and General Manager of Investment and Development Department of SIPG, etc. He now serves as Vice President, Board Secretary and General Counsel of SIPG.

Mr. Yu Mingxiong

Yu Mingxiong, male, Chinese nationality, born in 1977, obtained a bachelor's degree in Economics and a bachelor's degree in Law from Zhongnan University of Economics and holds the titles of Senior Engineer, Senior Political Work Engineer, Auditor and Certified Public Accountant (nonpracticing member). He previously served as Deputy Director of the Audit Department of China Shipbuilding Industry Corporation (CSIC), Director and General Manager of CSIC Finance Co., Ltd., Director and General Manager of China Shipbuilding Capital Limited, Non-executive Director of Everbright Securities Company Limited, Director of the Audit Department of China State Shipbuilding Corporation Limited, etc. He currently serves as Director of Asset Management Department of China State Shipbuilding Corporation Limited.

Mr. Hong Xiaoyuan

Hong Xiaoyuan, male, Chinese nationality, born in 1963, obtained a master's degree in Economics from Peking University and a master's degree in Science from Australian National University, and holds the title of Senior Economist. He previously served as Assistant to General Manager of China Merchants Group Limited, a Director of China Merchants Holdings (Hong Kong) Company Limited, General Manager of China Merchants Finance Holdings Co., Ltd., a Director of China Merchants Bank Co., Ltd., a Director of China Merchants Securities Co., Ltd., Chairman of China Merchants Finance Holdings Company Limited, Chairman of Bosera Asset Management Co., Limited, a Director (Executive) of the Executive Committee of the China Merchants Financial Group/Platform, Chairman of China Merchants Capital Investments Co., Ltd., Chairman of China Merchants United Development Company Limited, Chairman of China Merchants Innovation Investment Management Co., Ltd., Chairman of the Board of China Merchants China Direct Investments Limited, General Manager of China Merchants Technology Holdings Co., Ltd., Deputy General Manager of China Merchants Shekou Industrial Zone Co., Ltd. etc. He now serves as an Independent Director of Bank of Hangzhou Co., Ltd., a Director of CNIC Corporation Limited, an Executive Director of China Society of Economic Reform, a member of Hong Kong Chief Executive's Policy Unit Expert Group.

Mr. Hong Xiaoyuan has confirmed (i) his independence as regards each of the factors referred to in Rule 3.13(1) to (8) of the Hong Kong Listing Rules; (ii) that he does not have any past or present financial or other interest in the business of the Bank or its subsidiaries or any connection with any core connected person (as defined in the Hong Kong Listing Rules) of the Bank; and (iii) that there are no other factors that may affect his independence at the time of his appointment. The Board is also of the opinion that Mr. Hong Xiaoyuan has met the independence guidelines set out in Rule 3.13 of the Hong Kong Listing Rules and is independent in accordance with the terms of the guidelines.

Pursuant to Rule B.3.4 of Appendix C1 to the Hong Kong Listing Rules, the Nomination and Remuneration Committee and the Board of the Bank have discussed the matters regarding the nomination of Mr. Hong Xiaoyuan as a candidate for Independent Non-executive Director of the Bank. Mr. Hong Xiaoyuan has extensive working experience in the industry and broad vision. He is familiar with the development process and trend of financial industry in the PRC, therefore is capable of providing prospective and constructive advice for the development of the Bank. He, as Independent Non-executive Director of the Bank, is also able to promote to the diversity of the structure of the Board in various aspects, including culture, knowledge, educational background, experience and skills.

As at the Latest Practicable Date, the abovementioned Director candidates confirmed that save as disclosed herein, they did not hold any directorship in other public companies the securities of which are listed on any securities market in the Chinese mainland, Hong Kong or overseas in the past three years, nor did they have any other relationship with any Director, Supervisor, senior management, major Shareholder or controlling Shareholder of the Bank, nor did they hold any other positions in the Bank or any of its subsidiaries; did not have any interest in the Shares of the Bank or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong. Save as disclosed above, there is no information in relation to their appointments that shall be disclosed pursuant to the requirements set out in Rule 13.51(2)(h) to (v) of the Hong Kong Listing Rules, nor any other matters that need to be brought to the attention of the Shareholders.

