THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in 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 Guangzhou Rural Commercial Bank Co., Ltd.*, you should at once hand this circular and the proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This circular is for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities.

Distribution of this circular into jurisdictions other than Hong Kong may be restricted by laws. Persons to whom this circular is distributed should inform themselves of and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

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广州农商银行
GUANGZHOU RURAL COMMERCIAL BANK

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 AND NOTICE OF 2025 FIRST EGM

The Letter from the Board is set out on pages 4 to 19 of this circular.

Guangzhou Rural Commercial Bank Co., Ltd. (the "**Bank**") will convene the 2025 first extraordinary general meeting (the "**EGM**") at 13F, No. 1 Huaxia Road, Pearl River New Town, Tianhe District, Guangzhou, Guangdong Province, the PRC at 9:30 a.m. on Friday, November 21, 2025.

Whether or not you are able to attend and vote at the EGM, you are requested to complete and return the proxy form in accordance with the instructions printed thereon as soon as possible but in any event not less than 24 hours before the time appointed for convening the EGM or any adjournment thereof (as the case may be) to the H Share Registrar.

Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

This circular is prepared in both Chinese and English languages. If there is any inconsistency between the Chinese and English versions, the Chinese version shall prevail.

* *The Bank 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.*

November 6, 2025

CONTENTS

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

"Announcement"	the announcement of the Bank dated October 9, 2025, in relation to, among other things, the Proposed Mandate in relation to the Potential Very Substantial Disposal
"Articles of Association"	the Articles of Association of Guangzhou Rural Commercial Bank Co., Ltd. (2023 Revision) (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 of Directors" or "Board"	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 Very Substantial 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 circular), 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 on November 21, 2025, 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"	the Bank 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 Initial Minimum Consideration are set out in the description under the heading "Consideration and Payment" in this circular
"Latest Practicable Date"	November 4, 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to herein
"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
"Ministry of Finance"	the Ministry of Finance of the People's Republic of China
"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
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Shareholder(s)"	holder(s) of the Shares
"Share(s)"	the Domestic Share(s) and H Share(s)
"Supervisor(s)"	the supervisor(s) of the Bank
"%"	percent

* *The Bank 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.*

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)

Executive Directors:
Mr. Cai Jian
Ms. Deng Xiaoyun
Mr. Tan Bo

Non-executive Directors:
Mr. Ni Kai
Mr. Wang Xiaobin
Mr. Zuo Liang
Mr. Zhang Yan
Ms. Xing Qiuyu
Mr. Hu Geyou
Mr. Feng Yaoliang

Independent Non-executive Directors:
Mr. Liao Wenyi
Mr. Du Jinmin
Mr. Zheng Guojian
Mr. Zhang Hua
Mr. Ma Hok Ming

Registered office in the PRC:
No. 9, Yingri Road
Huangpu District
Guangzhou
the PRC

Principal place of business in Hong Kong:
40/F, Dah Sing Financial Center
No. 248 Queen's Road East
Wanchai
Hong Kong

Dear Sir or Madam,

PROPOSED MANDATE IN RELATION TO THE POTENTIAL VERY SUBSTANTIAL DISPOSAL AND NOTICE OF 2025 FIRST EGM

I. INTRODUCTION

Reference is made to the Announcement. The purpose of this circular is to set out and provide you with information necessary to enable you to make an informed decision on whether to vote for, against or abstain from voting on the resolutions to be proposed for consideration at the EGM.

II. PROPOSED MANDATE IN RELATION TO THE POTENTIAL VERY SUBSTANTIAL DISPOSAL

1. Proposed Disposal

On October 9, 2025, the Board approved the Transaction, pursuant to which the Bank conditionally agreed to dispose of the Disposal Assets, and at the same time, the Board proposed to seek Shareholders' approval of the Proposed Mandate at the EGM and for the Board 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 and the authorized persons to dispose of the Disposal Assets during the Mandate Validity Period.

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 Transaction 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 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 China Banking Regulatory Commission (formerly known as the China Banking and Insurance Regulatory Commission).

2. 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 bulk 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 auction by the Company on the equity exchange platform. Therefore, in order to comply with 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 auction 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 and has obtained complete authorization, i.e., the transferor has obtained approval from its board of directors and approval from the general meeting of shareholders. 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 Proposed Mandate approved by the Shareholders to carry out the Transaction. Once the public listing formally commences by submitting the application to the Equity Exchange, the Equity Exchange will publish the public notice for at least seven calendar days, following which the Bank expects to be able to promptly proceed to execute the transaction documents following the close of the tender and determination of the successful bidder.

3. 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, and 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 by the EGM for the completion of the asset transfer within the Mandate Validity Period.

Upon approval of the Proposed Mandate in relation to the Proposed Disposal by the EGM, 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) as and when appropriate in relation to the subsequent progress of the Proposed Disposal and the Proposed Mandate.

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: (1) 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; (2) to organize and implement the asset disposal plan; (3) to organize the formulation, signing, submission, amendment, approval and execution of documents and agreements relating to the Proposed Disposal; and (4) 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 are of the view that the prior submission of the Proposed Disposal and the Proposed Mandate for approval by the EGM is in the interests of the Bank and Shareholders as a whole, as on the one hand, it ensures that this Disposal complies with the Articles of Association and internal management authority of the Bank, and also demonstrates respect for and protection of Shareholders' rights and interests. On the other hand, it facilitates Shareholders gaining a comprehensive and in-depth understanding of this Disposal, strengthens supervision over this Disposal, allows for greater flexibility and efficiency in the transaction, and ensures the smooth implementation and timely completion of this Disposal.

4. Disposal Assets

The Disposal Assets are the legally owned debt assets of the Bank, being certain credit assets held by the Bank (loans). As at June 30, 2025, the transferred assets were all loans, with annual interest rates ranging from 2.49% to 8.33%. Classified by overdue status, the transferred assets included RMB0.233 billion overdue for more than three years, accounting for 1.56%, RMB1.617 billion overdue for more than one year but less than three years, accounting for 10.8%, and RMB1.053 billion overdue for more than 90 days but less than one year, accounting for 7.03%. Classified by risk, the transferred assets included RMB493 million in normal category, accounting for 3.29%, RMB11.815 billion in special mention category, accounting for 78.88%, RMB835 million in substandard category, accounting for 5.58%, RMB1.645 billion in doubtful category, accounting for 10.98%, and RMB190 million in loss category, accounting for 1.27%.

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 RMB2.845 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 RMB12.133 billion.

The profit before tax and net profit after tax of the Disposal Assets for the six months ended June 30, 2025 were RMB138 million and RMB103 million, respectively. The loss before tax and net loss after tax of the Disposal Assets for the year ended December 31, 2024 were RMB1,060 million and RMB795 million, respectively. The loss before tax and net loss after tax of the Disposal Assets for the year ended December 31, 2023 were RMB509 million and RMB381 million, respectively.

