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**Guangzhou Rural Commercial Bank Co., Ltd.\***

**廣州農村商業銀行股份有限公司\***

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

**(Stock code: 1551)**

## **PROPOSED MANDATE IN RELATION TO THE POTENTIAL VERY SUBSTANTIAL DISPOSAL**

### **PROPOSED DISPOSAL AND THE PROPOSED MANDATE**

The Board of Directors hereby announces that on October 9, 2025, the Board of Directors approved the Transaction, pursuant to which the Bank conditionally agreed to dispose of the Disposal Assets, and at the same time, the Board of Directors proposed to seek Shareholders' approval for the Proposed Mandate at the EGM and for the Board of Directors to further delegate the power to other relevant persons, jointly or severally, full powers to deal with matters in relation to the Transaction in order to enable the Board of Directors and the authorized persons to dispose of the Disposal Assets during the Mandate Validity Period.

The Bank will make further announcement(s) in relation to the subsequent progress of the Proposed Mandate for the Proposed Disposal as and when appropriate.

### **LISTING RULES IMPLICATIONS**

Pursuant to Rule 14.22 of the Listing Rules, a series of transactions will be aggregated and treated as one transaction if all of them are completed within a 12-month period or are related. Given that the potential transferee of the Proposed Disposal may be the same as Guangzhou Asset Management Co., Ltd., the transferee of the Previous Asset Transfer, and the nature of the transactions is the same, if the Proposed Disposal is ultimately carried out with Guangzhou Asset Management Co., Ltd., the Proposed Disposal should be aggregated with the Previous Asset Transfer under the Previous Asset Transfer Agreement. As one or more of the applicable percentage ratios (as defined under the Listing Rules) when aggregated under the Listing Rules exceeds 75%, the Proposed Disposal constitutes a very substantial disposal of the Bank under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

## EGM

The Bank will hold the EGM for considering and if thought fit, approving, inter alia, the Proposed Disposal and the Proposed Mandate. A circular containing, among other things, (i) details of the Proposed Disposal and the Proposed Mandate; (ii) the financial information of the Group; (iii) the unaudited financial information of the Disposal Assets; (iv) the unaudited pro forma financial information of the Group upon completion of the Proposed Disposal; (v) a notice of the EGM; and (vi) other information required by the Listing Rules, is expected to be despatched to the H Shareholders of the Bank in the manner in which the H Shareholders of the Bank have elected to receive the corporate communication on or before November 11, 2025, as additional time is required by the Bank for preparation of certain information for inclusion in the circular.

**The terms related to the Proposed Disposal have yet to be finalized and therefore may be subject to further change. Completion of the Proposed Disposal is subject to Shareholders' approval and the completion of the relevant transaction procedures. The Proposed Disposal may or may not proceed. Therefore, Shareholders and potential investors of the Bank are advised to exercise caution when dealing in the Bank's securities. The Bank will make further announcement(s) in compliance with the Listing Rules as and when appropriate or required.**

## I. INTRODUCTION

On October 9, 2025, the Board of Directors approved the Transaction, pursuant to which the Bank conditionally agreed to dispose of the Disposal Assets, and at the same time, the Board of Directors proposed to seek Shareholders' approval for the Proposed Mandate at the EGM and for the Board of Directors to further delegate the power to other relevant persons, jointly or severally, full powers to deal with matters in relation to the Transaction in order to enable the Board of Directors and the authorized persons to dispose of the Disposal Assets during the Mandate Validity Period.

