



常熟农商银行
CHANGSHU RURAL COMMERCIAL BANK

股票代码
601128



Jiangsu Changshu Rural Commercial Bank Co., Ltd.

Annual Report 2023

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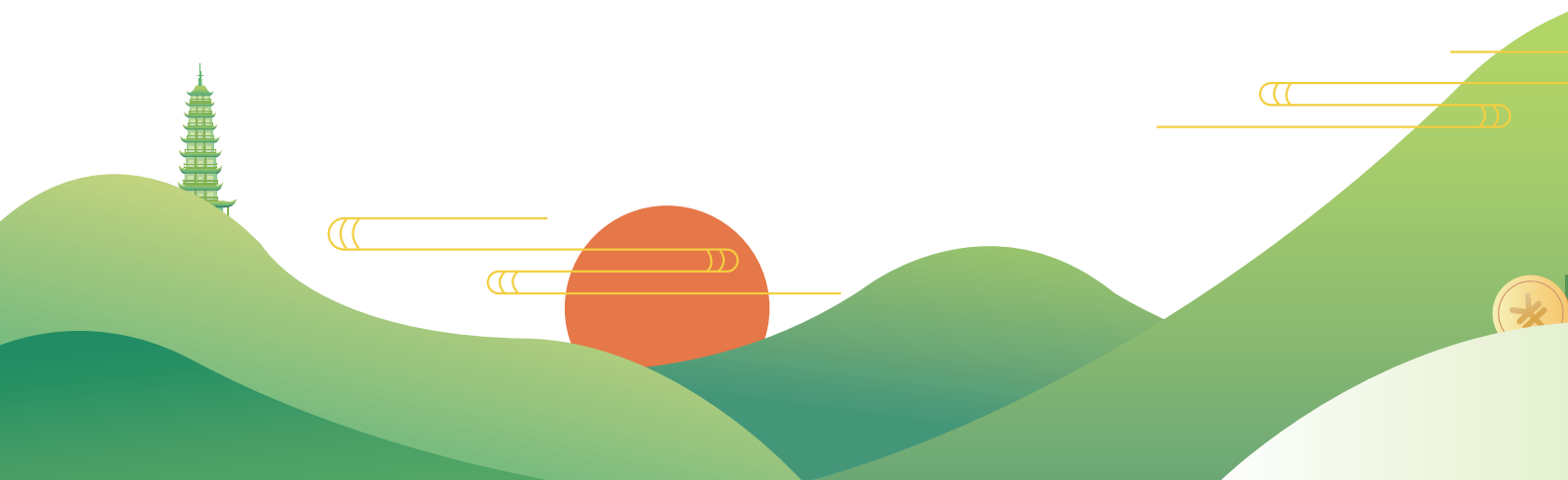
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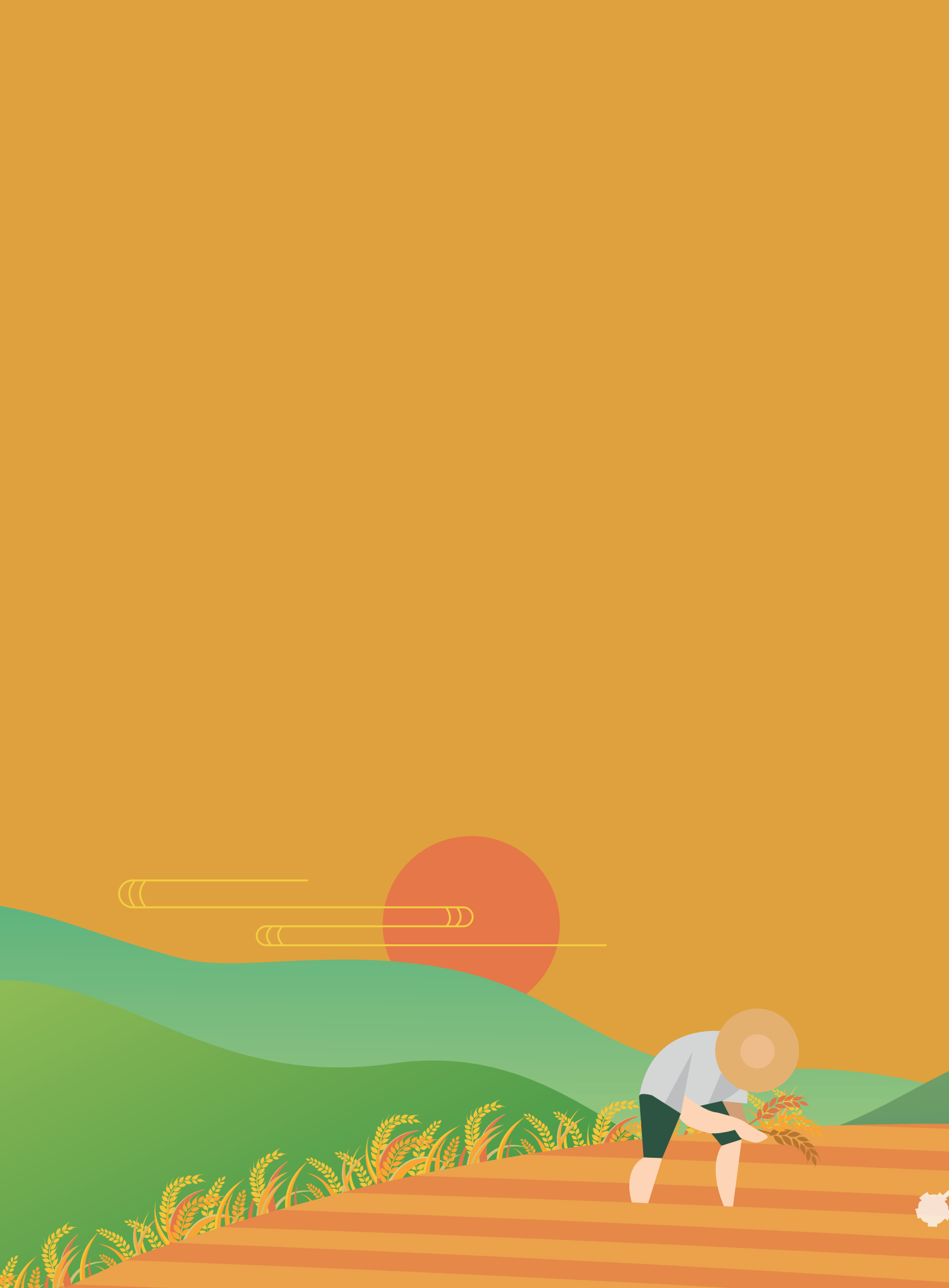
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01

Section I About Us

Important Notes

Definitions

Statement

Company Profile

Summary of Accounting Data and Financial Indicators



Important Notes

I. The Board of Directors, the Board of Supervisors and the Directors, Supervisors and Officers of the Company warrant that the contents of the annual report are true, accurate and complete, and there are no false records, misleading statements or material omissions, and assume individual and joint legal liabilities.

II. All Directors of the Company attended the Board meetings.

III. Deloitte Hua Yong CPA Firm (Special General Partnership) issued a standard unqualified audit report for the Company.

IV. Xue Wen, person in charge of the Company, Wu Tiejun, person in charge of accounting work, and Fan Libin, person in charge of accounting organization (accounting supervisor), declare that the financial report in the annual report is true, accurate and complete.

V. The profit distribution plan or the plan for converting reserve funds into share capital for the reporting period approved by the board of directors

It is proposed to distribute cash dividends of RMB 2.50 (tax included) for every 10 shares based on the total share capital registered on the date of registration of equity distribution, and convert capital reserve into 1 share for every 10 shares to all shareholders.

This proposal shall be submitted to the 2023 Annual Shareholders' General Meeting for consideration.

VI. Risk statement for forward-looking descriptions

The forward-looking descriptions of future plans and development strategies involved in this report do not constitute the Company's substantive commitments to investors, and investors are advised to pay attention to investment risks.

VII. Whether there is non-operating occupation of funds by the controlling shareholder and other related parties

No

VIII. Whether there is any violation of the prescribed decision-making procedures to provide external guarantees

No

IX. Whether more than half of the directors are unable to guarantee the authenticity, accuracy and completeness of the annual report disclosed by the Company

No

X. Significant risk warning

The Company has no foreseeable significant risks. The risks faced by the Company in its operation mainly include credit risk, liquidity risk, market risk, operational risk, etc. The Company has taken various measures to effectively manage and control various risks; for details, please refer to "Section II Management Discussion and Analysis – Discussion and Analysis of Operation – X. Risk and Risk Management".