As of June 30, 2025, the industry classification of the Disposal Assets, according to the Classification of National Economic Industries issued by the National Bureau of Statistics, is as follows:

Unit: RMB10,000, %

	Loan Amount	
Industry	**Principal Balance**	**Percentage**
Leasing and business services	583,874.92	38.98%
Real estate	303,339.56	20.25%
Accommodation and catering services	222,789.36	14.87%
Wholesale and retail trade	164,803.57	11.00%
Residential services, repairs and other services	103,849.00	6.93%
Agriculture, forestry, animal husbandry and fishery	51,960.50	3.47%
Construction	36,499.85	2.44%
Electricity, heat, gas and water production and supply	20,723.00	1.38%
Transportation, storage and postal services	9,980.00	0.67%
Total	1,497,819.76	100.00%

5. 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 as at June 30, 2025 is approximately RMB12.133 billion, which is calculated by the sum of the balance of the debt principal amount and on-balance-sheet interest balance of the Disposal Assets 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 acceptable 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 calculation formula for the principal discount rate is (principal balance of Disposal Assets – Consideration for the Transaction)/principal balance of Disposal Assets × 100%. According to the Transaction, the Bank is expected to receive an Initial Minimum Consideration of approximately RMB12.2 billion, and the principal balance of the Disposal Assets in this disposal is RMB14.978 billion. Therefore, the principal discount rate for this asset disposal is approximately 19%;

(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.

If a lump-sum payment method is adopted, the Bank may receive the transaction consideration at once, enabling it to quickly recover funds for investment in other potential high-quality assets or participation in other investment activities. If installment payments are adopted, the installment period will be determined based on the actual auction results of the asset package and the time value discount of receivables (the discount rate will be determined considering the current market interest rate, including the risk-free rate and risk premium).

The specific schedule for installment payments will be determined by achieving the balance between risk controllability and transaction feasibility, which primarily takes into account factors such as the estimated recovery time of the Disposal Assets, the nature of the assets, the buyer's ability to fulfil contractual obligations, and the Bank's own liquidity requirements. Specifically:

(1) The installment payment shall be made in equal installments on a yearly basis.

(2) The Disposal Assets primarily consist of low-efficiency assets. Although the consideration for the asset disposal is paid in installments, the Disposal Assets can be sold at a price slightly higher than the net book value, which is in the interest of the Bank and the Shareholders as a whole. A lump-sum payment or a shorter-period payment arrangement, if adopted, would require the Bank to offer a greater discount on the price; and

(3) As for the Bank's own liquidity needs, if the Bank is required to replenish a short-term cash flow, it would tend to shorten the installment period or increase the proportion of the first payment. Conversely, the installment period may be appropriately relaxed to facilitate the transaction.

The Bank believes that adopting the installment payment method remains justified for the following reasons: On the one hand, the current domestic economy is facing downward pressure, and the difficulty of disposing of loan collateral has increased significantly in recent years, which has extended the disposal cycle. An installment payment method helps reduce investors' capital pressure and entry threshold, thereby enhancing the market attractiveness of the asset package and stimulating broader participation willingness. On the other hand, adopting installment payments, with a statutory first payment ratio of not less than 30% of the total price, helps secure a better asset transfer price under the current market environment and maximize the asset disposal proceeds.

The main purpose of the Bank's disposal of the Disposal Assets is to timely release the capital occupied by the low-efficiency assets currently held by disposing of them. The released capital will be reallocated to interest-earning assets with stronger profitability and higher asset quality, thereby enhancing capital utilization efficiency and the overall return level of assets. Meanwhile, in accordance with the relevant requirements of the "Administrative Measures for the Capital of Commercial Banks", the Bank will further optimize its asset structure after completing the asset reallocation, prioritizing investment in business areas with lower capital occupation. This disposal of assets not only helps save capital but also provides room for expanding the scale of credit allocation, supporting the Bank in achieving continuous optimization of its business structure and steady improvement in asset returns under the premise of compliance.

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.

6. Conditions Precedent

The conditions precedent of the Disposal include: (1) the approval of the Transaction and the transactions contemplated thereunder and the Proposed Mandate by the Shareholders at the EGM; (2) 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; (3) the approval of the agreement(s) of the Transaction and the transactions contemplated thereunder by the potential purchasers; and (4) 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.

The Bank confirms that the Transaction Approach does not violate the relevant PRC laws or regulations.

7. 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.

8. 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. If the cash consideration received on the transaction date is the Initial Minimum Consideration of approximately RMB12.2 billion and the Transaction is completed, the derecognition of the Disposal Assets at their book value of approximately RMB12.133 billion as at June 30, 2025, will generate a positive financial impact on the Bank of approximately RMB67 million. 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.

9. 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.

10. 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. Taking into account the possible costs and payment arrangements, the Bank is of the view that 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 solid foundation for achieving overall operation stability and long-term and sustainable development.

The payment of the consideration for the asset disposal will be made 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). If a lump-sum payment method is adopted, the Bank may receive the transaction consideration at once, enabling it to quickly recover funds for investment in other potential high-quality assets or participation in other investment activities. If installment payments are adopted, the installment period will be determined based on the actual auction results of the asset package and the time value discount of receivables (the discount rate will be determined considering the current market interest rate, including the risk-free rate and risk premium). The final installment period is expected not to exceed the longest period in comparable industry cases, and the payments will be made in equal annual cash installments. The Bank believes that adopting the installment payment method remains justified for the following reasons: On the one hand, the current domestic economy is facing downward pressure, and the difficulty of disposing of loan collateral has increased significantly in recent years, which has extended the disposal cycle. An installment payment method helps reduce investors' capital pressure and entry threshold, thereby enhancing the market attractiveness of the asset package and stimulating broader participation willingness. On the other hand, adopting installment payments, with a statutory down payment ratio of not less than 30%, helps secure a better asset transfer price under the current market environment and maximize the asset disposal proceeds.

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.

11. Parties to the Proposed Disposal

(1) Information relating to the Group

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 (H Share 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 Latest Practicable Date, the purchaser has not yet been determined. Pursuant to the "Administrative Measures on Bulk Transfer of Non-performing Assets of Financial Enterprises" (Cai Jin [2012] No. 6) (《金融企業不良資產批量轉讓管理辦法》(財金[2012]6號)), 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 at the Latest Practicable Date, 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 Latest Practicable Date, 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 Proposed 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.

12. 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) of transactions under the Disposal when aggregated 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.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date, none of the existing Shareholders has any material interest in the Proposed Disposal and the Proposed Mandate, no Shareholder is required to abstain from voting on the resolutions to be proposed at the EGM to approve the Proposed Disposal and the Proposed Mandate.

The terms related to the Transaction have yet to be finalized and therefore may be subject to further change. Completion of the potential Very Substantial Disposal is subject to Shareholders' approval and the completion of the transaction procedures. The potential Very Substantial Disposal may or may not proceed. Therefore, Shareholders and potential investors 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.

III. THE EGM

The Bank will convene the 2025 first EGM at 13F, No. 1 Huaxia Road, Pearl River New Town, Tianhe District, Guangzhou, Guangdong Province, the PRC at 9:30 a.m. on Friday, November 21, 2025.

Whether or not you intend to attend and/or vote at the EGM, you are requested to complete and return the proxy form in accordance with the instructions printed thereon.

Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof (as the case may be) should you so wish, and completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the EGM.

IV. METHODS OF VOTING AT THE EGM

Pursuant to the requirements of Rule 13.39(4) of the Listing Rules, voting by the Shareholders at the EGM shall be taken by the way of poll.