## II. PROPOSED DISPOSAL

According to the requirements of the Listing Rules and the provisions of the Articles of Association, the Proposed Disposal shall be approved by the general meeting. The Proposed Disposal shall be conducted in accordance with the principles of fairness, openness and competitive selection. The Asset Transfer Agreement can only be entered into after the completion of the related transfer process and the final determination of the transferee of the assets. In order to safeguard the feasibility of the implementation of the Transaction, the Board will seek the prior approval for the Proposed Disposal and the Proposed Mandate from the EGM, pursuant to which the Board will be authorized to take necessary actions to conduct the Transaction within the scope of the Proposed Mandate approved by the Shareholders. The Transaction under the Proposed Mandate is subject to the Administrative Measures on Bulk Transfer of Non-performing Assets of Financial Enterprises (《金融企業不良資產批量轉讓管理辦法》) (Cai Jin [2012] No. 6) issued by the Ministry of Finance and the former China Banking Regulatory Commission, including any applicable transaction regulations in Hong Kong.

## ***Public tender***

According to the Administrative Measures on Bulk Transfer of Non-performing Assets of Financial Enterprises (《金融企業不良資產批量轉讓管理辦法》) (Cai Jin [2012] No. 6), “bulk transfer represents the directional transfer to asset management companies after packetization of non-performing assets of a certain size by financial enterprises”, “the transfer of non-performing assets shall be conducted in adherence to the principles of legal compliance, openness and transparency, competitive selection and value maximization” and “financial enterprises may opt for various public transfer methods, such as tendering, bidding, or auctions, and may issue invitation of offer to asset management companies or make public announcements, depending on the chosen transfer method”. Meanwhile, with reference to the current practice of transferring interbank assets, an invitation of offer or announcement is generally adopted to be sent to all local asset management companies with qualification for acquisition of non-performing assets, to proceed with transactions by way of onsite bidding or public tender on the equity exchange platform. Therefore, in order to comply with the Administrative Measures on Bulk Transfer of Non-performing Assets of Financial Enterprises (《金融企業不良資產批量轉讓管理辦法》) (Cai Jin [2012] No. 6) and realize the principles of openness and transparency, competitive selection and value maximization, the Bank will adopt the method of public tender on the Equity Exchange for the Proposed Disposal.

## ***Public tender process in relation to the Proposed Disposal***

- (1) In order to proceed with a formal public tender process in relation to the Proposed Disposal, the Bank will submit to the Equity Exchange an application for information publication, the identification documents of the transferor, the internal decision-making documents of the transferor, proof of ownership documents of the Disposal Assets and other related information in relation to the Proposed Disposal upon approval at the EGM.
- (2) The Equity Exchange shall publish a public notice on the transfer information upon reviewing the relevant materials, which shall in principle take no less than seven calendar days, commencing from the day of publication. The public notice will contain key information regarding the Proposed Disposal, including details of the Disposal Assets and the qualifications of the intended bidders.
- (3) The qualifications required of intended bidders include: (a) being a legal person or legal entity duly incorporated and validly existing within the PRC; (b) having sound financial condition and payment capability; (c) satisfying the conditions prescribed under the Administrative Measures on Bulk Transfer of Non-performing Assets of Financial Enterprises (《金融企業不良資產批量轉讓管理辦法》) (Cai Jin [2012] No. 6); and (d) not being a connected person of the Bank.
- (4) An intended bidder shall submit an application for the transfer to the Equity Exchange before the final date for publication of transfer information (which shall in principle be no less than seven calendar days after the day of publication) and submit the relevant materials (including the payment of security deposit) in accordance with what has been announced, and the Equity Exchange shall register the potential transferees one by one.

- (5) After the expiry of the public notice (which shall in principle be no less than seven calendar days after the day of publication), if only one qualified potential transferee emerges through the public transfer process, the transaction may be executed by agreement (in such cases, a transaction executed by agreement is also equivalent to a transaction executed through tender). If two or more potential transferees are solicited, the Equity Exchange will arrange for online bidding for the potential transferees which have applied, and determine the final transferee. After determining the final transferee, the Equity Exchange will arrange the parties to enter into a transfer agreement in accordance with the closing date of the public notice. After the procedures of, among other things, subsequently concluding an agreement and fund settlement, the Equity Exchange will issue the relevant proof of transaction to both parties.