Definitions

In this report, unless the context otherwise requires, the following terms have the following meanings:

Definitions of terms		
The Bank, the Company, our bank	means	Jiangsu Changshu Rural Commercial Bank Co., Ltd.
The Central Bank	means	People's Bank of China
CSRC	means	China Securities Regulatory Commission
CBIRC	means	China Banking and Insurance Regulatory Commission
Provincial Rural Credit Union	means	Jiangsu Rural Credit Union
Bank of Communications	means	Bank of Communications Co., Ltd.
Zhenjiang Rural Commercial Bank	means	Jiangsu Zhenjiang Rural Commercial Bank Co., Ltd.
Changshu Assets Supervision and Administration Office	means	State-owned Assets Supervision and Administration Office of Changshu Municipal Government
Changshu Development and Investment	means	Changshu Development and Investment Co., Ltd.
Genland Trade	means	Jiangsu Genland Trade Group Co., Ltd.
The Investment Management Bank	means	Xingfu Country Bank Co., Ltd.
Xingfu Country Bank	means	Xingfu Country Bank Co., Ltd. and its holding subsidiaries



Statement

Sustained Self-Improvement for Sustainable Progress



In the past year, we have seen the cycle of nature unfold, with flowers blooming and fading as the seasons transition. Spring marked the departure of winter and bore witness to numerous stories reminiscent of the TV show Blossoms Shanghai, where entrepreneurs seized opportunities and built from scratch. Traditional industries are experiencing a decline in demands while new quality productive forces are on the rise. The question arises: when will this transition between old and new development momentum be completed? The emergence of

ChatGPT suggests that artificial intelligence is poised to take on many traditional human jobs. Amidst these changes, it is natural to wonder: do the efforts of young people living in rented apartments still hold value? Additionally, as deposit and loan spreads narrow and credit risks become more apparent, where is the path for rural financial institutions toward achieving high-quality development?

Continued growth and perpetual change

As the seasons transition from spring to summer and from autumn to winter, each year may seem reminiscent of the last. Just as individuals experience their own highs and lows, and societies witness both progress and setbacks, each year presents itself with a sense of difference. Within the currents of the times, some individuals ride the waves of change, others adapt to the prevailing currents, and yet others find themselves struggling to stay afloat. Throughout it all, the relentless torrent of history continues to surge forward, never halting in its course.

Throughout our history, our people have experienced both moments of greatness, akin to the Han and Tang Dynasties when neighboring nations paid tribute, and periods of hardship, where destitution and displacement were all

too familiar. Despite these challenges, the Chinese nation with the unwavering spirit has endured across the centuries, standing resolute in the east. Like resilient new buds sprouting with each spring and branches expanding with each passing year, the Chinese people persist and prosper, fueled by their dreams and resilience. This vitality is vividly showcased in the grassroots, such as Zibo's barbecue, Guizhou's Village Super League, and Harbin's warm hospitality. Our customers embody the tenacity of grass, emerging even in the smallest crevices to form a lush carpet, or the strength of trees, thriving and flourishing despite adversity, as long as there is sunlight and rain.

At Changshu Bank, our founding principles revolve around serving "rural areas, agriculture and farmers; microfinance and community finance," as well as supporting rural revitalization. Throughout the past two decades, we have navigated through various challenges, overcoming obstacles and exceeding our own expectations time and again. Our journey, marked by our original aspirations, has yielded tangible results. In 2023, our bank achieved significant milestones, ranking among the top listed banks in terms of revenue growth and net interest margin, with a clientele of 520,000 credit customers and 4.5 million AUM customers. Moreover, our commitment to excellence has been recognized through accolades such as first place among county-level rural commercial banks in the GYROSCOPE Evaluation System for six consecutive years and an A rating in Information Disclosure by the Shanghai Stock Exchange for five consecutive years. We were also honored with the third prize in the National Fintech Development Awards for our innovative "Next-Generation System Engineering" and received an entity credit rating of AAA. Additionally, our dedication was underscored by the qualification as an underwriter for inter-bank debt financing instruments for non-financial enterprises and the establishment of a post-doctoral innovation and practice base. Notably, our Xingfu Village Bank has showcased remarkable performance in terms of efficiency, scale, and customer base, steadily enhancing its brand influence with each passing day.

Striving continuously for self-strengthening

During the Shang Dynasty, monarchs held steadfast beliefs in ghosts and gods, offering the most precious human lives as sacrifices in hopes of receiving blessings. However, Ji Chang, the patriarch of the Zhou State, and later King Wen

of Zhou, harbored doubts regarding the rationale behind such sacrifices. Even amidst his imprisonment, Ji Chang dedicated each day to contemplating the laws governing the world's mechanisms and questioning the fundamental principles of transformation. This period of detention became the backdrop for King Wen's deduction of the Zhou Yi ("Changes of Zhou"). The emergence of Zhou Yi provided people with a fresh perspective on the world, liberating them from the shackles of fear and representing a pivotal advancement for Chinese civilization.

From oracle bones to the sixty-four hexagrams of Zhou Yi, the Chinese people have woven a rich tapestry of history. Through each step, we have ingrained ourselves in local communities, steadfastly fulfilling our unwavering commitment to enhancing rural areas. As a pioneer, we stand shoulder to shoulder with micro and small-sized enterprises, merchants, and farmers in rural areas, fostering a collective spirit of determination and progress. The initial spark of financial inclusion has ignited a roaring blaze, illuminating the remarkable achievements of Changshu Bank today.

In 2023, Changshu Bank underwent a transition in leadership, entrusting us with the mission of building a century-old institution and fostering sustainable growth. Each generation inherits its own mission and embarks on its own journey. As the new custodians of this legacy, it falls upon us to maintain the positive momentum and propel the bank's high-quality development to new heights. True greatness is forged through perseverance and dedication. In the face of a dynamic and challenging financial landscape, coupled with pressing reform imperatives, we are committed to deepening our involvement in rural finance, upholding our resilient spirit, and pressing forward steadfastly, even in the darkest of times. We will navigate through waves of change, excel in competition, and emerge as the preeminent force of our era.

Self-improvement day by day

Shang Tang, the first monarch of the Shang Dynasty, once gazed upon his reflection in the water and inscribed a profound motto onto a washbasin, "If you can improve yourself in a day, do so each day, forever building on improvement." This timeless maxim underscores the importance of continual self-renewal, akin to the daily ritual of cleansing one's face and hands, fostering introspection and fostering innovation. Indeed, it was the spirit of innovation that propelled the Shang Dynasty to craft sophisticated characters, establish a flourishing bronze

civilization, and evolve into a vast state encompassing extensive territories.

There are two paths of evolution to consider. One resembles the "peacock's tail": expansive and visually captivating, adorned with mesmerizing eye patterns on each feather. However, this aesthetic allure comes at a cost—it hinders mobility, as the tail is cumbersome, sluggish, and ostentatious, which may not align with our objectives. The alternative path resembles the "swallow's wing": sleek, efficient, and practical. Its simplicity belies its effectiveness, as every aspect is finely tuned for flight. When the wings are raised, the feathers fan outwards to facilitate airflow and reduce resistance; when gliding downwards, the feathers contract inward to maintain stability. This represents our desired approach: prioritizing our core business and seamlessly adapting to prevailing trends.

In the new movie YOLO, the lead actress, Jia Ling, embarks on a journey through the corridors of time. As she gazes into the mirror, she encounters her past self and offers a supportive thumbs-up. With newfound vigor, she embraces her new beginnings, radiating joy as she navigates through the seasons with athleticism and grace. Strengthened by resilience, she steps into the boxing ring, bravely facing every challenge head-on.

Looking ahead, we will fly higher. Embracing the ethos of "light capital," we will transcend the limitations of economic cycles through organic growth. With a lighter touch, we ascend to greater heights, extending the benefits of financial inclusion to a wider audience, and guiding them towards a more vibrant and enchanting future. We will fly faster. As we prioritize customer needs, propelling the integrated, digital, and ecological evolution of our operations, fortifying our wings for the journey ahead. In our pursuit of excellence, we diversify our efforts across retail, corporate, capital markets, and village banking, continually exploring new frontiers and expanding our horizons. We will also fly farther. With unwavering market reverence and a vigilant eye on risks, we confront every challenge with steadfast endurance, weathering even the most turbulent storms on our path to success.