Please be advised that pursuant to the Articles of Association of the Bank, where a Shareholder has failed to repay a loan from the Bank or pledged 50% or more of his/her equity interests in the Bank, the voting rights of such Shareholder at the general meetings shall be subject to restrictions.

V. CLOSURE OF THE REGISTER OF MEMBERS AND THE ELIGIBILITY FOR ATTENDING AND VOTING AT THE EGM

Holders of H Shares of the Bank are advised that the register of members of the Bank will be closed from Tuesday, November 18, 2025, to Friday, November 21, 2025 (both days inclusive), during which time no transfer of H Shares of the Bank will be effected or registered.

In order to qualify for attending and voting at the EGM, instruments of transfer accompanied by share certificates and other appropriate documents must be lodged with the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, by 4:30 p.m. on Monday, November 17, 2025.

Shareholders whose names appear on the register of members of the Bank at the close of business on Monday, November 17, 2025 are entitled to attend and vote at the EGM and the class general meeting.

VI. RECOMMENDATION

The Board (including the independent non-executive Directors) considers that the ordinary resolutions to be proposed at the EGM are in the interests of the Bank and the Shareholders as a whole. Accordingly, the Board recommends that the Shareholders vote in favor of all resolutions to be proposed at the EGM.

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

* *The Bank 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.*

1. FINANCIAL INFORMATION OF THE GROUP

Details of the financial information of the Group for the six months ended June 30, 2025 are disclosed in the 2025 interim report published on the website of Hong Kong Stock Exchange (https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0929/2025092900742.pdf) and the website of the Bank (https://eng.grcbank.com/engrcbank/attachDir/2025/09/2025092919044839435.pdf);

Details of the financial information of the Group for the year ended December 31, 2024 are disclosed in the 2024 annual report published on the website of Hong Kong Stock Exchange (https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0328/2025032803968.pdf) and the website of the Bank (https://eng.grcbank.com/engrcbank/tzzgx/gsgg/dqbg/2025043019040895415/index.shtml);

Details of the financial information of the Group for the year ended December 31, 2023 are disclosed in the 2023 annual report published on the website of Hong Kong Stock Exchange (https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0328/2024032805056.pdf) and the website of the Bank (https://eng.grcbank.com/engrcbank/tzzgx/gsgg/dqbg/2024043019535327908/index.shtml);

Details of the financial information of the Group for the year ended December 31, 2022 are disclosed in the 2022 annual report published on the website of Hong Kong Stock Exchange (https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0331/2023033104179.pdf) and the website of the Bank (https://eng.grcbank.com/engrcbank/tzzgx/gsgg/dqbg/2023042820045960419/index.shtml).

2. INDEBTEDNESS STATEMENT

As of September 30, 2025, the Group's indebtedness is as follows:

(1) certificates of interbank deposit in an aggregate principal amount of RMB139.938 billion;

(2) tier-two capital bonds in an aggregate principal amount of RMB15.00 billion;

(3) deposits from customers, loans from the central bank, loans from other banks, deposits and placements from banks and other financial institutions and financial assets sold under repurchase agreements that arose from the normal course of the Group's banking business;

(4) loan commitments, acceptances, letters of credit and letters of guarantee issued, other commitments and contingent liabilities that arose from the normal course of banking business carried out by the Group; and

(5) lease liabilities in an amount of RMB604 million.

As of September 30, 2025, the liabilities involving guarantees or collateral of the Group are mainly the sales of repurchased financial assets and borrowing from the central bank. In addition, bank acceptance bills, letters of credit issued by banks, and bank guarantees all belong to the category of guarantee commitment business, for which banks provide guarantees for customer debt repayment, being a routine off balance sheet business operated by banking institutions.

Except as disclosed above, the Group did not have, as of September 30, 2025, any outstanding mortgages, charges, debentures, other debt capital (issued or agreed to be issued), bank overdrafts, loans, liabilities under acceptance or other similar indebtedness, hire purchase and finance lease commitments or any guarantees or other material contingent liabilities.

The Directors of the Bank have confirmed that there has not been any material change in the indebtedness or contingent liabilities of the Group since September 30, 2025.

3. WORKING CAPITAL

The Bank is principally engaged in business operations within Mainland China. The Bank's banking business model does not involve the need for sufficient capital to purchase goods or the conversion of goods into income through sales. Therefore, the concept of working capital is not a key indicator of the Bank's solvency. In evaluating the financial condition of the Bank, working capital information is not useful to the Shareholders, but certain other financial indicators, such as capital adequacy ratio and liquidity ratio, are more relevant in measuring the financial condition of the Bank. As a rural commercial bank established in the PRC, the Bank shall comply with the regulations of the regulatory authority of the banking industry of the PRC on regulatory capital and shall maintain the minimum capital requirements. Therefore, the Bank will provide financial indicators such as the Bank's capital adequacy ratio and liquidity ratio below.

(1) Capital adequacy ratio (%)

	As of December 31, 2022	As of December 31, 2023	As of December 31, 2024	As of June 30, 2025
Core tier-one capital adequacy ratio	9.21%	9.83%	9.90%	9.41%
Tier-one capital adequacy ratio	10.56%	11.12%	11.42%	10.88%
Capital adequacy ratio	12.59%	13.67%	14.52%	13.62%

(2) Liquidity ratio (%)

	As of December 31, 2022	As of December 31, 2023	As of December 31, 2024	As of June 30, 2025
Liquidity ratio	101.76%	102.51%	99.60%	105.45%

4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

In 2025, against the backdrop of a complex international economic landscape and the overall stable and steadily improving national economy, the Group diligently implemented the work requirements of the Central Financial Commission and the specific deployment of "1310" initiative of Guangdong Province, as well as the "1312" strategies and measures of Guangzhou City. We remained committed to our role as a rural commercial bank supporting agriculture and small businesses, promoting moderate growth in scale and reasonable optimization of structure across the bank. We have focused on waging the "Four Major Financial Campaigns (四大金融戰役)," continuously advanced the "Thousand and Ten Thousand Project" and provided distinctive products for rural revitalization, accelerated industry research for the "12218" modern industrial system and credit product support, optimized consumer loans and credit card services to boost consumption, and focused on local customers to build a diversified, comprehensive, and lifestyle-oriented retail financial brand. We will carry out the "Five Key Tasks," and have actively implemented the work arrangements of Guangzhou City's "Enterprise Co-prosperity Plan (益企共贏計劃)," successfully implemented Guangdong Province's first "Transition Finance + Carbon Footprint Linkage (轉型金融+碳足跡掛鉤)" financial services plan of dual certification and transformation, and continuously expanded the service coverage of inclusive finance and pension finance. The Group steadily carried out the "Year of Asset Efficiency" campaign, deeply advanced the digitization of small and medium-sized credit products, standardization of operational processes, and efficiency in processing, fully implemented the "114" branch development model, to accelerate the enhancement of core competitiveness in small and medium-sized asset businesses and comprehensive competitiveness of branch networks.