Pursuant to the relevant provisions of the Administrative Measures on Bulk Transfer of Non-performing Assets of Financial Enterprises (《金融企業不良資產批量轉讓管理辦法》) (Cai Jin [2012] No. 6), the Proposed Disposal must be conducted through public means such as tendering, bidding, or auction. According to the relevant rules of the Equity Exchange, the public listing process can only officially commence after the transferor has completed the relevant decision-making and approval procedures. Therefore, it is not feasible to impose a condition precedent that the Shareholders' approval for the Proposed Disposal be obtained for the official commencement of the public tender. In this regard, the Board will be authorized to take necessary actions within the scope of the Proposed Mandate approved by the Shareholders to carry out the Transaction.

### **III. PROPOSED MANDATE**

As one or more of the applicable percentage ratios (as defined under the Listing Rules) when aggregated may exceed 75%, the Proposed Disposal potentially constitutes a very substantial disposal of the Bank under Chapter 14 of the Listing Rules which will be subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules. Seeking the grant of the Proposed Mandate from the Shareholders at the EGM in advance of the Proposed Disposal can ensure that the conduct of the Transaction is in line with the Articles of Association and the Bank's internal delegation of management authority, and effectively protect the rights and interests of the Shareholders. Further, as there are uncertainties as to the necessary time required for the organization and preparation of the Proposed Disposal and the conditions of implementation, seeking the grant of the Proposed Mandate in advance can also ensure that the Shareholders have a full understanding and supervision of the Proposed Disposal, and facilitate the orderly completion of the transfer of the assets involved in the Proposed Disposal. On the basis of the principle that it will be fully conducive to further optimizing the asset structure of the Bank and consolidating its asset quality, and the principle that the interests of the Bank and the Shareholders are protected to the maximum possible extent, the Bank proposes to seek the grant of the Proposed Mandate from the Shareholders at the EGM for the completion of the asset transfer within the Mandate Validity Period.

The Bank expects to complete the Proposed Disposal in a single transaction within the Mandate Validity Period, and the specific date for the disposal of assets will be determined by the Bank at its discretion having regard to the actual situation of the preparation work for the disposal of assets. The Bank will make further announcement(s) in relation to the subsequent progress of the Proposed Disposal and the Proposed Mandate as and when appropriate.

The Board of Directors proposes to the EGM to authorize the Board of Directors and agree that the Board of Directors shall further delegate the power to other relevant persons to deal with, individually or jointly, in their absolute discretion, all matters relating to the Proposed Disposal under the framework and principles of the disposal as considered and approved by the EGM. The scope of the Proposed Mandate mainly includes: to formulate the asset disposal plan based on the actual situation of the Bank and the requirements of regulatory authorities and make appropriate adjustments in light of the specific circumstances; to organize and implement the asset disposal plan; to organize the formulation, signing, submission, amendment, approval and execution of documents and agreements relating to the Proposed Disposal; to deal with all other matters relating to the Proposed Disposal.

Other than matters expressly provided for in the relevant laws and regulations and the Articles of Association or subject to re-voting at the EGM based on the opinion of the relevant competent authorities, such authorization shall be valid for 12 months from the date of approval of the Proposed Mandate for the Proposed Disposal by the EGM (i.e. the Mandate Validity Period).

The Directors consider that the prior submission of the Proposed Mandate for the Proposed Disposal for approval by the EGM is in the interests of the Bank and the Shareholders as a whole.

#### **IV. DISPOSAL ASSETS**

The Disposal Assets are the legally owned debt assets of the Bank, being credit assets held by the Bank (loans). The rights, interests, and obligations related to the Disposal Assets, the right to request, demand, obtain, and accept receivables arising therefrom, the total amount of any debt repayment, and the rights and powers related to the execution and realization of the value of the Disposal Assets shall be transferred from the Bank to the purchaser. As of June 30, 2025, the principal amount of the Disposal Assets amounted to approximately RMB14.978 billion. The corresponding interest amount in aggregate was approximately RMB3.897 billion, judicial fees disbursed in aggregate were approximately RMB51 million, and liquidated damages in aggregate were approximately RMB2 million, and debt amount in aggregate was approximately RMB18.928 billion.