**REPORT ON THE 2023 EVALUATION OF THE SUBSTANTIAL SHAREHOLDER
OF POSTAL SAVINGS BANK OF CHINA**

In accordance with the requirements of the Measures for the Supervision of the Behavior of the Substantial Shareholders of Banking and Insurance Institutions (Trial) and other relevant regulations, the Board of Directors of a commercial bank shall perform an annual assessment of the substantial shareholders, and the assessment report is to be reported at the Shareholders' General Meeting and submitted to the National Financial Regulatory Administration in a timely manner. The Bank recently conducted the 2023 evaluation of the substantial Shareholder and the results are summarized below.

I. Equity management

In 2023, the Bank's Board of Directors attached great importance to equity management. Diligently and continuously improving the equity management system, it actively implemented regulatory requirements and earnestly listened to the report on equity management to improve the equity management system and revise the management measures for the equity management. Additionally, the Bank strengthened the routine management of and communication with Shareholders, assessed the performance of commitments by the major Shareholders, improved management records of the major Shareholders' commitments, strictly implemented requirements for equity approval and report, enabling Shareholders to obtain equity in compliance with laws and regulations. The Bank paid close attention to changes in the shareholdings of Shareholders, continued to perform equity analysis, enhanced the initiative and sensitivity of equity management, and promoted the steady operation and healthy development of the Bank.

II. Status of the substantial Shareholder

As at the end of 2023, China Post Group Corporation Limited held 62,256 million Shares of the Bank (including 62,175 million A Shares and 81 million H Shares), accounting for a shareholding percentage of 62.78%. In accordance with regulatory requirements, China Post Group is a substantial Shareholder of the Bank as its shareholding percentage exceeds 15%.

China Post Group, a wholly state-owned enterprise incorporated in accordance with the Company Law of the People's Republic of China, was established on October 4, 1995, and was officially restructured into China Post Group Corporation Limited on December 17, 2019. It is the controlling Shareholder and de facto controller of the Bank. In 2023, the consolidated total assets amounted to RMB16,399,977 million; the net assets amounted to RMB993,834 million; the operating income amounted to RMB144,127 million; the net profit amounted to RMB73,321 million.

III. Organization and implementation of the assessment

The Bank placed great importance to its assessment of the substantial Shareholder. It sent a notification letter to the substantial Shareholder in early 2024 requesting its cooperation in the 2023 evaluation of the substantial Shareholder. The Bank formulated an assessment report by performing comprehensive analysis and comparison of daily Shareholder performance, qualifications, financial position, shareholdings, related party transactions in the last year, exercise of Shareholder rights, fulfillment of obligations and commitments, observation of the Bank's Articles of Association and terms of agreements, and compliance with laws, regulations and regulatory requirements, based on information and financial statements collected from the substantial Shareholder, and information from public channels. The assessment report has been reviewed and approved at the fourth meeting of the Board of Directors for 2024 held on May 30, 2024.

IV. Assessment results

(I) Qualifications and financial position

China Post Group was incorporated in accordance with law, boasting a good social reputation and records of integrity and tax as well as financial position. The relationship between it and its controlling Shareholders, de facto controllers, related parties, persons acting in concert, ultimate beneficiaries and other parties was clear and transparent, and its qualifications were in compliance with laws, regulations and regulatory requirements. There were no circumstances that may have an adverse impact on the operation and management of the commercial bank.

(II) Shareholdings

China Post Group held a long-term and stable equity stake in the Bank, and the equity relationship was truthful and transparent. It went through the proper regulatory approval and reporting procedures when acquiring the equity. China Post Group invested in the Bank with its own funds from legitimate sources, and there were no instances of cross holding with the Bank, or investing in the Bank with entrusted funds, debt funds or other non-self-owned funds. There were no instances of violations of laws and regulations such as concealment of actual controllers, connected relationships, equity entrustment, or private agreements. There were no guarantees provided on debts with its equity in the Bank other than to itself and its related parties, and there were no instances of using equity pledges, holding the Bank's equity on behalf of the Bank, illegally holding shares in related parties, or disguised equity transfer.