Looking ahead, the Group will continue to monitor changes in the domestic and international macroeconomic environment, uphold the political and people-oriented nature of financial work, closely follow the national "Five Key Tasks" deployment requirements, as well as the policy orientations of Guangdong Province and Guangzhou City, to achieve effective growth in total assets and scales of loan and deposit. We will intensify efforts to advance the "Year of Asset Efficiency" initiative, continuously increase the balances and proportions of small and medium-sized asset business, secondary industry loans, and fixed-asset loans, and accelerate the development of a healthy balance sheet across the bank; We will resolutely advance the localization, marketization, and efficiency of branch operations, using the strengthening of branch operations as a key focus to vigorously enhance the core competitiveness of small and medium-sized asset business; resolutely control new risks, reduce existing risks, and stabilize asset quality. Focus on key areas to accelerate risk resolution and mitigation, and improve the risk management system to enhance asset quality management standards.

1. UNAUDITED FINANCIAL INFORMATION OF THE DISPOSAL ASSETS

In accordance with Rule 14.68(2)(b)(i) of the Listing Rules, the unaudited profit and loss statements of the Disposal Assets for the three years ended December 31, 2022, 2023 and 2024 and the six months ended June 30, 2025 (the "**Unaudited Profit and Loss Statements**") and their basis of preparation are set out below.

The Unaudited Profit and Loss Statements are prepared by the directors of the Bank solely for the purpose of inclusion in this circular in connection with the Proposed Disposal of the Disposal Assets of the Bank. The Bank's auditor Deloitte Touche Tohmatsu (the "**reporting accountants**") was engaged to review the Unaudited Profit and Loss Statements in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board and with reference to Practice Note 750 "Review of Financial Information under the Hong Kong Listing Rules for a Very Substantial Disposal" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable the reporting accountants to obtain assurance that the reporting accountants would become aware of all significant matters that might be identified in an audit. Accordingly, the reporting accountants do not express an audit opinion. The reporting accountants have issued an unmodified review report.

(Expressed in RMB'000, unless otherwise stated)	**Year ended December 31, 2022**	**Year ended December 31, 2023**	**Year ended December 31, 2024**	**Six months ended June 30, 2025**
Interest income	959,444	776,897	450,427	276,422
Net interest income	**959,444**	**776,897**	**450,427**	**276,422**
Operating income	**959,444**	**776,897**	**450,427**	**276,422**
Credit impairment losses	(1,187,047)	(1,285,507)	(1,510,258)	(138,672)
(Loss)/profit before income tax	**(227,603)**	**(508,610)**	**(1,059,831)**	**137,750**
Income tax credit/(expense)	56,901	127,153	264,958	(34,438)
Net (loss)/profit for the year/period	**(170,702)**	**(381,457)**	**(794,873)**	**103,312**

2. BASIS OF PREPARATION OF THE UNAUDITED PROFIT AND LOSS STATEMENTS

The Unaudited Profit and Loss Statements have been prepared solely for the purpose of inclusion in the circular to be issued by the Bank in connection with the Proposed Disposal of the Disposal Assets in accordance with Rule 14.68(2)(b)(i) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the relevant accounting policies adopted by the Bank in the preparation of the consolidated financial statements of the Group for the six months ended June 30, 2025 and the Group's annual consolidated financial statements for the year ended December 31, 2024, which conform with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"). The Unaudited Profit and Loss Statements neither contain sufficient information to constitute a complete set of financial statements as defined in International Accounting Standard 1 "Presentation of Financial Statements" nor a set of financial statements as defined in International Accounting Standard 34 "Interim Financial Reporting" as issued by the IASB, and that it should be read in connection with the Group's financial information as set out in the published interim report of the Bank for the six months ended June 30, 2025 and the annual consolidated financial statements of the Group for the year ended December 31, 2024, and other financial information included elsewhere in this circular.

1. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP AFTER THE PROPOSED DISPOSAL

(1) Introduction

The unaudited pro forma financial information (the "**Unaudited Pro Forma Financial Information**") presented below is prepared to illustrate (a) the financial position of the Group after asset disposal as if the Proposed Disposal had been completed on June 30, 2025; and (b) the financial performance of the Group after asset disposal for the six months ended June 30, 2025 as if the Proposed Disposal had been completed on January 1, 2025. This Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only and because of its hypothetical nature, it may not purport to represent the true picture of the financial position or financial performance of the Group after asset disposal had the Proposed Disposal been completed on January 1, 2025, June 30, 2025 or at any future date.

The Unaudited Pro Forma Financial Information is prepared by the Directors of the Bank in accordance with paragraph 4.29 of the Listing Rules and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the HKICPA, for the purpose of illustrating the effect of the Proposed Disposal.

The Unaudited Pro Forma Financial Information is based upon the unaudited consolidated financial information of the Group for the six months ended June 30, 2025, which has been derived from the Bank's condensed consolidated financial statements for the period ended, after taking into account pro forma adjustments as summarized in the accompanying notes that are, factually supportable and directly attributable to the Proposed Disposal.

The Unaudited Pro Forma Financial Information should be read in conjunction with the financial information of the Group as set out in the condensed consolidated financial statements of the Group for the six months ended June 30, 2025 included in the published 2025 interim report of the Bank and other financial information included elsewhere in this circular.

(2) Unaudited Pro Forma Consolidated Statement of Financial Position of the Group after the Proposed Disposal

(Expressed in RMB'000, unless otherwise stated)

	The Group as at June 30, 2025 *Note 1*	**Pro forma adjustments** *Note 2*	**The Group after the Proposed Disposal as at June 30, 2025**
ASSETS			
Cash and deposits with central bank	67,687,060	12,200,000	79,887,060
Deposits with banks and other financial institutions	21,813,958	–	21,813,958
Placements with banks and other financial institutions	81,946,789	–	81,946,789
Financial assets held under resale agreements	33,420,900	–	33,420,900
Loans and advances to customers	693,216,630	(11,937,400)	681,279,230
Financial investments:			
– Financial investments at fair value through profit or loss	80,506,290	–	80,506,290
– Financial investments at fair value through other comprehensive income	200,724,871	–	200,724,871
– Financial investments at amortised cost	198,718,872	–	198,718,872
Property and equipment	3,234,583	–	3,234,583
Goodwill	734,237	–	734,237
Deferred tax assets	13,604,067	(1,114,913)	12,489,154
Other assets	11,097,705	(195,382)	10,902,323
Total assets	**1,406,705,962**	**(1,047,695)**	**1,405,658,267**
LIABILITIES			
Due to central bank	22,214,803	–	22,214,803
Deposits from banks and other financial institutions	20,764,036	–	20,764,036
Placements from banks and other financial institutions	5,604,782	–	5,604,782
Financial liabilities at fair value through profit or loss	2,250,246	–	2,250,246
Financial assets sold under repurchase agreements	59,151,602	–	59,151,602

(Expressed in RMB'000, unless otherwise stated)

	The Group as at June 30, 2025 *Note 1*	**Pro forma adjustments** *Note 2*	**The Group after the Proposed Disposal as at June 30, 2025**
Customer deposits	1,014,758,426	–	1,014,758,426
Income tax payable	1,714,796	(1,098,109)	616,687
Debt securities issued	155,667,018	–	155,667,018
Other liabilities	22,335,021	–	22,335,021
Total liabilities	**1,304,460,730**	**(1,098,109)**	**1,303,362,621**
EQUITY			
Share capital	14,409,789	–	14,409,789
Other equity instruments	12,000,000	–	12,000,000
Reserves	49,099,786	–	49,099,786
Retained earnings	19,227,350	50,414	19,277,764
Equity attributable to shareholders of the Bank	94,736,925	50,414	94,787,339
Non-controlling interests	7,508,307	–	7,508,307
Total equity	**102,245,232**	**50,414**	**102,295,646**
Total liabilities and equity	**1,406,705,962**	**(1,047,695)**	**1,405,658,267**

Note 1: The amounts are extracted from the unaudited condensed consolidated statement of financial position of the Group as at June 30, 2025 as set out in the Bank's published interim report for the six months ended June 30, 2025.