Flying into the future like a swallow, we will convey our beautiful singing to more people.



Secretary of the Communist Party of China Committee

March 21, 2024

Company Profile

I. Company information

Company name in Chinese	江苏常熟农村商业银行股份有限公司
Abbreviated Company name in Chinese	常熟银行
Company name in English	Jiangsu Changshu Rural Commercial Bank Co., Ltd.
Abbreviated Company name in English	Changshu Bank
Person in charge of the Company	Xue Wen

II. Contacts and details

	Secretary of the Board of Directors	Representative of Securities Business
Name	Sun Ming	Sheng Liya
Address	58 Xinshiji Avenue, Changshu City, Jiangsu Province	58 Xinshiji Avenue, Changshu City, Jiangsu Province
Tel	0512-51601128	0512-51601128
Fax	0512-52962000	0512-52962000
E-mail	601128@csrcbank.com	601128@csrcbank.com

III. Basic Information

Company registered address	58 Xinshiji Avenue, Changshu City, Jiangsu Province
Company office address	58 Xinshiji Avenue, Changshu City, Jiangsu Province
Postal code of the Company office address	215500
Company website	www.csrcbank.com
E-mail	601128@csrcbank.com

IV. Information disclosure and location

Names and websites of the media selected by the Company to disclose the Annual Report	China Securities Journal, Shanghai Securities News, Securities Times
Stock exchange websites where the Company disclose the Annual Report	www.sse.com.cn
Location of the Company Annual Report	Shanghai Stock Exchange, Office of the Board of Directors

V. Company Stock Info

Company Stock Info				
Type of stock	Stock exchange	Abbreviated stock name	Stock code	Abbreviated stock name prior to change
A-share	Shanghai Stock Exchange	常熟银行	601128	-

VI. Other Relevant Information

CPA firm engaged by the Company (in China)	Name	Deloitte Hua Yong CPA Firm (Special General Partnership)
	Office address	30/F, 222 Yan'an Road East, Huangpu District, Shanghai
	Names of the signing accountants	Wu Lingzhi, Zhu Lina
The Sponsor performing the continuous supervision responsibility in the reporting period	Name	CITIC Securities Company Limited
	Office address	Floor 23, Zhongjian Building, 1568 Shiji Avenue, Pudong New District, Shanghai City
	Names of the signing sponsor representatives	Li Chao, Wu Hao
	The period for continuous supervision	October 17, 2022 – December 31, 2023

Summary of Accounting Data and Financial Indicators

I. Main Accounting Data and Financial Indicators in the Past Three Years

(I) Key accounting data

Unit: RMB'000

Major accounting data	Year 2023	Year 2022	Increase/ decrease (%)	Year 2021
Operating income	9,870,291	8,808,734	12.05	7,655,439
Net profits attributed to shareholders of the listed company	3,281,502	2,743,731	19.60	2,188,079
Net profit attributable to shareholders of the listed company net of non-recurring gain or loss	3,270,949	2,735,610	19.57	2,187,046
Net cash flow from operating activities	16,369,456	13,153,584	24.45	-1,687,571
	End of 2023	End of 2022	Increase/ decrease (%)	End of 2021
Net assets attributable to shareholders of the listed company	25,356,407	22,577,573	12.31	19,787,979
Total assets	334,456,430	287,881,374	16.18	246,582,821

Unit: RMB'000

Item	End of 2023	End of 2022	Increase/decrease (%)	End of 2021
Total assets	334,456,430	287,881,374	16.18	246,582,821
Total liabilities	307,325,494	263,765,708	16.51	225,446,117
Shareholder's equity	27,130,936	24,115,666	12.50	21,136,704
Total deposits	247,938,809	213,445,361	16.16	182,732,271
Including:				
Corporate demand deposit	28,317,480	29,386,744	-3.64	28,568,866
Corporate time deposit	24,268,307	20,927,186	15.97	24,129,948
Savings demand deposit	22,439,077	25,119,234	-10.67	24,593,418
Savings time deposit	150,529,143	115,709,569	30.09	91,326,146
Other deposits	22,384,802	22,302,628	0.37	14,113,893
Total loans	222,439,155	193,433,049	15.00	162,797,328
Including:				
Enterprise loan	77,381,036	68,841,847	12.40	57,860,318
Personal loan	132,079,567	116,007,019	13.85	99,337,227
Including: Personal loan for business operation	89,865,292	74,193,900	21.12	64,866,335
Personal loan for consumption	24,362,237	21,506,739	13.28	16,884,497
Housing mortgage	13,055,805	13,889,799	-6.00	13,918,116
Credit card	4,796,233	6,416,581	-25.25	3,668,279
Note discounted	12,978,552	8,584,183	51.19	5,599,783
Provision for loan losses	8,995,224	8,420,708	6.82	7,049,095
Net capital	35,107,322	30,945,138	13.45	23,393,092
Including:				
Core Tier 1 capital - net	26,392,626	22,786,220	15.83	19,977,284
Other Tier 1 capital - net	158,324	133,892	18.25	112,589
Tier 2 capital - net	8,556,372	8,025,026	6.62	3,303,219
Total risk weighted assets	253,294,281	223,079,227	13.54	195,751,740

Major financial indicators	Year 2023	Year 2022	Increase/decrease (%)	Year 2021
Basic earnings per share (RMB/share)	1.20	1.00	20.00	0.80
Diluted earnings per share (RMB/share)	0.98	0.94	4.55	Not applicable
Basic EPS net of non-recurring profit or loss (RMB/share)	1.19	1.00	19.00	0.80
Net assets per share attributable to shareholders of the listed company (RMB/share)	9.25	8.24	12.26	7.22
Weighted average return on equity (%)	13.69	13.06	0.63 percentage point increase	11.62
Weighted average return on net asset net of non-recurring profit or loss (%)	13.65	13.03	0.62 percentage point increased	11.62

Item (%)	Year 2023	Year 2022	Year 2021
Return on total assets	1.13	1.10	1.03
Net interest margin	2.70	2.88	2.95
Net interest margin	2.86	3.02	3.06
Capital adequacy ratio	13.86	13.87	11.95
Tier 1 capital adequacy ratio	10.48	10.27	10.26
Core Tier 1 capital adequacy ratio	10.42	10.21	10.21
Non-performing loan ratio	0.75	0.81	0.81
Liquidity ratio	60.07	49.91	49.34
Loan-to-deposit ratio	89.72	90.62	89.09
Percentage of loans to the largest single client	1.20	1.65	0.70
Percentage of loans to the largest 10 clients	7.36	6.36	5.91
Provision coverage ratio	537.88	536.77	531.82
Provision balance/total loan ratio	4.04	4.35	4.33
Cost-income ratio	36.87	38.58	41.40

II. Key Quarterly Financial Data for 2023

Unit: RMB'000

	Q1 (January to March)	Q2 (April to June)	Q3 (July to September)	Q4 (October to December)
Operating income	2,410,203	2,504,134	2,606,069	2,349,885
Net profits attributed to shareholders of the listed company	794,880	655,589	1,067,762	763,271
Net profit attributable to shareholders of the listed company net of non-recurring gain or loss	788,758	657,079	1,065,960	759,152
Net cash flow from operating activities	13,112,003	-12,008,625	5,628,510	9,637,568

III. Non-recurring items and amounts

Unit: RMB'000

Non-recurring gain or loss items	Year 2023	Year 2022	Year 2021
Gains or losses on disposals of illiquid assets, include write-offs of asset impairment provisions	20,723	13,010	8,268
Government grants included in profit or loss for the current period, except those closely related to the normal business operations of the Company, in line with national policies and regulations, enjoyed according to certain standards and having a continuous impact on the profit or loss of the Company	1,640	7,016	1,130
Other non-operating income and expenditure except for the aforementioned items	-7,670	-6,768	-10,254
Less: Affected amount of income tax	-8,196	-6,991	-1,768
Total	6,497	6,267	-2,624
Including: Non-recurring gains or losses attributable to common stock shareholders of the parent company (after tax)	10,553	8,121	1,033
Non-recurring gains and losses attributable to minority shareholders (after tax)	-4,056	-1,854	-3,657