On June 12, 2023, 58,848 million A Shares of the Bank held by China Post Group prior to the listing of the Bank were unlocked, with remaining 5,405 million A Shares locked for sale currently, which will be unlocked on March 25, 2026. As the controlling Shareholder of the Bank, China Post Group focuses on long-term investment and value investment, actively safeguards the stable and healthy operation of the Bank and maintains a stable shareholding structure so as to support the Bank in better serving the real economy and preventing and controlling financial risks.

(III) Related party transactions

China Post Group complied with relevant laws, regulations and regulatory requirements on related party transactions. Transactions with the Bank were transparent and fair, and there were no improper related party transactions with the Bank or instances of using its influence over the Bank to obtain illegitimate benefits. Routine related party transactions between the Bank and China Post Group did not exceed the estimated annual cap, and relevant information was disclosed in the Bank's periodic reports.

(IV) Exercise of Shareholder rights

China Post Group legally and effectively participated in corporate governance in accordance with laws, regulations, regulatory provisions and the Articles of Association of the Bank, properly exercised Shareholder rights through corporate governance procedures and upheld the independent operation of the Bank. There were no instances such as abuses of Shareholders' rights, or improper interference with or restrictions on the Bank.

(V) Fulfillment of obligations and commitments

China Post Group strictly fulfilled its obligations and abided by its commitments.

1. In terms of declarative commitments, China Post Group undertook to fulfill its capital contribution obligations in accordance with laws, regulations and regulatory requirements, and its shareholding ratio complied with regulatory requirements. There were no circumstances that may adversely affect the operation and management of the Bank, and the information it provided was truthful, effective, accurate and complete. The number of commercial banks that it invested in complied with regulatory requirements.
2. In terms of compliance commitments, China Post Group undertook to exercise its investor rights in strict accordance with laws and regulations, regulatory provisions and the Articles of Association, and carried out relevant activities in compliance with laws and regulations, such as not interfering with the Bank's operations, standardizing related party transactions, standardizing equity pledges, and not transferring the equity held within a specified period.

3. In terms of responsibility commitments, China Post Group was committed to replenishing the Bank's capital when necessary, and supported the Bank's Board of Directors in formulating reasonable capital planning, so as to ensure that the Bank's capital can continue to meet regulatory requirements. There were no circumstances that prevented other Shareholders from replenishing the Bank's capital or hindered the entry of qualified new Shareholders. In 2023, with the full and proactive support by China Post Group, the Bank successfully completed the private placement of A Shares amounting to RMB45,000 million and introduced a new Shareholder, China Mobile Communications Group Co., Ltd., thereby consolidating the capital base and optimizing the capital structure.

(VI) Observation of the Articles of Association and terms of agreements, and compliance with laws, regulations and regulatory requirements

China Post Group strictly observed the Articles of Association of the Bank and terms of agreements and was well versed in the Shareholders' responsibilities and obligations and strictly implemented laws, regulations and regulatory requirements. There were no major situations that may adversely affect the operation and management of the Bank.

The assessment found that China Post Group maintained its qualifications and source of investment funds in compliance with regulations, sound financial position and clear shareholding structures, while conducting transparent and fair transactions with the Bank. There were no improper related party transactions with the Bank or instances of using its influence over the Bank to obtain illegitimate benefits. It exercised its Shareholder rights in accordance with the law, performed its obligations and commitments, and strictly complied with laws and regulations, regulatory requirements, the Articles of Association of the Bank and the terms of the agreement, and complied with regulatory requirements.

**APPENDIX VII 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 2023**

**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 2023**

According to the relevant provisions of the Plan on Authorization of the Shareholders' General Meeting to the Board of Directors of Postal Savings Bank of China Co., Ltd. (the "**Plan on Authorization**"), the Board of Directors conducted a self-inspection of the implementation of the Plan on Authorization from January 1, 2023 to December 31, 2023.

The self-inspection results showed that the Board of Directors of the Bank strictly adhered to the requirements of the Plan on Authorization, earnestly performed their duties, scientifically and prudently made decisions and exercised their authority and powers in a well-regulated way. The Plan on Authorization was well implemented and there was no case of approval by the Board of Directors beyond its authority.