Note 2: The adjustments represent the effect of the Proposed Disposal of the Disposal Assets to the unaudited consolidated statement of financial position of the Group as at June 30, 2025: Assuming the Proposed Disposal had been completed on June 30, 2025 and only the Initial Minimum Consideration of RMB12,200 million is received, and (i) the carrying amount of loans and advances to customers of RMB11,937 million; and (ii) the carrying amount of other assets comprising interest receivable and judicial fees receivable totalling RMB195 million, and the relevant effect on deferred tax assets and current income tax payable are derecognized, leading to an increase of RMB50 million on the retained earnings. The final Consideration for the Disposal Assets is expected to be no less than the total Initial Minimum Consideration.

Note 3: Except for the Proposed Disposal, no other adjustment has been made to the Unaudited Pro Forma Financial Information to reflect any trading results or other transactions of the Group entered into subsequent to June 30, 2025.

(3) Unaudited Pro Forma Consolidated Statement of Profit or Loss of the Group after the Proposed Disposal

(Expressed in RMB'000, unless otherwise stated)	For the six months ended June 30, 2025			
	The Group	**Pro forma adjustments**		**The Group after the Proposed Disposal**
	Note 1	*Note 2*	*Note 3*	
Interest income	17,707,411	(276,422)	–	17,430,989
Interest expense	(11,144,063)	–	–	(11,144,063)
Net interest income	**6,563,348**	**(276,422)**	**–**	**6,286,926**
Fee and commission income	585,131	–	–	585,131
Fee and commission expense	(213,463)	–	–	(213,463)
Net fee and commission income	**371,668**	**–**	**–**	**371,668**
Net trading gains	258,317	–	–	258,317
Net gains on financial investments	789,044	–	–	789,044
Net gains on disposal of a subsidiary	13,046	–	–	13,046
Other income, gains or losses, net	42,035	–	–	42,035
Operating income	**8,037,458**	**(276,422)**	**–**	**7,761,036**
Operating expenses	(2,997,027)	–	–	(2,997,027)
Credit impairment losses	(3,808,243)	138,672	204,968	(3,464,603)
Impairment losses on other assets	(6,815)	–	–	(6,815)
Profit before tax	**1,225,373**	**(137,750)**	**204,968**	**1,292,591**
Income tax credit	284,628	34,438	(51,242)	267,824
Net profit for the period	**1,510,001**	**(103,312)**	**153,726**	**1,560,415**
Attributable to:				
Shareholders of the Bank	1,374,266	(103,312)	153,726	1,424,680
Non-controlling interests	135,735	–	–	135,735
	1,510,001	**(103,312)**	**153,726**	**1,560,415**

Note 1: The amounts are extracted from the unaudited condensed consolidated statement of profit or loss of the Group for the six months ended June 30, 2025 as set out in the Bank's published interim report for the six months ended June 30, 2025.

Note 2: The adjustments represent the elimination of the financial performance of the Disposal Assets from the Group for the six months ended June 30, 2025 as if the Proposed Disposal had been completed on January 1, 2025 by reversing the interest income, credit impairment losses and the corresponding income tax expense of the Disposal Assets for the six months ended June 30, 2025. These amounts are extracted from Section 1 of UNAUDITED FINANCIAL INFORMATION OF THE DISPOSAL ASSETS as set out in Appendix II to this circular.

Note 3: The adjustment represents a further reversal of credit impairment loss of RMB205 million that needs to be recognized by the Group if the cash Consideration received is the Initial Minimum Consideration of RMB12,200 million and the Disposal Assets had been derecognized at their carrying amount of RMB11,995 million as at January 1, 2025, assuming that the Proposed Disposal was completed on January 1, 2025. Net profit would increase by RMB154 million after considering the related impact on income tax expense of RMB51 million.

Note 4: The adjustments as detailed in notes 2 and 3 above for the purpose of the Unaudited Pro Forma Consolidated Statements of Profit or Loss of the Group after the Proposed Disposal are not expected to have a continuing effect on the Group.

Note 5: Except for the Proposed Disposal, no other adjustment has been made to the Unaudited Pro Forma Financial Information to reflect any trading results or other transactions of the Group entered into subsequent to June 30, 2025.

2. REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP AFTER THE PROPOSED DISPOSAL BY THE REPORTING ACCOUNTANTS

The following is the text of the independent reporting accountants' assurance report received from Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, the reporting accountants of the Group, in respect of the Group's Unaudited Pro Forma Financial Information prepared for the purpose of incorporation in this circular.

Deloitte. 德勤

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the Board of Directors of Guangzhou Rural Commercial Bank Co., Ltd.,

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Guangzhou Rural Commercial Bank Co., Ltd. (the "**Bank**") and its subsidiaries (hereinafter collectively referred to as the "**Group**") by the directors of the Bank (the "**Directors**") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated statement of financial position as at June 30, 2025, the unaudited pro forma consolidated statement of profit or loss for the six months ended June 30, 2025 and related notes (the "**Unaudited Pro Forma Financial Information**") as set out on pages III-1 to III-5 of the circular issued by the Bank dated November 6, 2025 (the "**Circular**"). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages III-1 to III-5 of the Circular.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed disposal of the disposal assets of the Bank (the "**Proposed Disposal**") on the Group's financial position as at June 30, 2025 and the Group's financial performance for the six months ended June 30, 2025 as if the Proposed Disposal had taken place at June 30, 2025 and January 1, 2025 respectively. As part of this process, information about the Group's financial position and financial performance has been extracted by the Directors from the Group's published condensed consolidated financial statements for the six months ended June 30, 2025, on which a review report has been published.