IV. Capital Structure and Leverage Ratio

(I) Capital structure

Unit: RMB'000

Item	December 31, 2023		December 31, 2022	
	The Group	The Parent Company	The Group	The Parent Company
1. Net capital	35,107,322	30,151,332	30,945,138	26,733,383
1.1 Core Tier 1 capital	26,543,837	24,250,688	23,323,635	21,462,591
1.2 Core Tier 1 capital deduction	151,211	1,962,372	537,415	2,173,377
1.3 Core Tier 1 capital – net	26,392,626	22,288,316	22,786,220	19,289,214
1.4 Other Tier 1 capital	158,324	-	133,892	-
1.5 Other Tier 1 capital deduction	-	-	-	-
1.6 Tier 1 capital – net	26,550,950	22,288,316	22,920,112	19,289,214
1.7 Tier 2 capital	8,556,372	7,863,016	8,025,026	7,444,169
1.8 Tier 2 capital deduction	-	-	-	-
1.9 Tier 2 capital – net	8,556,372	7,863,016	8,025,026	7,444,169
2. Credit risk weighted assets	224,368,916	193,855,564	197,421,216	172,062,314
3. Market risk weighted assets	12,507,054	12,507,054	11,369,986	11,369,986
4. Operational risk weighted assets	16,418,311	12,785,398	14,288,025	11,341,643
5. Total risk-weighted assets	253,294,281	219,148,016	223,079,227	194,773,943
6. Core Tier 1 capital adequacy ratio (%)	10.42	10.17	10.21	9.90
7. Tier 1 capital adequacy ratio (%)	10.48	10.17	10.27	9.90
8. Capital adequacy ratio (%)	13.86	13.76	13.87	13.73

The Company disclosed detailed information related to the capital structure at the end of the reporting period in the Investor Relations column of the Bank's website (www.csrcbank.com/tzzgx/jgzb/).

(II) Leverage ratio

Unit: RMB'000

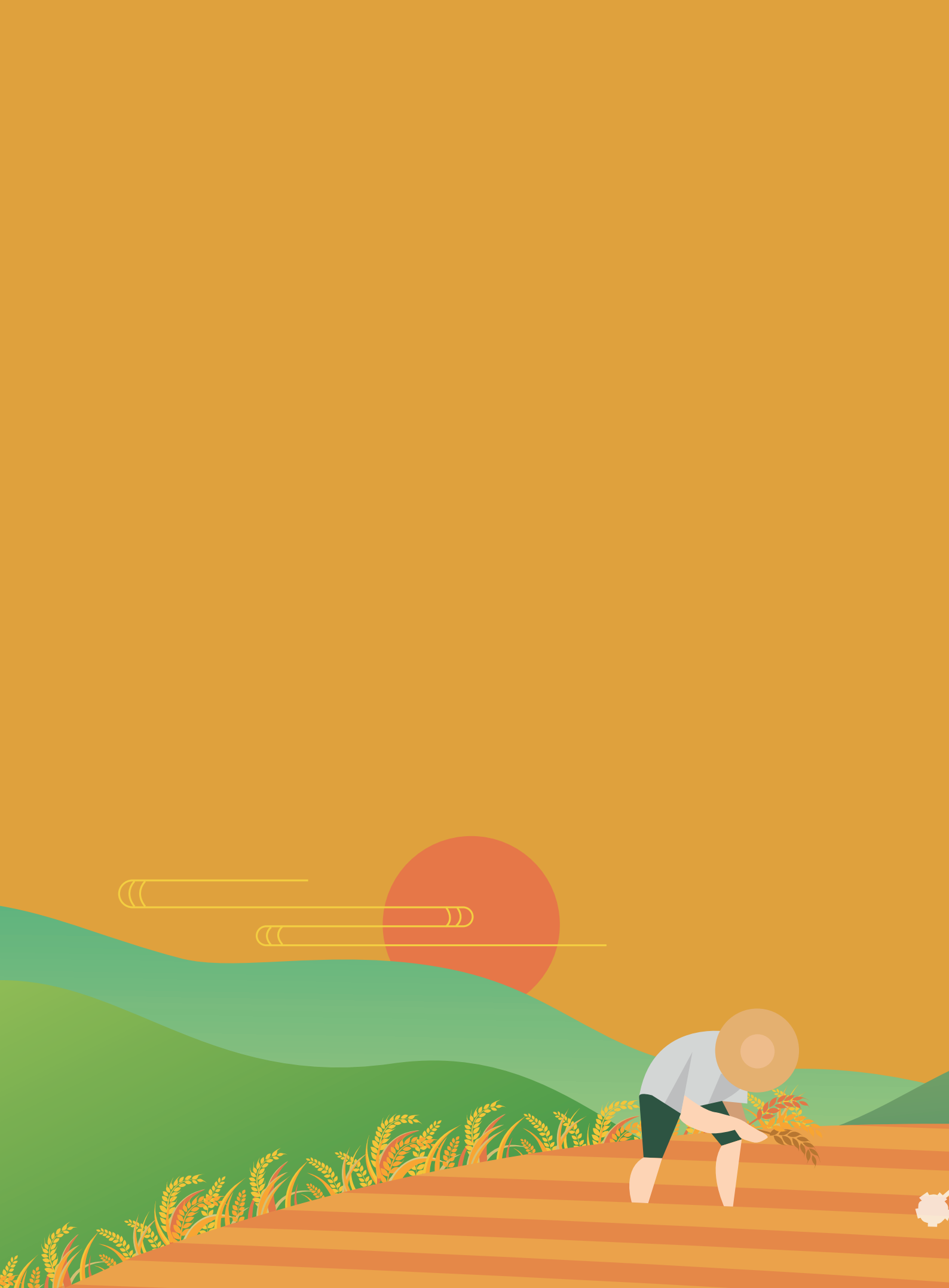
Item	December 31, 2023		December 31, 2022	
	The Group	The Parent Company	The Group	The Parent Company
Leverage ratio (%)	6.51	6.19	6.43	6.08
Tier 1 capital – net	26,550,950	22,288,316	22,920,112	19,289,214
Adjusted balance of assets on and off balance sheet	408,141,175	360,037,702	356,275,376	317,307,480

The Company disclosed detailed information related to the leverage ratio at the end of the reporting period in the Investor Relations column of the Bank's website (www.csrcbank.com/tzzgx/jgzb/).

(III) Liquidity coverage

Unit: RMB'000

Item	December 31, 2023
Qualified, high-quality liquid assets	38,186,200
Net cash outflow in the following 30 days	16,702,553
Liquidity coverage ratio (%)	228.62



02

Management Discussion and Analysis

Business Overview of the Company
Discussion and Analysis of Operation
Important Matters



Business Overview of the Company

I. Business Model of the Company

During the Reporting Period, the Company aimed at high-quality and sustainable development, adhered to the market positioning of serving "rural areas, agriculture and farmers; microfinance and community finance", and comprehensively deepened the construction of "light capital; integrated service, digital service, and biological service; rural revitalization project, wealth management project, and client upgrading project". Corporate banking business mainly includes enterprise finance, financial business for rural areas, agriculture and farmers, international financial business, financial business of bills, and investment banking business. Retail banking business mainly includes wealth business such as savings & deposit, investment & wealth management, and selling insurance on a commission basis, credit business such as small and micro loans, consumer finance, and housing mortgage, credit card business, electronic banking business such as third-generation social security card, mobile banking, WeChat banking and bill collection settlement. Financial market business mainly includes money market business, bond business, derivatives business and wealth business. Country banking business mainly includes deposit absorption, loan issuance, domestic settlement, interbank lending, bank card business, etc.

II. About the Industry in which the Company is Running

In 2023, the external operating environment of commercial banks was still complex. On the one hand, export growth slowed down, investment and credit demand of export-oriented enterprises were generally weak; on the other hand, domestic consumption demand recovery was still relatively slow, housing consumption continued to be depressed, commodity consumption prices continued to fall, investment and credit demand growth still took time. In the fourth quarter, the Central Financial Work Conference and the Central Economic Work Conference were held successively, which clarified the direction for commercial banks to improve the quality and efficiency of service entity economy at the stage of high-quality development of China's economy. Commercial banks do not forget their original intentions, keep in mind their mission, lead business development with "eight persistences" according to the decision-making deployment of the CPC Central Committee, make efforts on five aspects, i.e., "science and technology finance, green finance, inclusive finance, pension finance, and digital finance" in the new era, improve the quality and efficiency of financial service entity economy and assist the high-quality development of China's economy.