As of June 30, 2025, the book principal amount of the Disposal Assets was approximately RMB14.978 billion. With a total reduction of approximately RMB2.846 billion made after considering factors such as accrued interest on the balance sheet and the provision for impairment on assets, the unaudited book value of the Disposal Assets was approximately RMB12.132 billion.

The net loss (before tax) of the Disposal Assets for the financial years ended December 31, 2023 and December 31, 2024 was approximately RMB509 million and RMB1,060 million, respectively, and the net loss (after tax) for the financial years ended December 31, 2023 and December 31, 2024 was approximately RMB381 million and RMB795 million, respectively.



As of June 30, 2025, the industry classification of the Disposal Assets is as follows:

*Unit: RMB10,000, %*

Industry	Loan Amount	
	Principal Balance	Percentage
Leasing and business services	580,790.13	38.78%
Real Estate	306,424.36	20.46%
Wholesale and retail trade	243,693.57	16.27%
Accommodation and catering services	146,899.36	9.81%
Residential services, repairs and other services	103,849.00	6.93%
Transportation, storage and postal services	39,145.00	2.61%
Construction	36,499.85	2.44%
Agriculture, forestry, animal husbandry and fishery	22,795.50	1.52%
Electricity, heat, gas and water production and supply	17,723.00	1.18%
Total	1,497,819.76	100.00%

## V. CONSIDERATION AND PAYMENT

The final Consideration for the Disposal Assets will depend on the final transaction price. The total Initial Minimum Consideration for the Disposal Assets is expected to be approximately RMB12.2 billion. The final Consideration for the Disposal Assets is expected to be no less than the aforementioned total Initial Minimum Consideration.

The basis for determining the Consideration of the Transaction shall be determined between the Bank and the purchaser with reference to the following factors:

- (1) the unaudited book value of the Disposal Assets for the six months ended June 30, 2025 is approximately RMB12.132 billion, which is calculated by the sum of the balance of the debt principal amount and on-balance-sheet interest balance less the provision for impairment of the Disposal Assets;
- (2) the liquidity of the Disposal Assets is primarily affected by the cash flow position of the debtors and guarantors, as well as the type and value of the collateral. The Transaction will enable the Bank to quickly realize the value of the assets and recover funds for investment in other potential high-quality assets or other investment activities, thereby optimizing the asset structure and achieving better returns. The Transaction will enhance the Bank's asset liquidity, while further reducing asset losses and improving its risk resilience;
- (3) The principal discount rate of the Disposal Assets (referring to the ratio of the consideration for the Transaction to the principal balance of the Disposal Assets) has been determined based on factors such as the cash flow position of the debtors and guarantors, the type and value of the collaterals corresponding to the assets, as well as market demand, transfer conditions, and the transfer timeline. According to market practices and with reference to the considerations for comparable transactions conducted by other listed banks in the industry, the consideration is accepted to asset management companies for the relevant bulk transfer of the Disposal Assets under the bulk asset transfer model, and taking into account capital utilization, financing costs, and other expenses. The principal discount rate for the asset disposal is approximately 20%;

- (4) the impact of the Transaction on the Bank's overall financial condition. Although the expected consideration for the individual asset recovery approach would be closer to the book value of the Disposal Assets, after considering factors such as due diligence, expected recovery timeline, anticipated compensation value, disposal costs, and market conditions, the overall financial impact of the bulk transfer of the Disposal Assets on the Bank's financial position would be within a reasonably acceptable range; and
- (5) in order to quickly recover funds for reinvestment in other potential high-quality assets or participation in other investment activities to optimize its asset structure, the Bank believes that transferring the assets in bulk to eligible asset management companies constitutes a reasonable arrangement for the disposal of such assets.