Directors' responsibilities for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("**AG 7**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

Our independence and quality management

We have complied with the independence and other ethical requirements of the "Code of Ethics for Professional Accountants" issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountants' responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules in Hong Kong, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of Unaudited Pro Forma Financial Information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Proposed Disposal at June 30, 2025 or January 1, 2025 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
November 6, 2025

3. FINANCIAL PERFORMANCE INDICATORS OF THE GROUP AFTER THE PROPOSED DISPOSAL

	Prior to the completion of the Proposed Disposal	Upon completion of the Proposed Disposal	Change
	For the six months ended June 30, 2025		
Profitability Indicators (%)			
Return on average total assets[1]	0.22	0.23	0.01
Return on average equity[2]	2.97	3.08	0.11
Net interest spread[3]	0.95	0.94	(0.01)
Net interest margin[4]	1.03	1.00	(0.03)
Net fee and commission income to operating income	4.62	4.62	0.00
Cost-to-income ratio[5]	35.31	35.31	0.00
	As at June 30, 2025		Change
Assets Quality Indicators (%)			
Non-performing loan ratio[6]	1.98	1.68	(0.30)
Provision coverage ratio[7]	169.75	167.84	(1.91)
Allowance to total loans[8]	3.36	2.82	(0.54)
Capital Adequacy Indicators			
Common equity tier 1 capital adequacy ratio[9]	9.41	9.71	0.30
Tier 1 capital adequacy ratio[9]	10.88	11.20	0.32
Capital adequacy ratio[9]	13.62	13.79	0.17
Ratio of total equity to total assets	7.27	7.28	0.01
Other Indicators			
Loan-to-deposit ratio[10]	70.69	69.22	(1.47)
Liquidity ratio[11]	105.45	103.95	(1.50)
Liquidity coverage ratio[12]	271.47	264.16	(7.31)

Notes:

(1) The annualized return is calculated by dividing the annualized net profit for the period (including profit attributable to non-controlling interests) by the average balance of total assets as at the beginning and end of the period.

(2) The annualized return is calculated by dividing the annualized net profit for the period (excluding the distribution to holders of other equity instruments during the period) by the average balance of total equity (excluding other equity instruments) as at the beginning and end of the period.

(3) Net interest spread is calculated as the difference between the average yield rate on total interest-earning assets and the average cost rate on total interest-bearing liabilities.

(4) Net interest margin is calculated by dividing net interest income by the average balance of total interest-earning assets.

(5) Cost-to-income ratio is calculated by dividing total operating expenses (excluding tax and surcharges) by operating income.

(6) Non-performing loan ratio equals the balance of non-performing loans divided by total loans and advances to customers.

(7) Provision coverage ratio equals the sum of allowance for impairment losses on the loans measured at amortized cost and allowance for impairment losses on the loans measured at fair value through other comprehensive income divided by the balance of non-performing loans.

(8) Allowance to total loan ratio equals the sum of allowance for impairment losses on loans measured at amortized cost and allowance for impairment losses on the loans measured at fair value through other comprehensive income divided by total loans and advances to customers.

(9) Calculated in accordance with the "Administrative Measures for the Capital of Commercial Banks" promulgated by National Financial Regulatory Administration.

Common equity tier 1 capital adequacy ratio = (Common equity tier 1 capital – reductions from respective capital)/risk-weighted assets * 100%

Tier 1 capital adequacy ratio = (Tier 1 capital – reductions from respective capital)/risk-weighted assets * 100%

Capital adequacy ratio = (total capital – reductions from respective capital)/risk-weighted assets * 100%

(10) Calculated by dividing total loans and advances to customers by total deposits of customers.

(11) Calculated by dividing balance of the current assets by balance of the current liabilities.

(12) Calculated by dividing qualified high-quality liquid assets by net cash outflow in the next 30 days.

Financial information regarding the remaining business of the Group

The Bank will continue to carry out its existing principal businesses following the completion of the Proposed Disposal.

The Proposed Disposal will be conducive to the improvement of the asset structure of the Group after Proposed Disposal. The Proposed Disposal of assets with a principal amount of approximately RMB14.978 billion will enhance the assets quality of the Remaining Group with various regulatory indicators being expected to be significantly improved. The non-performing loan ratio after the Proposed Disposal will be 1.68%, representing a decrease of 0.30 percentage points as compared with that as of June 30, 2025; the provision coverage ratio will be 167.84%, representing a decrease of 1.91 percentage points as compared with that as of June 30, 2025; and the capital adequacy ratio will be 13.79%, representing an increase of 0.17 percentage points as compared with that as of June 30, 2025, which will effectively enhance the risk-resistant capability.

The Proposed Disposal will not affect the Bank's operations and other aspects of the Group after the Proposed Disposal. Upon completion of the Proposed Disposal, there will be no change in the principal business of the Group.

The Group will actively develop its business and be dedicated to serving the Bank's customers. The management discussion and analysis of the Group for the three years ended December 31, 2022, 2023 and 2024 and the six months ended June 30, 2025 are disclosed on pages 18 to 63 of the 2022 Annual Report, pages 19 to 62 of the 2023 Annual Report, pages 20 to 70 of the 2024 Annual Report and pages 13 to 59 of the 2025 Interim Report respectively, all of which are published on the website of the Hong Kong Stock Exchange at www.hkexnews.hk, and the website of the Bank at www.grcbank.com.cn for each of the three financial years ended December 31, 2022, 2023 and 2024, and for the six months ended June 30, 2025. Quick links to such management discussion and analysis are set out below:

2022 Annual Report:
(https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0331/2023033104179.pdf)

2023 Annual Report:
(https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0328/2024032805056.pdf)

2024 Annual Report:
(https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0328/2025032803968.pdf)

2025 Interim Report:
(https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0929/2025092900742.pdf)

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for purpose of giving information with regard to the Bank. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make this circular or any statement herein misleading.

2. DISCLOSURE OF INTERESTS

(1) Directors, Chief Executives and Supervisors' Interests in the Bank or its Associated Corporations

As of the Latest Practicable Date, based on the information available to the Bank and as far as the Directors are aware, the interests and short positions of the Directors, chief executives and Supervisors of the Bank in the Shares, underlying Shares and debentures of the Bank or any associated corporations (as defined in Part XV of the SFO) which were 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 were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register of interests kept pursuant to section 352 of the SFO, or as otherwise notified to the Bank and the Hong Kong Stock Exchange pursuant to the Model Code were set out as follows:

Directors', chief executives' and Supervisors' interests in the Bank

Name	Position	Nature of interest	Class of shares	Long/short position	Number of shares held directly or indirectly (Share)	Approximate percentage of interests in the Bank	Approximate percentage of the relevant class of shares of the Bank
Feng Yaoliang	Director	Interest of a controlled corporation[1]	Domestic shares	Long	100,010,000	0.694%	0.852%
Liao Wenyi	Director	Beneficial owner	Domestic shares	Long	1,103,000	0.008%	0.009%
Zeng Weixue	Employee Supervisor	Beneficial owner	Domestic shares	Long	152,224	0.001%	0.001%

Note: (1) These shares were held by Guangzhou Huaxin Group Co., Ltd., which was owned as to 99.54% by Mr. Feng Yaoliang. Therefore, by virtue of the SFO, Mr. Feng Yaoliang, a director of the Bank, is deemed or taken to be interested in all the shares held by Guangzhou Huaxin Group Co., Ltd.

Save as disclosed above, none of the Directors, chief executives or Supervisors had any interests or short positions in the Shares, underlying Shares or debentures of the Bank or any associated corporations (as defined in Part XV of the SFO) which were required to be recorded in the register kept pursuant to section 352 of the SFO or which were 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 as set out in Appendix C3 to the Listing Rules.