III. About the Business of the Company

Retail banking business: Continue to deepen innovation and development, focus on rural revitalization, care for clients, concentrate on wealth management, value enhancement and digital transformation. Guided by the "Three Actions and Three Creations", build the brand of digital intelligent retail bank and explore the multi-dimensional integrated standard operation mode; establish "1+N" grid mode, covering asset allocation, pension & social security, online service, etc., to provide accurate inclusive financial services for residents; strengthen "Party construction, joint construction and co-construction", and construct "Three Platforms" for complementary resources, cultural resonance and benefiting the people; by creating a three-dimensional financial ecosystem integrating offline business, online finance and intelligent services, become a "red post station", "convenience store" and "service hall" near the common people, realizing the multi-point coverage of financial services.

Corporate banking business: Based on the market positioning of serving "rural areas, agriculture and farmers; microfinance and community finance", focus on supporting customers in entities, private sector and manufacturing field, and promote the continuous optimization of asset focus; facing the import and export business scenarios of enterprises, provide enterprises with multi-directional product solutions such as foreign exchange fund management, exchange rate hedging, cross-border settlement financing, etc. under the continuously changing market conditions; develop online bill business products, and improve the electronic and automatic degree of bill business operation; by utilizing investment-loan linkage, investment-deposit linkage, investment-commitment linkage, portfolio financing, industry consulting and other businesses, integrate rich resources inside and outside the bank and provide comprehensive financial service solutions for customers through diversified product portfolio.

Financial market business: Carry out fine management of domestic and foreign currency business, optimization of asset management quality; smooth financing channels to ensure liquidity of the Bank. Accelerate the development of light capital trading business, optimize talent echelon, and realize significant improvement of overall trading level. Strengthen the construction of wealth management system, promote the compliance transformation of wealth management product operation, optimize the construction of wealth management team, and provide comprehensive wealth allocation services for customers.

Country banking business: Seize the development opportunity, actively and steadily promote the acquisition and merger of country banks, and strengthen the strength of country banks. Upgrade channel guarantee to realize expansion and efficiency. Accelerate the credit granting to the whole village, optimize the business structure, and continuously consolidate the customer foundation. Actively promote the deposit-loan linkage work, integrate the contribution degree of deposit and loan business on the basis of business linkage and assessment linkage, strengthen the integration and transformation of the team, and form a unified team management system.

IV. Analysis of Core Competitiveness

Our strategic positioning is clear and far-reaching. The Company pursues the corporate mission of "inclusive finance, responsible bank", adheres to the market positioning of serving "rural areas, agriculture and farmers; microfinance and community finance", and adheres to the characteristic and differentiated inclusive financial development path centering on serving the real economy, private small and micro enterprises and rural revitalization. We are doing a good job of inclusive financial services with standardized technology and process, aiming to become an inclusive benchmark leading bank, science and technology leading bank and regional happiness leading bank.

Our retail transformation continues to go further. The Company firmly adheres to the strategy of "expanding business with focus on big clients", insists on the differentiated retail transformation road, explores the unique "micro-loan model for farmers and merchants", successfully transplants and replicates the patterns to the central, northern, central and western areas of Jiangsu, and makes an inclusive financial service net covering 100 counties, 1,000 towns and 10,000 villages. With online products as the starting point, we promote the integration of online and offline business scenarios, optimize the functions of micro-banking and e-banking with online technology as support, improve customer experience, and build a three-level comprehensive financial service platform covering "cities, towns and villages".

Our risk management is continuously improved. The Company strictly abides by the risk control principle of "innovation, stability and compliance" and strives to strengthen the construction of comprehensive risk management capability. We unify agile risk control teams, establish digital risk control teams, build risk control expert platforms to integrate expert experience and modeling experience, and coordinates the whole life cycle management of models. We also unify the model technology system, build digital risk control system clusters, cover 5 business lines, and call the system for more than one million times. Relying on the unified intelligent risk control decision-making platform, a unified monitoring system for account fraud, transaction fraud and credit fraud is formed, and the digital risk control capability is continuously improved, covering five scenarios: abnormal transaction warning, fraudulent account blocking, anti-hacker intermediary incoming data monitoring, personal online credit approval and intelligent post-loan warning, effectively improving the risk control level.

Our level of science and technology is significantly enhanced. Adhering to the strategy of "making the Bank stronger with science and technology", the Company has comprehensively launched the digital transformation, formulated the Digital Transformation Plan (2023–2025), and aiming at "four improvements and two reductions", further consolidated the core foundation of digitalization, and mastered five core technologies, i.e., micro-loan integration, risk control integration, accounting processing, channel integration, and data analysis and processing, so as to build three major mid-platforms, namely, marketing mid-platform, risk control mid-platform and data mid-platform. The Company has passed the highest-level certification for the management capacity of financial science and technology projects, had Yangu Data Center landed, and passed the highest national standard (Class A) certification, providing solid technical support and guarantee for the Company's development.

Our talent system building strengthens our foundation. The Company attaches great importance to the construction of talent echelon, centering on the matching of personnel and posts, optimizing the personnel structure of the whole bank, focusing on online transformation, optimizing internal process nodes, strengthening the construction of cadre echelon by proper promotion and demotion as the starting point, deepening care for employees and motivation by means of service innovation, and building a characteristic training brand with Changshu Bank School as the base. The Company insists on selecting talents and engaging talents, constantly improves the talent training, selection and assessment mechanism, establishes a good growth channel for employees, promotes a group of business backbones with excellent business, professional leadership, value matching and excellent comprehensive quality to fill key positions, and provides talent guarantee for better coping with industry competition and promoting the high-quality development of the Company.

V. Honors and Awards

Brand Finance	Ranked 325th among the Top 500 Global Banking Brand Values in 2024
The Banker, UK	Ranked 405th among the Top 1000 Global Banks in 2023
China Banking Association	Ranked 81st among China's Top 100 Banks in 2023
	Ranked the first in the comprehensive score among county-level agricultural commercial banks under the "Gyro" evaluation system in 2023
Shanghai Stock Exchange	Grade A, Annual Information Disclosure Assessment 2022–2023
Xinhua Daily	ESG Gold Jasmine Award 2023
Securities Times	Tianji Award for Annual Regional Influential Banks 2023
China Securities Journal	The 4th Gold Bull Award for Banking Finance – Gold Bull Award for Wealth Management Banks

Discussion and Analysis of Operation

I. Main Operation Conditions during the Reporting Period

During the reporting period, the Company actively responded to the severe challenges of economic downturn, continuously promoted the inclusive financial strategy and large-scale retail transformation, and achieved balanced development of efficiency, scale and quality.

Our operating benefits were continuously increased. During the reporting period, the Group achieved operating income of RMB 9.87 billion, an increase of RMB 1.062 billion or 12.05% year-on-year. The net profit attributable to shareholders of the listed company was RMB 3,282 million, up RMB 538 million or 19.60% year-on-year. The return on total assets (ROA) was 1.13%, up 0.03 percentage points year-on-year; the weighted average return on net assets (ROE) was 13.69%, up 0.63 percentage points year-on-year. The cost-income ratio was 36.87%, down 1.71 percentage points from the same period last year.

Our scale and volume reached a new high level. At the end of the reporting period, the Group's total assets amounted to RMB 334.456 billion, an increase of RMB 46.575 billion or 16.18% over the beginning of the year; total deposits amounted to RMB 247.939 billion, an increase of RMB 34.493 billion or 16.16% over the beginning of the year; and total loans amounted to RMB 222.439 billion, an increase of RMB 29.006 billion or 15.00% over the beginning of the year.

Our asset quality was optimized. At the end of the Reporting Period, the Group's non-performing loan ratio was 0.75%, down 0.06 percentage points as compared with the beginning of the year. The Group's provision coverage ratio was 537.88%, up 1.11 percentage points from the beginning of the year.

Our country banking speeded up. At the end of the reporting period, the total assets of country banks were RMB 52.959 billion, an increase of 18.87%. Total deposits amounted to RMB 43.971 billion, an increase of 23.61%, and total loans amounted to RMB 41.610 billion, an increase of 17.19%. The non-performing loan rate of country banks was 0.97%, 0.01% lower than that at the beginning of the year; the provision coverage rate was 339.72%, 27.10% higher than that at the beginning of the year.