The payment of consideration for the asset transfer will be executed in accordance with Article 20 of the Administrative Measures on Bulk Transfer of Non-performing Assets of Financial Enterprises (《金融企業不良資產批量轉讓管理辦法》) (Cai Jin [2012] No. 6) as part of the public tender process. That is:

- (1) after the transfer agreement is signed, the transferee shall transfer the transaction price or the first installment to the designated account of the financial enterprise within the stipulated time (generally within 30 days after the signing of the agreement);
- (2) for the payment made in installments, the first payment ratio shall not be less than 30% of the total price (generally within 30 days after the signing of the agreement), and the transferee shall implement effective performance guarantee measures before the transfer of asset title documents. The installment period shall be determined after considering factors such as the estimated recovery time of the Disposal Assets, the nature of the assets, the transferee's default risk, and the payment arrangements for each installment;
- (3) the specific payment arrangement shall be subject to the final signed agreement.

The Consideration for the disposal of the Disposal Assets, subject to the Asset Transfer Agreement to be entered into, will be paid by the final transferee to the designated account of the Bank by cash settlement pursuant to the Transfer Agreement. Currently, the specific terms of the Asset Transfer Agreement, including the payment conditions and schedule, have not yet been determined, as the Bank will identify the purchaser through an open tender process on the Equity Exchange, and specific terms shall be subject to those actually agreed upon in the Asset Transfer Agreement to be entered into after the purchaser has been identified. Referring to the cases of other listed banks in the industry, the installment periods range from 1 year, 5 years to 15 years. If the installment payment method is adopted, the Bank expects the installment period to not exceed the longest period among peer cases. The details of how the specific terms are determined will be disclosed in the circular which will be despatched to the Shareholders in due course.

Upon completion of the Transaction, the Bank will issue a further announcement in accordance with the Listing Rules, disclosing the payment terms and schedule (including the basis of determination thereof), details of the purchaser, and its ultimate beneficial owner(s).

The payment arrangements and terms will be in line with comparable transactions involving bulk sales of assets by listed banks. Therefore, the Directors consider that the payment terms will be entered into on normal commercial terms, and are fair and reasonable.

The Bank agrees to dispose of and the final transferee agrees to purchase all rights, interests and benefits under the Disposal Assets from the benchmark date of the actual disposal, including but not limited to:

- (1) all repayments, due or to become due, attributable to each individual asset under the Disposal Assets;
- (2) the rights to demand, claim for, recover, and receive all payable amounts relating to each individual asset under the Disposal Assets (regardless of whether they are payable by the obligor); and
- (3) all rights and legal remedies for giving effect to and the implementation of each individual asset under the Disposal Assets, including but not limited to litigation costs, preservation fees, attorney fees and other expenses paid by the seller.

## **VI. CONDITIONS PRECEDENT**

The conditions precedent of the Disposal include: (i) the approval of the Transaction and the transactions contemplated thereunder and the Proposed Mandate by the Shareholders at the EGM; (ii) the signature (or stamping of signatory's stamp) by the legal representative, responsible person or authorized person of the Bank and the potential purchasers or the stamping of seal; (iii) the approval of the agreement(s) of the Transaction and the transactions contemplated thereunder by the potential purchasers; and (iv) the agreement(s) of the Transaction having been signed and becoming effective upon all necessary approvals required by the parties thereto being obtained in accordance with the Administrative Measures on Bulk Transfer of Non-performing Assets of Financial Enterprises (《金融企業不良資產批量轉讓管理辦法》) (Cai Jin [2012] No. 6).