(2) Interests of Substantial Shareholders and Other Persons in Shares and Underlying Shares

As at the Latest Practicable Date, based on the knowledge of the Directors or chief executives of the Bank, the following persons (other than the Directors, chief executives and Supervisors of the Bank) had, or were deemed to have interests or short positions in the shares and underlying shares of the Bank which would fall to be disclosed to the Bank and the Hong Kong Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Bank pursuant to Section 336 of the SFO with details as follows:

Name of shareholder	Nature of interest	Class of shares	Long/ short position	Number of shares held directly or indirectly (Share)	Approximate percentage of interest in the Bank	Approximate percentage of the relevant class of shares of the Bank
Guangzhou Finance Holdings Group Co., Ltd.(1)	Beneficial owner	Domestic shares	Long	1,194,271,140	8.29%	10.18%
Guangzhou Guangyong State-owned Assets Management Co., Ltd.(1)	Beneficial owner	Domestic shares	Long	18,304,522	0.13%	0.16%
Guangzhou Finance Holdings Group Co., Ltd.(1)	Interest of a controlled corporation	Domestic shares	Long	1,212,575,662	8.41%	10.33%
Guangzhou Metro Group Co., Ltd.	Beneficial owner	Domestic shares	Long	722,950,000	5.02%	6.16%
Guangzhou City Renewal Group Co., Ltd.(2)	Beneficial owner	Domestic shares	Long	696,288,999	4.83%	5.93%
Guangzhou Pearl River Enterprises Group Co., Ltd.(2)	Interest of a controlled corporation	Domestic shares	Long	696,288,999	4.83%	5.93%

Name of shareholder	Nature of interest	Class of shares	Long/ short position	Number of shares held directly or indirectly (Share)	Approximate percentage of interest in the Bank	Approximate percentage of the relevant class of shares of the Bank
Guangzhou Digital Technology Group Co., Ltd.	Beneficial owner	Domestic shares	Long	606,266,479	4.21%	5.17%
Guangzhou Industrial Investment Holding Group Co., Ltd.(3)	Beneficial owner	Domestic shares	Long	351,944,322	2.44%	3.00%
Guangzhou Vanlead Group Co., Ltd.(3)	Beneficial owner	Domestic shares	Long	319,880,672	2.22%	2.73%
Guangzhou Gongkong Capital Management Co., Ltd.(3)	Beneficial owner	Domestic shares	Long	45,312,844	0.31%	0.39%
Guangzhou Industrial Investment Holding Group Co., Ltd.(3)	Interest of a controlled corporation	Domestic shares	Long	717,137,838	4.98%	6.11%
Lead Straight Limited(4)	Beneficial owner	H Shares	Long	195,229,000	1.35%	7.30%
Kwong Pak International Trading (Hong Kong) Limited(4)	Interest of a controlled corporation	H Shares	Long	195,229,000	1.35%	7.30%
Guangzhou Lingnan Business Travel Investment Group Co., Ltd.(4)	Interest of a controlled corporation	H Shares	Long	195,229,000	1.35%	7.30%
Guangzhou City Construction Investment Development Company Limited(5)	Beneficial owner	H Shares	Long	551,900,000	3.83%	20.63%
Guangzhou City Construction Investment Group Co., Ltd.(5)	Interest of a controlled corporation	H Shares	Long	561,249,000	3.89%	20.98%
Aeon Life Insurance Company Limited	Beneficial owner	H Shares	Long	295,229,000	2.05%	11.04%

Name of shareholder	Nature of interest	Class of shares	Long/ short position	Number of shares held directly or indirectly (Share)	Approximate percentage of interest in the Bank	Approximate percentage of the relevant class of shares of the Bank
Guangzhou Honghui Investment Co., Ltd.[(6)]	Beneficial owner	H Shares	Long	200,991,000	1.39%	7.51%
Zeng Weipeng[(6)]	Interest of a controlled corporation	H Shares	Long	114,558,840	0.80%	4.28%
Manureen Investment Limited[(7)]	Beneficial owner	H Shares	Long	221,424,797	1.54%	8.28%
Lin Xiaohui[(7)]	Interest of a controlled corporation	H Shares	Long	221,424,797	1.54%	8.28%
Su Jiaohua[(7)]	Interest of spouse	H Shares	Long	221,424,797	1.54%	8.28%
Harvest Fund Management Co., Ltd[(8)]	Beneficial owner	H Shares	Long	187,000,000	1.30%	6.99%
China Credit Trust Co., Ltd[(8)]	Interest of a controlled corporation	H Shares	Long	187,000,000	1.30%	6.99%

Save as disclosed above, the Bank is not aware of any other person (other than the Directors, chief executives and Supervisors of the Bank) having any interests or short positions in the shares or underlying shares of the Bank as at Latest Practicable Date as recorded in the register required to be kept by the Bank pursuant to Section 336 of the SFO.

3. INTEREST IN CONTRACTS OR ARRANGEMENTS

As at the Latest Practicable Date, none of the Directors had a significant interest in any contract or arrangement that is still in effect and significant to the business of the Group.

4. INTEREST IN ASSETS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets purchased, sold or leased, or proposed to purchase, sell or lease by any member company of the Group since December 31, 2024 (i.e. the date of preparation of the latest audited financial statements published by the Group).

5. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors or Supervisors of the Bank had any existing or proposed service contracts with the Group or any associates of the Group, which expires within one year or the Group may terminate within one year without compensation (excluding statutory compensation).

6. COMPETING INTERESTS

As at the Latest Practicable Date, to the best knowledge of the Directors, none of them and their respective close associates had any interests in a business which competes or is likely to compete with the business of the Group.

7. MATERIAL CONTRACTS

No contracts (other than those entered into in the ordinary course of business), which are, or may be, material, have been entered into by the Group within two years prior to the date of this circular and up to the Latest Practicable Date.

8. MATERIAL LEGAL LITIGATION

As at the Latest Practicable Date, the Bank has a total of four pending litigations and arbitrations as defendant or respondent or third party, with a claim amount exceeding RMB10 million, involving a target amount of approximately RMB208 million. Among these, two cases are in the first instance stage, one case is in the second instance stage, and one case is in the first instance stage after being remanded for retrial.

(i) Litigation relating to Ya'an Rural Commercial Bank Co., Ltd. (雅安農村商業銀行股份有限公司)

On May 10, 2022, Ya'an Rural Commercial Bank Co., Ltd. filed a lawsuit against the Bank regarding the Bank's wealth management product "Anxin Huibao No. 262"(安心回報262號), demanding payment of principal and interest totaling RMB60,251,356.19.

According to the judgment of the first instance made by the Tianhe District People's Court of Guangzhou City on August 29, 2023, the Bank was ordered to pay Ya'an Rural Commercial Bank RMB36,325,589.16. Subsequently, the Bank appealed against the judgment. The Guangzhou Intermediate People's Court ruled on December 9, 2024, to set aside the original judgment and remit the case for retrial. The first instance of the retrial was heard on June 23, 2025, and the judgment result is currently pending.

(ii) Litigation relating to Henan Wugang Rural Commercial Bank Co., Ltd. (河南舞鋼農村商業銀行股份有限公司)

In 2023, Henan Wugang Rural Commercial Bank Co., Ltd. filed a lawsuit against the Bank regarding the Bank's wealth management product "Anxin Huibao No. 262"(安心回報262號), demanding the return or transfer of the wealth management product assets. The plaintiff amended its claim at the hearing on December 25, 2023, demanding the return or transfer of the wealth management product assets in their current status, with the asset value tentatively calculated at RMB31,666,285.52, and further demanding subsequent returns to be calculated at an annual yield of 5.7%.