II. Income Statement Items

Unit: RMB'000

	Year 2023	Year 2022	Increase/decrease (%)
Operating income	9,870,291	8,808,734	12.05
Including: Interest income – net	8,501,339	7,611,468	11.69
Non-interest income – net	1,368,952	1,197,266	14.34
Taxes and surcharges	53,005	47,014	12.74
Business and overhead expenses	3,639,208	3,398,245	7.09
Credit impairment loss	2,124,306	1,973,225	7.66
Other asset impairment losses	888	26,644	-96.67
Non-operating income and expenditure – net	-6,030	248	-2,531.45
Total profit	4,046,854	3,363,854	20.30
Income tax expense	539,622	436,966	23.49
Net profit	3,507,232	2,926,888	19.83
Minority shareholders' profit or loss	225,730	183,157	23.24
Net profits attributed to shareholders of the listed company	3,281,502	2,743,731	19.60

(I) Distribution of operating income by region

Unit: RMB'000

	Operating income	Portion (%)	Pre-provision profit	Portion (%)
Changshu area	2,352,238	23.83	851,130	13.79
Areas outside Changshu but within Jiangsu Province	5,905,623	59.83	4,500,177	72.91
Including: Branches in other places	5,209,490	52.78	4,071,504	65.96
Country banks	696,133	7.05	428,673	6.95
Areas outside Jiangsu Province (country banks)	1,612,430	16.34	820,741	13.30
Total	9,870,291	100.00	6,172,048	100.00

(II) Interest income - net

Unit: RMB'000

	Year 2023	Year 2022	Increase/decrease (%)
Interest income	15,069,376	13,232,723	13.88
Balances with central bank	213,328	199,828	6.76
Amounts due from banks	26,910	24,299	10.75
Loans to banks and other financial institutions	144,018	91,031	58.21
Financial assets purchased under resale agreements	44,725	25,998	72.03
Loans and advances to customers	12,289,666	11,028,539	11.44
Including: Corporate loans and advances	3,636,423	3,146,624	15.57
Personal loans and advances	8,383,935	7,628,580	9.90
Note discounted	269,308	253,335	6.31
Financial investment	2,350,729	1,860,971	26.32
Others	-	2,057	-100.00
Interest expenses	6,568,037	5,621,255	16.84
Borrowings from central bank	142,459	136,594	4.29
Deposits in other banks and other financial institutions	23,620	33,677	-29.86
Loans from banks and other financial institutions	253,967	129,311	96.40
Financial assets sold under repurchase agreements	192,729	129,187	49.19
Receipt of deposits	5,447,460	4,716,594	15.50
Bonds payable	381,936	377,511	1.17
Lease liabilities	7,585	8,183	-7.31
Others	118,281	90,198	31.13
Interest income - net	8,501,339	7,611,468	11.69

(III) Non-interest income - net

Unit: RMB'000

	Year 2023	Year 2022	Increase/decrease (%)
Net income from service charge and commission	32,244	187,943	-82.84
Including: Income from service charge and commission	270,115	389,461	-30.64
Service charge and commission expenditure	237,871	201,518	18.04
Investment income	957,470	978,024	-2.10
Other income	30,025	13,214	127.22
Profit or loss of fair value change	331,695	-134,869	-
Exchange gain	-35,541	124,614	-128.52
Income from other businesses	32,336	15,330	110.93
Gain from assets disposal	20,723	13,010	59.29
Total	1,368,952	1,197,266	14.34

1. Net income from service charge and commission

Unit: RMB'000

	Year 2023	Year 2022	Increase/decrease (%)
Wealth management business	82,014	220,661	-62.83
Agency business	115,264	97,845	17.80
Aettlement business	72,656	69,434	4.64
Bank card business	181	1,521	-88.10
Total income from service charge and commission	270,115	389,461	-30.64
Agency business	113,813	101,818	11.78
Aettlement business	124,058	99,700	24.43
Total expenditure on service charge and commission	237,871	201,518	18.04
Net income from service charge and commission	32,244	187,943	-82.84

2. Investment income

Unit: RMB'000

	Year 2023	Year 2022	Increase/decrease (%)
Investment income of trading financial assets during holding period	390,788	395,688	-1.24
Investment income from disposal of trading financial assets	229,016	277,339	-17.42
Investment income from disposal of debt investment	22,145	84,832	-73.90
Investment income from disposal of other debt investment	55,116	25,178	118.91
Dividend income obtained during the holding period of investment in other equity instruments	12,287	5,913	107.80
Gains on long-term equity investments using the equity method	92,006	86,616	6.22
Investment gains on disposal of derivative financial instruments	126,950	28,410	346.85
Investment gains on disposal of trading financial liabilities	29,162	72,165	-59.59
Other investment income	-	1,883	-100.00
Total	957,470	978,024	-2.10

3. Profit or loss of fair value change

Unit: RMB'000

	Year 2023	Year 2022	Increase/decrease (%)
Trading financial assets	274,427	-76,355	-
Trading financial liabilities	-2,754	-2,845	-
Derivative financial instruments	60,022	-55,669	-
Total	331,695	-134,869	-

(iv) Business and Overhead Expenses

During the reporting period, the Bank's business and overhead expenses amounted to RMB 3.639 billion, representing a year-on-year increase of RMB 241 million or 7.09%. Staff expenses increased by 10.71% year-on-year, while office expenses decreased by 1.85% year-on-year.

Unit: RMB'000

	Year 2023	Year 2022	Increase/decrease (%)
Staff expenses	2,288,057	2,066,782	10.71
Office expenses	797,508	812,559	-1.85
Depreciation of fixed assets	154,905	144,680	7.07
Depreciation of right-of-use assets	107,352	101,657	5.60
Overhead expenses of the Provincial Rural Credit Union	41,231	46,501	-11.33
Amortization of intangible assets	55,069	43,867	25.54
Low-value consumables	20,302	18,498	9.75
R&D expenses	4,416	13,412	-67.07
Others	170,368	150,289	13.36
Total	3,639,208	3,398,245	7.09

(V) Impairment Losses

Unit: RMB'000

	Year 2023	Year 2022	Increase/decrease (%)
Amounts due from banks	-7,455	-6,546	-
Loans to banks and other financial institutions	-10,302	-31,406	-
Financial assets purchased under resale agreements	-	-7,500	-
Loans and advances to customers	1,789,843	1,819,447	-1.63
Debt investment	145,077	181,144	-19.91
Other debt investment	135,877	-14,490	-
Other receivables	5,744	-439	-
Fixed assets	880	2,664	-66.97
Debt-offsetting assets	8	2,786	-99.71
Estimated liabilities of guarantees and commitments	65,522	33,015	98.46
Others	-	21,194	-100.00
Total	2,125,194	1,999,869	6.27

(VI) Income tax expenses

Unit: RMB'000

	Year 2023	Year 2022	Increase/decrease (%)
Current income tax expenses	865,540	829,829	4.30
Deferred income tax expenses	-325,918	-392,863	-
Total	539,622	436,966	23.49

III. Items of the Balance Sheet**(I) Items with a change of more than 30% in the balance sheet and the reasons for the change**

Unit: RMB'000

Item	Ending balance of current period	Percentage of ending balance of the current period in total assets (%)	Ending balance of the prior period	Percentage of ending balance of the prior period in total assets (%)	Change in ending balance of the current period compared with that of the prior period (%)	Remarks
Financial assets purchased under resale agreements	-	-	100,007	0.03	-100.00	Decrease in securities bought for resale
Other debt investment	24,175,402	7.23	17,425,680	6.05	38.73	Increase in other debt investments such as interbank certificates of deposit
Other assets	1,102,244	0.33	638,020	0.22	72.76	Increase in other receivables
Deposits in other banks and other financial institutions	1,193,691	0.36	890,016	0.31	34.12	Increase in domestic interbank deposits
Loans from banks and other financial institutions	9,371,201	2.80	6,659,739	2.31	40.71	Increase in domestic bank lending
Trading financial liabilities	3,976,572	1.19	1,725,741	0.60	130.43	Increase in short selling of trading financial liabilities

Financial assets sold under repurchase agreements	12,253,382	3.66	9,251,207	3.21	32.45	Increase in insecurities sold for repurchase
Estimated liabilities	166,858	0.05	100,531	0.03	65.98	Increase in credit loss provision for off-balance sheet risk assets
Other liabilities	4,066,686	1.22	2,203,946	0.77	84.52	Increase in funds to be transferred, etc.
Other comprehensive income	624,116	0.19	443,168	0.15	40.83	Increase in credit impairment provision and fair value changes for financial assets at fair value through other comprehensive income
Undistributed profits	9,260,000	2.77	6,663,718	2.31	38.96	Increase in undistributed profits

(II) Average balance and average interest rate of interest-bearing assets and interest-bearing liabilities

The net interest margin of the Group was 2.70%, down 18 BP from the end of last year, of which the yield on interest-bearing assets decreased by 18 BP, and the cost ratio of interest-bearing liabilities remained flat.