**REPORT ON THE 2023 SPECIAL REPORT ON RELATED PARTY
TRANSACTIONS OF POSTAL SAVINGS BANK OF CHINA**

In 2023, in compliance with domestic and overseas laws and regulations and the Administrative Measures on Related Party Transactions of Postal Savings Bank of China (2022 Revision), the Bank strictly implemented various institutional norms and enhanced the management of related party transactions with an aim to further improve the management system of related party transactions. The related party transaction management and related party transactions of the Bank conducted in 2023 are as follows.

I. Management of Related Party Transactions

(I) The Related Party Transactions Control Committee under the Board of Directors and Independent Directors conscientiously performed duties to provide practical advice and strong support to the Board of Directors for scientific decision-making

The Related Party Transactions Control Committee under the Board of Directors held a total of four meetings in 2023, reviewed and approved the 2022 Special Report on Related Party Transactions of Postal Savings Bank of China Co., Ltd., and revised the proposals including Working Rules of the Related Party Transactions Control Committee of the Board of Directors of Postal Savings Bank of China Co., Ltd. and Related Parties of Postal Savings Bank of China. During the reporting period, the Related Party Transactions Control Committee of the Board of Directors operated in a professional and independent manner, focused on the compliance, fairness and necessity of related party transactions, earnestly fulfilled their duties and worked actively to advance the development of a related party transactions management system, which provided professional research advice for the scientific decision-making of the Board. The Independent Directors of the Bank performed their duties conscientiously, maintained their independence and paid close attention to related party transactions management, thereby ensuring that the related party transactions were conducted in accordance with the laws and regulations and in compliance with business practices, and safeguarding the overall interests of the Bank and the legitimate rights and interests of minority Shareholders.

(II) The Bank actively promoted the implementation of related party transactions management system to ensure the legal compliance of related party transactions

The Bank actively promoted the implementation of the new regulations on related party transactions, and issued the Notice on Further Regulating the Reporting of Related Party Transactions and Other Relevant Work, the Notice on Communicating the New Regulations on Related Party Transactions and the Notice on Further Strengthening the Monitoring of the Caps of Related Party Transactions and Quota Application. The Bank also urged the whole Bank to strengthen related party transactions management, effectively performed the responsibilities of the first line of defence, ensured the implementation of various management requirements, carried out related party transactions in compliance with regulations, and effectively controlled the risks of related party transactions.

**APPENDIX VIII REPORT ON THE 2023 SPECIAL REPORT ON RELATED PARTY
TRANSACTIONS OF POSTAL SAVINGS BANK OF CHINA**

(III) The Bank dynamically updated a multi-caliber list of related parties to consolidate the foundation of related party transaction management

The Bank strictly observed the new regulations by organizing the collection of related parties' information in compliance with the new regulations, updating the list of related parties within the time limit prescribed by the regulatory authorities and filling in the regulatory information system in a timely manner. The Bank submitted the list of related parties to the Related Party Transactions Control Committee of the Board of Directors for consideration and reported it to the Board of Directors and the Board of Supervisors, so as to continuously consolidate the foundation of related party transaction management. During the reporting period, the list of related parties under the related party transaction management system was updated for a total of 2,528 times, adding 393 related legal entities and 309 related natural persons and deleting 82 related legal entities and 484 related natural persons as compared with the end of 2022.

(IV) The Bank organized special training on the management of related party transactions to improve the related party transaction management across the Bank

During the reporting period, the Bank organized special training on the management of related party transactions, and attended by 990 staff across the Bank. The special training was based on practices of the Bank, and further provided full explanation on the overall situation of related party transaction management, major changes in regulatory requirements, key contents of the Bank's management system, related party transaction management measures, concerns of regulatory authorities and open cases, to cultivate a compliance culture for the related party transaction management and further enhance the awareness and capability of the Bank in this regard and achieved better results.

(V) The Bank enhanced the quality and efficiency of the work of the first line of defence in the related party transactions to enhance the informatization of related party transaction management

The departments of the first line of defence under the related party transaction management earnestly performed duties by promoting the relevant upgrading and transformation of business and management systems, effectively identifying related party transactions, strengthening the governance of source data, and improving the quality of related party transaction data. At the same time, the Bank continued to optimize the functions of the related party transaction management system, and comprehensively sorted out and updated the standards for related parties and related party transactions, and the statistical rules for reporting in accordance with the new regulatory requirements, so as to further enhance the level of informatization and refinement of the management of related party transactions.