According to the judgment of the first instance made by the Tianhe District People's Court of Guangzhou City on July 21, 2025, all claims of the plaintiff were dismissed, and the case acceptance fee of RMB200,131 shall be borne by the plaintiff. Subsequently, the plaintiff filed an appeal on August 7, 2025, and the second instance hearing was held on September 22, 2025, and the case is currently still under trial.

(iii) Qinghai Xining Rural Commercial Bank Co., Ltd. (青海西寧農村商業銀行股份有限公司)

On July 1, 2024, Qinghai Xining Rural Commercial Bank Co., Ltd. filed a lawsuit against the Bank regarding the Bank's wealth management product "Anxin Huibao No. 262"(安心回報262號), demanding payment of principal and wealth management returns. The plaintiff's claims included: payment of investment principal, wealth management returns, and legal fees, totaling approximately RMB33,622,589.58 (calculated up to January 31, 2024). The third hearing of this case was held on March 27, 2025, and the judgment has not yet been delivered.

(iv) Xinyang Huaxin Shengde Health Industry Development Group Co., Ltd. (信陽華信聖德健康產業發展集團有限公司)

In 2025, Xinyang Huaxin Shengde Health Industry Development Group Co., Ltd. filed a lawsuit against the Bank in relation to a financial advisory service agreement, alleging that the Bank's collection of financial advisory service fees constituted an irregular charge. The plaintiff sought a declaration that the Financial Advisory Service Agreement entered into in 2016 was invalid and requested an order for the Bank to return the financial advisory service fees together with the corresponding capital occupation charges, amounting to RMB82,309,314.72 in total. The first hearing of the case was held on May 8, 2025, and the second hearing took place on July 15, 2025. The judgment has not yet been delivered.

Save as disclosed above, as at the Latest Practicable Date, the Bank was not involved in any other material litigation or arbitration. So far as the Directors are aware, there is no other material litigation, arbitration or claim pending or threatened against the Bank. As at the Latest Practicable Date, the Group was a defendant in certain non-material litigations and was also involved in certain litigations arising in the ordinary course of business. The possible outcome of these contingent liabilities, litigations or other legal proceedings is currently uncertain, but the Directors of the Company believe that any possible legal liability that may result from the above cases will not have any material impact on the financial position of the Group.

9. EXPERTS

The following is the qualification of the expert who has given opinion or advice, which are contained or referred to in this circular:

Name	Qualification
Deloitte Touche Tohmatsu	Certified Public Accountants

As of the Latest Practicable Date, Deloitte Touche Tohmatsu:

(a) has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and the reference to its name in the form and context in which it is included;

(b) does not hold any equity interest in any member of the Group and does not have any right (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for any securities in any member of the Group; and

(c) does not have any direct or indirect interest in any assets which have been acquired, disposed of or leased, or are proposed to be acquired, disposed of or leased, by any member of the Group since December 31, 2024, being the date to which the latest published audited consolidated financial statements of the Bank were made up.

10. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of HKEX news of the Hong Kong Stock Exchange (http://www.hkexnews.hk) and the Bank (http://www.grcbank.com) within 14 days from the date of this circular:

(1) the Bank's annual reports for the three years ended December 31, 2024, which contain the audited consolidated financial statements of the Bank for those three years;

(2) the report from Deloitte Touche Tohmatsu on the unaudited financial information of the Disposal Assets, the full text of which is set out in Appendix II to this circular;

(3) the report from Deloitte Touche Tohmatsu on the unaudited pro forma financial information of the Group after the Disposal, the full text of which is set out in Appendix III to this circular;

(4) the written consent mentioned in the section headed "Expert" in this Appendix; and

(5) this circular.

11. GENERAL INFORMATION

(1) As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since December 31, 2024, being the date to which the latest published audited consolidated accounts of the Bank were made up.

(2) The address of the registered office of the Bank is No. 9, Yingri Road, Huangpu District, Guangzhou, the PRC.

(3) The address of the share registrar of the Bank, Computershare Hong Kong Investor Services Limited, is Shops 1712-1716, 17th Floor, Hopewell Centre, No. 183 Queen's Road East, Wanchai, Hong Kong.

(4) Dr. Ngai Wai Fung served as the company secretary of the Bank. Dr. Ngai Wai Fung is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants, and also a fellow member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute.

广州农商银行
GUANGZHOU RURAL COMMERCIAL BANK

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)

NOTICE OF 2025 FIRST EGM

NOTICE IS HEREBY GIVEN that the 2025 first extraordinary general meeting (the "**EGM**") of Guangzhou Rural Commercial Bank Co., Ltd.* (the "**Bank**") will be held at 13F, No. 1 Huaxia Road, Pearl River New Town, Tianhe District, Guangzhou, Guangdong Province, the PRC at 9:30 a.m. on Friday, November 21, 2025, to consider, and if thought fit, pass the following resolution:

ORDINARY RESOLUTION

1. To consider and approve the proposal of asset transfer in 2025.

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

As at the date of this notice, 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.*

Notes:

1. Pursuant to the Listing Rules, all resolutions proposed at the EGM will be voted by poll (except for the resolutions concerning relevant procedures or administrative matters which the chairman decides to permit the vote by a show of hands). The voting results will be published on both the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Bank (www.grcbank.com) in accordance with the Listing Rules.

2. CLOSURE OF REGISTER OF MEMBERS AND ELIGIBILITY FOR ATTENDING AND VOTING AT THE EGM

Holders of H Shares of the Bank are advised that the register of members of the Bank will be closed from Tuesday, November 18, 2025, to Friday, November 21, 2025 (both days inclusive), during which time no transfer of H Shares of the Bank will be effected or registered.

In order to qualify for attending and voting at the EGM, instruments of transfer accompanied by share certificates and other appropriate documents must be lodged with the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, by 4:30 p.m. on Monday, November 17, 2025.

Shareholders of the Bank whose names appear on the register of members of the Bank at the close of business on Monday, November 17, 2025 are entitled to attend and vote at the EGM.

3. PROXY

Every Shareholder who has the right to attend and vote at the EGM is entitled to appoint one or more proxies, whether or not they are members of the Bank, to attend and vote on his/her behalf at the EGM.

A proxy must be appointed by an instrument in writing. Such instrument must be signed by the appointer or his attorney duly authorized in writing. If the appointer is a legal person, then the instrument must be signed under a legal person's seal or signed by its director or an attorney duly authorized in writing. The instrument appointing the proxy must be deposited at the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for holders of H Shares not less than 24 hours before the time specified for the holding of the EGM or any adjournment thereof (as the case may be).

If the instrument appointing the proxy is signed by a person authorized by the appointer, the power of attorney or other documents of authority under which the instrument is signed must be notarized.

The notarized power of attorney or other documents of authority must be deposited together and at the same time with the instrument appointing the proxy at the Bank's H Share Registrar.

4. OTHER BUSINESSES

(i) The EGM is expected to last for no more than half a working day. Shareholders and their proxies attending the EGM shall be responsible for their own traveling and accommodation expenses.

(ii) The address of Computershare Hong Kong Investor Services Limited:

Shops 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong
(For lodging share transfer documents)

17M Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong
(For deposit of proxy form)

Tel: +852 2862 8555
Fax: +852 2865 0990