Unit: RMB'000

	Year 2023		Year 2022	
	Average balance	Average yield (%)	Average balance	Average yield (%)
Interest-earning assets				
Balances with central bank	14,141,395	1.51	13,210,894	1.51
Amounts due from banks	3,165,498	0.85	2,833,279	0.86
Loans to banks and other financial institutions	3,601,440	4.00	4,814,247	1.89
Financial assets purchased under resale agreements	2,357,346	1.90	1,579,892	1.65
Loans and advances to customers	211,504,080	5.81	180,966,713	6.09
Including: Corporate loans	76,462,833	4.76	65,075,091	4.84
Personal loan	124,557,294	6.73	107,633,901	7.09
Note discounted	10,483,953	2.57	8,257,721	3.07
Financial investment	66,785,330	3.52	52,097,187	3.57
Total	301,555,089	5.00	255,502,212	5.18
Interest-bearing liabilities				
Borrowings from central bank	7,273,760	1.96	6,924,725	1.97
Deposits in other banks and other financial institutions	710,360	3.33	1,274,230	2.64
Loans from banks and other financial institutions	9,111,503	2.79	5,868,784	2.20
Financial assets sold under repurchase agreements	10,123,584	1.90	7,984,153	1.62
Receipt of deposits	239,397,924	2.28	204,107,737	2.31
Including: Enterprise demand deposits	33,163,004	0.62	29,568,772	0.58
Corporate time deposit	22,219,671	2.83	21,243,945	2.61
Savings demand deposit	21,350,169	0.18	19,711,193	0.23
Savings time deposit	142,964,431	3.02	111,962,720	3.24
Including: Deposits with maturity of three years and above	90,899,467	3.51	70,484,624	3.66
Other deposits	19,700,649	1.31	21,621,107	1.48
Bonds payable	13,981,002	2.73	13,550,276	2.79
Total	280,598,133	2.30	239,709,905	2.30
Net interest margin (%)	2.70		2.88	

(III) Asset items

Total assets of the Group amounted to RMB 334.456 billion, an increase of RMB 46.575 billion or 16.18% over the end of last year (the following assets exclude accrued interest).

1. Loan

The total loan issued by the Group is RMB 222.439 billion, with an increase of RMB 29.006 billion or 15.00% over the end of last year.

Top 10 loan customers

Unit: RMB'000

	Balance	Portion (%)
XX (customer name)	421,687	0.19
XX (customer name)	409,536	0.18
XX (customer name)	300,000	0.13
XX (customer name)	265,787	0.12
XX (customer name)	237,574	0.11
XX (customer name)	200,000	0.09
XX (customer name)	190,000	0.09
XX (customer name)	189,546	0.09
XX (customer name)	189,000	0.08
XX (customer name)	180,000	0.08
Total of top 10 loan customers	2,583,130	1.16

2. Financial investment

Financial investment includes trading financial assets, debt investment and other investment on bonds. According to the five-level classification standard of non-credit assets, the non-performing ratio of financial investment is 0%.

Unit: RMB'000

	End of 2023		End of 2022	
	Amount	Portion (%)	Amount	Portion (%)
National debt	20,105,412	23.15	18,661,057	26.00
Local government bonds	25,018,042	28.80	19,754,194	27.53
Policy bank financial bonds	3,950,236	4.55	2,629,460	3.66
Other financial bonds	1,707,423	1.97	239,680	0.33
Negotiable certificate of deposit	7,633,625	8.79	3,414,249	4.76
Corporate bonds	12,220,109	14.07	10,831,260	15.10
Asset-backed securities	905,001	1.04	583,389	0.81
Fund	8,817,461	10.15	8,771,650	12.22
Trust and asset management plan	2,098,980	2.42	2,189,349	3.05
Debt financing plan	3,248,000	3.74	3,743,000	5.22
Debt investment plan	1,150,000	1.32	950,000	1.32
Total	86,854,289	100.00	71,767,288	100.00

Unit: RMB'000

Type	Amount
Policy bank financial bonds	3,950,236
Other financial bonds	1,707,423
Total	5,657,659

Unit: RMB'000

Bond name	Face value	Annual interest rate (%)	Expiration date	Provision for impairment
23 Interest-bearing Bond 26	1,780,000	2.67	2033/11/25	-
21 Jiangsu 03	1,300,000	3.49	2031/3/15	37,284
23 Interest-bearing Bond 27	1,120,000	2.33	2025/12/15	-
23 Interest-bearing Bond 25	1,020,000	2.39	2026/11/15	-
23 Interest-bearing Bond 18	970,000	2.52	2033/8/25	-
22 Interest-bearing Bond 17	730,000	2.69	2032/8/15	-
23 CDB 15	720,000	2.69	2033/9/11	-
23 CDB 08	700,000	2.52	2028/5/25	-
21 Jiangsu Debt 02	680,000	3.38	2028/1/18	19,509
22 Interest-bearing Bond 03	660,000	2.75	2032/2/17	-
Total	9,680,000	/	/	56,793

3. Debt-offsetting assets

Unit: RMB'000

Type	End of 2023	End of 2022
House property	8,148	8,148
Less: provision for loss	5,171	5,171
Total	2,977	2,977

(IV) Liabilities

Total liabilities of the Group are RMB 307.325 billion, with an increase of RMB 43.560 billion or 16.51% over the end of last year (the following liabilities exclude accrued interest).

1. Composition of customer deposits

Total deposits of the Group are RMB 247.939 billion, with an increase of RMB 34.493 billion or 16.16% over the end of last year.

Unit: RMB'000

	End of 2023		End of 2022	
	Amount	Portion (%)	Amount	Portion (%)
Demand deposits	50,756,557	20.47	54,505,978	25.54
Including: corporate deposits	28,317,480	11.42	29,386,744	13.77
Personal deposits	22,439,077	9.05	25,119,234	11.77
Fixed deposits	174,797,450	70.50	136,636,755	64.01
Including: corporate deposits	24,268,307	9.79	20,927,186	9.8
Personal deposits	150,529,143	60.71	115,709,569	54.21
Including: deposits with maturity of three years and above	98,290,370	39.64	80,953,802	37.93
Other deposits	22,384,802	9.03	22,302,628	10.45
Total	247,938,809	100.00	213,445,361	100

Distribution of customer deposits by region

The proportion of deposits outside Changshu to total deposits is 39.77%, 0.95 percentage points higher than that at the end of last year, among which the proportion of deposits in country banks to total deposits is 17.73%, 1.07 percentage points higher than that at the end of last year.

Unit: RMB'000

	End of 2023		End of 2022	
	Amount	Portion (%)	Amount	Portion (%)
Changshu area	149,339,596	60.23	130,583,628	61.18
Areas outside Changshu but within Jiangsu Province	66,467,150	26.81	56,265,402	26.36
Including: Branches in other places	54,627,981	22.04	47,288,978	22.16
Country banks	11,839,169	4.77	8,976,424	4.20
Areas outside Jiangsu Province (country banks)	32,132,063	12.96	26,596,331	12.46
Total	247,938,809	100.00	213,445,361	100.00

2. Bonds payable

Bonds payable by the Group are RMB 12.329 billion, with a decrease of RMB 2.389 billion or 16.23% over the end of last year, and mainly due to the decrease in the scale of negotiable certificate of deposit and small and micro financial bonds.