Pursuant to the relevant provisions of the Administrative Measures on Bulk Transfer of Non-performing Assets of Financial Enterprises (《金融企業不良資產批量轉讓管理辦法》) (Cai Jin [2012] No. 6), the Proposed Disposal must be conducted through public means such as tendering, bidding, or auction. According to the relevant rules of the Equity Exchange, the public listing process can only commence after the transferor has completed the relevant decision-making and approval procedures. Therefore, it is not feasible to impose a condition precedent that the Shareholders' approval for the Proposed Disposal be obtained for the official commencement of the public tender. The Board intends to seek a Proposed Mandate from the Shareholders in advance at the EGM to enter into and complete the Proposed Disposal.

## **VII. COMPLETION**

Completion shall take place on the date which all the conditions to the Asset Disposal Agreement and the relevant specific agreement have been fulfilled or waived or such other date as the parties may agree in writing.



## **VIII. FINANCIAL EFFECT OF THE PROPOSED DISPOSAL ON THE BANK**

According to the relevant requirements of the International Financial Reporting Standards, the Consideration of the Transaction will inflow in cash, and the deposit of the Bank at the central bank will increase. The accrued principal and interest of the Disposal Assets will be reduced accordingly based on the Consideration of the Transaction. The expected gain/loss of the Transaction will be calculated based on the Consideration of the Transaction and the book value of the Disposal Assets. The Initial Minimum Consideration receivable by the Bank is expected to be approximately RMB12.2 billion under the Transaction, representing a slight premium of approximately RMB68 million over the book value of the Disposal Assets. The actual amount will be reflected in the financial statements in the results announcement of the Bank for the corresponding accounting period. The above estimates may differ from the actual financial impact of the Transaction.

## **IX. USE OF PROCEEDS**

The proceeds from the Proposed Disposal, estimated to be approximately RMB12.2 billion, are intended to be used for the general working capital of the Bank. The transfer of the Disposal Assets will effectively reduce the non-performing loan ratio and provision amount and improve the efficiency level. The Bank will use the proceeds based on its actual business needs.

## **X. REASONS FOR AND BENEFITS OF THE TRANSACTION**

Upon completion of the Transaction, the ownership of the Disposal Assets will be transferred from the Bank to the purchasers and the Bank will receive the corresponding cash consideration. The Transaction will effectively enhance the risk-resilience capability of the Bank, improve operating efficiency and profitability, and optimize the Bank's business structure and assets quality, laying a foundation for achieving overall operation stability and long-term development.

Therefore, the Directors (including the independent non-executive Directors) believe that the Proposed Disposal is entered into on normal commercial terms in the ordinary and usual course of business of the Bank, which are fair and reasonable, and are in the interests of the Bank and its Shareholders as a whole.

## **XI. PARTIES TO THE PROPOSED DISPOSAL**

### **(1) Information relating to the Bank**

The Bank is a joint stock company incorporated in the PRC with limited liability on December 9, 2009, whose H Shares are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 1551). The Bank is principally engaged in corporate banking, retail banking and financial markets business in the PRC.

### **(2) Information on the potential purchaser**

As of the date of this announcement, the purchaser has not yet been determined. Pursuant to the Administrative Measures on Bulk Transfer of Non-performing Assets of Financial Enterprises (《金融企業不良資產批量轉讓管理辦法》) (Cai Jin [2012] No. 6), financial enterprises may carry out the bulk transfer of a certain scale of non-performing assets to asset management companies. The potential transferee for this transaction includes Guangzhou Asset Management Co., Ltd.