II. Related Parties and Related Party Transactions

(I) Overview of related parties

In 2023, the Bank further improved the information management mechanism of related parties and strictly complied with regulations of the National Financial Regulatory Administration and domestic and overseas stock exchanges, and collected and updated the information of related parties. As of December 31, 2023, the total number of related parties under criteria of the National Financial Regulatory Administration, A Shares and H Shares was 5,519. Among them, 3,759 related natural persons mainly include Directors, Supervisors, senior management of the Bank and their close relatives, as well as directors and senior management of China Post Group Corporation Limited, etc.; 1,760 related legal entities mainly include China Post Group Corporation Limited, China Mobile Communications Group Co., Ltd., China State Shipbuilding Corporation Limited, Shanghai International Port (Group) Co., Ltd. and their controlling Shareholders, de facto controllers, related parties, persons acting in concert, ultimate beneficiaries, and legal entities or other organizations controlled or significantly influenced by related natural persons.

(II) Overview of related party transactions

Based on the audited financial statements, related party transactions conducted in 2023 are as follows:

1. *Related party transactions with China Post Group Corporation Limited, the controlling Shareholder, and its relevant related parties.*

(1) Agency banking services provided by China Post Group Corporation Limited

Pursuant to the Agency Banking Businesses Framework Agreement signed on September 7, 2016, the Bank entrusted China Post Group Corporation Limited to conduct certain commercial banking business through agency outlets. The Bank and China Post Group Corporation Limited made a passive adjustment to the Scaled Fee Rates of deposit agency fees in 2022. According to the framework agreement and adjusted Scaled Fee Rates, during the reporting period, the deposit agency fees paid by the Bank to China Post Group Corporation Limited amounted to RMB115,644 million¹ and the composite rate of RMB deposit agency fees was 1.24%, lower than the cap of 1.5%. Fees paid for the agency settlement services amounted to RMB6,760 million, and fees paid for agency sales services and other services amounted to RMB12,873 million.

¹ In 2023, deposit agency fees (including RMB and foreign currency deposit-taking business) amounted to RMB115,644 million. The net settlement amount of the Bank's relevant mechanisms to boost deposit-taking was RMB-720 million. The "deposit agency fees and others" in notes to the financial statements are settled on a net basis and amounted to RMB114,924 million.

APPENDIX VIII REPORT ON THE 2023 SPECIAL REPORT ON RELATED PARTY TRANSACTIONS OF POSTAL SAVINGS BANK OF CHINA

Internal fund transfer pricing (hereinafter, FTP) is a funds pricing mechanism applied to the transfer of funds between the internal fund centers and the business operating lines of commercial banks at a consideration, for the purpose of accounting for the cost of funds or revenue. From the operational perspective, for the deposits taken by the personal banking business of commercial banks, save for a portion of which is used for providing personal loans, the remaining funds will be offered to other business lines through the treasury at FTP prices. In this process, the personal banking business is the provider of funds, which is similar to the agency outlets of China Post Group Corporation Limited acting as the Bank's provider of funds. Therefore, the funds provided by the personal banking business to the corporate banking business and the treasury business will earn internal interest income at FTP prices. After deducting the costs of interest payment, the FTP-based net yield can be calculated and used as a reference for the cap on deposit agency fees.

Considering that it is stipulated in the Agency Banking Businesses Framework Agreement that the passive adjustment mechanism of the deposit agency fees will be triggered by the fluctuation of the average net interest spread of the Big Four banks, data of the Big Four banks are used as comparable samples for the internal fund transfer pricing method. As illustrated above, composite rate of RMB deposit agency fees for 2023 is 1.24%, and the above FTP-based net yield for 2023 is 1.96%¹.

(2) Mutual lease with China Post Group Corporation Limited and its relevant related parties

The Bank and China Post Group Corporation Limited and its relevant related parties leased properties, ancillary equipment and other assets to each other during the course of ordinary business. The Bank received RMB68 million for the leases provided to China Post Group Corporation Limited and its relevant related parties; and paid RMB892 million for the leases provided by China Post Group Corporation Limited and its relevant related parties.