Guangzhou Asset Management Co., Ltd. is a company incorporated in Guangzhou, China with limited liability on April 24, 2017, primarily engaged in participating in bulk transfers of non-performing assets of financial enterprises within Guangdong Province; asset management, asset investment and reorganization, merger, and investment management consulting services relating to asset management, corporate management, financial consulting and services. As of the date of this announcement, Guangzhou Asset Management Co., Ltd. is 69.0154% owned by Guangzhou Yuexiu Capital Holdings Group Co., Ltd. (廣州越秀資本控股集團股份有限公司), 16.2559% owned by Guangdong Hengjian Investment Holding Co., Ltd. (廣東恒健投資控股有限公司), 9.5095% owned by Guangdong Yueke Financial Group Co., Ltd. (廣東省粵科金融集團有限公司) and 5.2192% owned by Guangzhou Hengyun Enterprise Holdings Co., Ltd. (廣州恒運企業集團股份有限公司), respectively. Guangzhou Yuexiu Capital Holdings Group Co., Ltd. is a company listed on the Main Board of the Shenzhen Stock Exchange (stock code: 000987). Guangdong Hengjian Investment Holding Co., Ltd. is wholly owned by the State-owned Assets Supervision and Administration Commission of the People's Government of Guangdong Province (廣東省人民政府國有資產監督管理委員會). Guangdong Yueke Financial Group Co., Ltd. is 90% owned by the People's Government of Guangdong Province (廣東省人民政府) and 10% owned by the Department of Finance of Guangdong Province (廣東省財政廳). Guangzhou Hengyun Enterprise Holdings Co., Ltd. is a company listed on the Main Board of the Shenzhen Stock Exchange (stock code: 000531).

As of the date of this announcement, the Bank has not entered into any agreement with the potential transferee. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the potential purchaser and its ultimate beneficial owners are independent third parties of the Bank and its connected persons. The potential transferee may or may not take over the Disposal Assets, and the Bank will disclose the information relating to the purchaser in accordance with the Listing Rules once the purchaser is determined. In the case that the purchaser is a connected person of the Bank, the Bank will also comply with all applicable requirements under Chapter 14A of the Listing Rules, including independent Shareholders' approval prior to the Transaction, in a timely manner.

## **XII. LISTING RULES IMPLICATIONS**

Pursuant to Rule 14.22 of the Listing Rules, a series of transactions will be aggregated and treated as one transaction if all of them are completed within a 12-month period or are related. The Equity Exchange will issue a subsequent transfer announcement, and all eligible asset management companies, including China Cinda Asset Management Co., Ltd., China Orient Asset Management Co., Ltd., China Great Wall Asset Management Co., Ltd., China CITIC Financial Asset Management Co., Ltd., and Guangzhou Asset Management Co., Ltd., may participate in the transfer. Such eligible asset management companies are all third parties independent of the Bank and its associates (as defined in the Listing Rules). As the Bank had already conducted a bulk transfer of the relevant assets to Guangzhou Asset Management Co., Ltd. on December 30, 2024, the potential transferee of the asset disposal may be Guangzhou Asset Management Co., Ltd., and given the nature of the transactions is the same, if the Proposed Disposal is ultimately carried out with Guangzhou Asset Management Co., Ltd., the Proposed Disposal should be aggregated with the Previous Asset Transfer under the Previous Asset Transfer Agreement. As one or more of the applicable percentage ratios (as defined under the Listing Rules) when aggregated under the Listing Rules exceeds 75%, the Proposed Disposal constitutes a very substantial disposal of the Bank under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

### XIII. EGM

The Bank will hold the EGM for considering and if thought fit, approving, inter alia, the Proposed Disposal and the Proposed Mandate. A circular containing, among other things, (i) details of the Proposed Disposal and the Proposed Mandate; (ii) the financial information of the Group; (iii) the unaudited financial information of the Disposal Assets; (iv) the unaudited pro forma financial information of the Group upon completion of the Proposed Disposal; (v) a notice of the EGM; and (vi) other information required by the Listing Rules, is expected to be despatched to the H Shareholders of the Bank in the manner in which the H Shareholders of the Bank have elected to receive the corporate communication on or before November 11, 2025, as additional time is required by the Bank for preparation of certain information for inclusion in the circular.

**The terms related to the Proposed Disposal have yet to be finalized and therefore may be subject to further change. Completion of the Proposed Disposal is subject to Shareholders' approval and the completion of the relevant transaction procedures. The Proposed Disposal may or may not proceed. Therefore, Shareholders and potential investors of the Bank are advised to exercise caution when dealing in the Bank's securities. The Bank will make further announcement(s) in compliance with the Listing Rules as and when appropriate or required.**

### DEFINITIONS

In this announcement, the following expressions shall have the following meanings, unless the context otherwise requires:

“Articles of Association”	the Articles of Association of Guangzhou Rural Commercial Bank Co., Ltd. (Revised 2023) (as amended, supplemented or otherwise revised from time to time)
“Asset Transfer Agreement(s)”	the asset transfer agreement(s) proposed to be entered into between the Bank and the final transferee(s) in relation to the Proposed Disposal for the disposal of the Disposal Assets in a single transaction
“Bank”	Guangzhou Rural Commercial Bank Co., Ltd.
“Board” or “Board of Directors”	the board of directors of the Bank
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Consideration”	the consideration to be paid by the potential transferee(s) to the Bank in relation to the Proposed Disposal
“Director(s)”	the director(s) of the Bank

“Disposal Assets”	the assets to be disposed of by the Bank in a single transaction under the Asset Transfer Agreement (details are set out in the description under the heading “Disposal Assets” in this announcement), namely certain creditors’ rights assets held by the Bank, including principal, corresponding interest and penalty interest, and advanced judicial fees
“Domestic Shares”	the ordinary shares with a nominal value of RMB1.00 each issued by the Bank in the PRC
“EGM”	the 2025 first extraordinary general meeting or any adjournment thereof to be held by the Bank to consider and approve, among other things, the Proposed Disposal and the Proposed Mandate
“Equity Exchange”	a comprehensive equity exchange institution or platform legally established
“Group”	Guangzhou Rural Commercial Bank Co., Ltd. and its subsidiaries
“H Shares”	the foreign shares issued by the Bank which are registered in Mainland China and listed in Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Initial Minimum Consideration”	details of the definition of the Initial Minimum Consideration are set out in the description under the heading “Consideration and Payment” in this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mandate Validity Period”	12 months from the date of approval of the Proposed Disposal and the Proposed Mandate by the EGM
“PRC” or “China”	the People’s Republic of China
“Previous Asset Transfer Agreement”	the agreement on asset transfer signed by the Bank as the seller and Guangzhou Asset Management Co., Ltd. as the purchaser on December 30, 2024, details of which are set out in the announcement of the Bank dated December 31, 2024
“Previous Asset Transfer”	the asset transfer conducted under the Previous Asset Transfer Agreement, details of which are set out in the announcement of the Bank dated December 31, 2024

“Proposed Disposal” or “Transaction”	related transactions contemplated under the Bank’s disposal of the Disposal Assets
“Proposed Mandate”	a general mandate proposed to be granted in advance to the Board (or its delegates) by the Shareholders at the EGM to proceed with and complete the Proposed Disposal, with a validity period of 12 months from the date of approval by the EGM
“RMB”	Renminbi, the lawful currency of the PRC
“Shares”	the Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of the Shares
“%”	percent

By Order of the Board  
**Guangzhou Rural Commercial Bank Co., Ltd.\***  
**Cai Jian**  
*Chairman*

Guangzhou, the PRC  
October 9, 2025

*As at the date of this announcement, the Board comprises three executive directors, namely Mr. Cai Jian, Ms. Deng Xiaoyun and Mr. Tan Bo; seven non-executive directors, namely Mr. Ni Kai, Mr. Wang Xiaobin, Mr. Zuo Liang, Mr. Zhang Yan, Ms. Xing Qiuyu, Mr. Hu Geyou and Mr. Feng Yaoliang; and five independent non-executive directors, namely Mr. Liao Wenyi, Mr. Du Jinmin, Mr. Zheng Guojian, Mr. Zhang Hua and Mr. Ma Hok Ming.*

\* *Guangzhou Rural Commercial Bank 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.*