(3) Comprehensive services and other transactions with China Post Group Corporation Limited and its relevant related parties

The Bank received a fee of RMB2,907 million for comprehensive services and sales of business materials rendered to China Post Group Corporation Limited and its relevant related parties, including agency of insurance, agency sales of precious metals, custody business, agency sales of collective assets management plans, transport and storage of banknotes, equipment maintenance and sales of business materials. While the Bank paid a fee of RMB3,044 million for comprehensive

¹ The estimated FTP-based net yield is calculated based on the public information of the Big Four banks' 2023 A-share annual reports and based on the assumptions and formulas adopted in this report, and may not represent the true financial performance of the Big Four banks.

APPENDIX VIII REPORT ON THE 2023 SPECIAL REPORT ON RELATED PARTY TRANSACTIONS OF POSTAL SAVINGS BANK OF CHINA

services and purchase of goods including transport and storage of banknotes, equipment maintenance, advertising, mail, marketing, precious metal payment and purchasing goods from China Post Group Corporation Limited and its relevant related parties.

- (4) Other businesses with China Post Group Corporation Limited and its relevant related parties

The balance of loans to China Post Group Corporation Limited amounted to RMB801 million. The balance of investments in financial assets of China Post Securities Co., Ltd. amounted to RMB294 million. Deposits from related parties of the Bank including China Post Group Corporation Limited, China Postal Express & Logistics Co., Ltd., Shanghai Ule Network Technology Co., Ltd., China Post Capital Management Co., Ltd. and China Post Technology Co., Ltd. amounted to RMB10,514 million. Deposits and placements from banks and other financial institutions from the Bank and China Post Securities Co., Ltd. and China Post Life Insurance Co., Ltd. and other related parties amounted to RMB1,986 million. Fees and commissions between the Bank and China Post & Capital Fund Management Co., Ltd. and China Post Securities Co., Ltd. and other related parties totalled to RMB90 million.

2. *Related party transactions with subsidiaries.*

The balance of deposits and placements with banks between the Bank and PSBC Consumer Finance Co., Ltd. amounted to RMB3,029 million, and deposits and placements from banks and other financial institutions from PSBC Wealth Management Co., Ltd., PSBC Consumer Finance Co., Ltd. and YOU⁺ BANK amounted to RMB2,684 million. The balance of lending to PSBC Consumer Finance Co., Ltd. amounted to RMB7,811 million. Fees for agency, recommendation and leasing services provided to PSBC Consumer Finance Co., Ltd., PSBC Wealth Management Co., Ltd. and YOU⁺ BANK amounted to RMB299 million.

3. *Related party transactions with the major Shareholders and their relevant related parties.*

The related party transactions with the major Shareholders, China Mobile Communications Group Co., Ltd., Shanghai International Port (Group) Co., Ltd., China State Shipbuilding Corporation Limited and their relevant related parties, mainly comprised of loans and bills business with a balance of RMB1,262 million, and deposits of RMB3,086 million. Fees and commissions between the Bank and China Mobile Communication Co., Ltd. and China Mobile Communications Group Co., Ltd. and other related parties amounted to RMB43 million. Payments for leasing services from China Mobile Communications Group Co., Ltd. and China Shipbuilding Industry Corporation amounted to RMB548 million.

**APPENDIX VIII REPORT ON THE 2023 SPECIAL REPORT ON RELATED PARTY
TRANSACTIONS OF POSTAL SAVINGS BANK OF CHINA**

4. *Related party transactions with related legal entities caused by related natural persons.*

The related party transactions with related legal entities caused by related natural persons mainly included loans and debt investments with a balance of RMB5,054 million, deposits of RMB4,975 million, fees and commissions of RMB5,980 million and operation and management fees of RMB143 million.

5. *Related party transactions with related natural persons.*

The related party transactions with related natural persons were mainly loans with a balance of of RMB89 million and deposits of RMB207 million.

During the reporting period, the above-mentioned related party transactions were conducted in compliance with laws, as well as in line with the interests of the Bank and its minority Shareholders as a whole. The related party transactions subject to filing and disclosure in accordance with the requirements of the National Financial Regulatory Administration had been registered in the regulatory system and disclosed on the website of the Bank on time, with the implementation of regulatory ratios in compliance with the regulatory requirements. The related party transactions subject to cap estimation in accordance with the rules of the stock exchanges in the Chinese mainland and Hong Kong SAR had been verified and confirmed by the auditors and had not exceeded the cap.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Bank. The Directors, having made all reasonable enquiry, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters omitted which would make any statement herein or this circular misleading.

2. INTERESTS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

As at the Latest Practicable Date, none of the Directors or Supervisors of the Bank had any interests or short positions in the Shares, underlying Shares or debentures of the Bank or any of its associated corporations (within the meaning of Part XV of the SFO) which was required to be notified to the Bank and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are deemed to have under such provisions of the SFO), or which was required to be entered in the stipulated register pursuant to Section 352 of the SFO, or which was otherwise required to be notified to the Bank and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Hong Kong Listing Rules.

3. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors entered into any service contract with the Bank or any of its subsidiaries that is subject to indemnification (other than statutory damages) upon termination by the Bank within one year.

4. COMPETING INTERESTS

As at the Latest Practicable Date, so far as is known to the Board, none of the Directors or any of their respective associates was interested in any business (apart from the Group's business) which competes or possibly competes either directly or indirectly with the Group's business (as would be required to be disclosed under Rule 8.10 of the Hong Kong Listing Rules if each of them were a controlling shareholder).

5. NO MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, there has not been any material adverse change in the financial or operation position of the Bank since December 31, 2023 (being the date to which the latest published audited accounts of the Bank were made up).

6. INTERESTS IN THE GROUP'S ASSETS OR MATERIAL CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE GROUP

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since December 31, 2023 (being the date on which the latest published audited accounts of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group. As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement, subsisting as at the date of this circular, which is significant in relation to the business of the Group.

7. DIRECTORS' POSITIONS IN SHAREHOLDERS

As at the Latest Practicable Date, the following Directors were in the employment of those companies which had interests or short positions in the Shares or underlying Shares of the Bank which are required to be notified to the Bank pursuant to Divisions 2 and 3 of Part XV of the SFO:

Name	Position in the specific company
Liu Jianjun	Deputy General Manager of China Post Group
Han Wenbo	Director of China Post Group
Chen Donghao	Director of China Post Group
Ding Xiangming	Vice President, Board Secretary and General Counsel of Shanghai International Port (Group) Co., Ltd.

8. EXPERTS AND CONSENTS

The following is the qualification of the experts who have given opinion or advice contained in this circular:

Name	Qualification
Altus Capital Limited	a corporation licensed to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO
Vocation (Beijing) International Assets Appraisal Co., Ltd.	an independent and qualified PRC appraiser
Chungrui Worldunion Assets Appraisal Group Co., Ltd	an independent and qualified PRC appraiser

Name	Qualification
Guozhonglian Asset Valuation and Land and Real Estate Appraisal Co., Ltd.	an independent and qualified PRC appraiser
Beijing Pan-China Assets Appraisal Co., Ltd.	an independent and qualified PRC appraiser
China Enterprise Appraisals Co., Ltd.	an independent and qualified PRC appraiser

As at the Latest Practical Date, each of the above experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its respective letter and/or opinion(s) and references to its name in the form and context in which they respectively appear.

Altus Capital has issued a letter dated June 7, 2024 in relation to its recommendation to the Independent Board Committee and the Independent Shareholders for inclusion in this circular.

As at the Latest Practicable Date, each of the above experts:

- (a) did not have any interest, either direct or indirect, in any assets which had been, since December 31, 2023 (the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to, or are proposed to be acquired or disposed of by or leased to, any member of the Group; and
- (b) did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

9. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Hong Kong Stock Exchange and the Bank for a period of 14 days from the date of this circular (both days inclusive):

- (a) the Trust Beneficial Interest Transfer Agreements;
- (b) the Asset Management Plan Beneficial Interest Transfer Agreement; and
- (c) the written consent issued by Altus Capital as referred to in this appendix.