Unit: RMB'000

	End of 2023	End of 2022	Increase/decrease (%)
Negotiable certificate of deposit	5,359,291	6,897,707	-22.30
Convertible corporate bonds	5,469,738	5,319,943	2.82
Small and micro financial bonds	500,000	1,500,000	-66.67
Financial bonds for agriculture, rural areas and farmers	1,000,000	1,000,000	-
Total	12,329,029	14,717,650	-16.23

(V) Shareholders' equity

Unit: RMB'000

	End of 2023	End of 2022	Increase/decrease (%)
Share capital	2,740,883	2,740,856	-
Other equity instruments	719,671	719,697	-
Capital reserve	3,251,187	3,249,584	0.05
Other comprehensive income	624,116	443,168	40.83
Surplus reserve	4,619,273	4,619,273	-
General risk provision	4,141,277	4,141,277	-
Undistributed profits	9,260,000	6,663,718	38.96
Total shareholder's equity attributable to the parent company	25,356,407	22,577,573	12.31
Minority equity	1,774,529	1,538,093	15.37
Total	27,130,936	24,115,666	12.50

IV. Cash Flow Statement Items

Unit: RMB'000

Item	Year 2023	Year 2022	Increase/decrease (%)
Net cash flow from operating activities	16,369,456	13,153,584	24.45
Net cash flows from investing activities	-12,243,853	-12,150,183	-
Net cash flows from financing activities	-3,570,819	-590,166	-

V. Loan Quality Analysis

The non-performing loan ratio of the Group is 0.75%, with a decrease of 0.06 percentage points over the end of last year.

(I) Distribution of loans by five-level classification

Unit: RMB'000

Five-level classification	End of 2023				End of 2022			
	Loan amount	Percentage of total loans (%)	Amount of the provision	Provision balance/total loan ratio	Loan amount	Percentage of total loans (%)	Amount of the provision	Provision balance/total loan ratio
Normal loan	218,156,221	98.08	7,053,969	3.23	190,238,918	98.35	6,773,635	3.56
Special mention loan	2,610,591	1.17	838,415	32.12	1,625,359	0.84	602,489	37.07
Subprime loan	1,409,475	0.63	877,144	62.23	1,293,103	0.67	819,185	63.35
Doubtful loan	159,334	0.07	122,162	76.67	177,210	0.09	126,940	71.63
Loss loan	103,534	0.05	103,534	100.00	98,459	0.05	98,459	100.00
Total	222,439,155	100.00	8,995,224	4.04	193,433,049	100.00	8,420,708	4.35

(II) Distribution of loans and non-performing loan ratios by product

Unit: RMB'000

	End of 2023			End of 2022		
	Amount	Portion (%)	Non-performing ratio (%)	Amount	Portion (%)	Non-performing ratio (%)
Enterprise loan	77,381,036	34.79	0.83	68,841,847	35.59	0.77
Personal loan	132,079,567	59.38	0.78	116,007,019	59.97	0.89
Including: credit card	4,796,233	2.16	1.40	6,416,581	3.32	0.62
Housing mortgage	13,055,805	5.87	0.49	13,889,799	7.18	0.50
Personal loan for business operation	89,865,292	40.40	0.78	74,193,900	38.35	0.99
Personal loan for consumption	24,362,237	10.95	0.79	21,506,739	11.12	0.90
Note discounted	12,978,552	5.83	-	8,584,183	4.44	-
Total	222,439,155	100.00	0.75	193,433,049	100.00	0.81

(III) Distribution of loans and non-performing loan ratios by industry

Unit: RMB'000

Industry	End of 2023			End of 2022		
	Amount	Portion (%)	Non-performing ratio (%)	Amount	Portion (%)	Non-performing ratio (%)
Manufacturing	36,918,121	16.60	1.12	34,667,452	17.92	0.83
Construction and leasing services	12,205,625	5.49	0.89	10,481,155	5.42	1.23
Wholesale and retail	8,736,253	3.93	0.67	6,939,551	3.59	1.13
Water, environment and public utility management	5,750,525	2.59	-	5,491,991	2.84	0.01
Real estate	1,825,126	0.82	-	1,822,059	0.94	-
Production and supply of electric power, gas and water	1,649,997	0.74	-	1,292,218	0.67	-
Other industries	6,114,694	2.74	1.10	5,452,735	2.82	0.67
Trade finance	4,180,695	1.88	-	2,694,686	1.39	-
Note discounted	12,978,552	5.83	-	8,584,183	4.44	-
Personal loan	132,079,567	59.38	0.78	116,007,019	59.97	0.89
Total	222,439,155	100.00	0.75	193,433,049	100.00	0.81

(IV) Distribution of loans and non-performing loan ratios by amount

Unit: RMB'000

	End of 2023				End of 2022			
	Amount	Portion (%)	Number of customers	Non-performing ratio (%)	Amount	Portion (%)	Number of customers	Non-performing ratio (%)
Less than RMB 1 million (inclusive)	92,617,362	41.64	489,395	0.78	82,418,749	42.61	422,305	0.88
RMB 1-10 million (inclusive)	74,276,312	33.39	30,777	0.78	65,536,495	33.88	26,933	0.93
RMB 10-20 million (inclusive)	11,468,978	5.16	769	0.48	10,398,763	5.38	704	0.64
RMB 20-50 million (inclusive)	21,223,319	9.54	633	1.10	18,614,720	9.62	573	0.90
More than RMB 50 million	22,853,184	10.27	230	0.38	16,464,322	8.51	173	-
Total	222,439,155	100	521,804	0.75	193,433,049	100	450,688	0.81

Personal loan for business operation and non-performing loan ratio by amount

Unit: RMB'000

	End of 2023				End of 2022			
	Amount	Portion (%)	Number of customers	Non-performing ratio (%)	Amount	Portion (%)	Number of customers	Non-performing ratio (%)
Less than RMB 300,000 (inclusive)	27,658,142	30.78	222,040	0.91	22,942,253	30.92	181,328	1.03
RMB 300,000–500,000 (inclusive)	11,559,963	12.86	26,625	0.62	9,455,484	12.74	21,972	0.86
RMB 500,000–1 million (inclusive)	16,306,237	18.15	20,916	0.55	13,286,711	17.91	17,237	0.98
RMB 1–2 million (inclusive)	18,216,268	20.27	12,282	1.09	15,854,114	21.37	10,694	1.08
More than RMB 2 million	16,124,682	17.94	5,296	0.57	12,655,338	17.06	4,180	0.93
Total	89,865,292	100.00	287,159	0.78	74,193,900	100.00	235,411	0.99

(V) Distribution of loans and non-performing loan ratios by region

Unit: RMB'000

Region	End of 2023			End of 2022		
	Amount	Portion (%)	Non-performing ratio (%)	Amount	Portion (%)	Non-performing ratio (%)
Changshu area	71,447,166	32.12	0.70	63,473,872	32.81	0.56
Areas outside Changshu but within Jiangsu Province	121,715,586	54.72	0.72	104,608,045	54.08	0.91
Including: Branches in other places	109,382,304	49.18	0.70	94,451,777	48.83	0.92
Country banks	12,333,282	5.54	0.86	10,156,268	5.25	0.87
Areas outside Jiangsu Province (country banks)	29,276,403	13.16	1.02	25,351,132	13.11	1.02
Total	222,439,155	100.00	0.75	193,433,049	100.00	0.81

Personal loan for business operation and non-performing loan ratio by region

Unit: RMB'000

Region	End of 2023			End of 2022		
	Amount	Portion (%)	Non-performing ratio (%)	Amount	Portion (%)	Non-performing ratio (%)
Changshu area	9,941,255	11.07	0.69	8,913,534	12.02	0.87
Areas outside Changshu but within Jiangsu Province	60,190,309	66.97	0.68	48,221,890	64.99	0.94
Including: Branches in other places	50,754,269	56.47	0.62	40,585,013	54.70	0.94
Country banks	9,436,040	10.50	0.98	7,636,877	10.29	0.97
Areas outside Jiangsu Province (country banks)	19,733,728	21.96	1.15	17,058,476	22.99	1.19
Total	89,865,292	100.00	0.78	74,193,900	100.00	0.99

(VI) Distribution of loans and non-performing loan ratios by guarantee method

Unit: RMB'000

	End of 2023			End of 2022		
	Amount	Portion (%)	Non-performing ratio (%)	Amount	Portion (%)	Non-performing ratio (%)
Unsecured loans	65,307,069	29.36	0.74	51,855,891	26.81	0.74
Guaranteed loans	50,530,945	22.72	0.79	46,123,723	23.84	0.97
Loans with collateral	106,601,141	47.92	0.74	95,453,435	49.35	0.77
Including: mortgage loans	93,305,688	41.94	0.83	86,559,827	44.75	0.84
Pledge loans	13,295,453	5.98	0.09	8,893,608	4.60	0.11
Total	222,439,155	100.00	0.75	193,433,049	100.00	0.81

Personal loan for business operation and non-performing loan ratio by guarantee method

Unit: RMB'000

	End of 2023			End of 2022		
	Amount	Portion (%)	Non-performing ratio (%)	Amount	Portion (%)	Non-performing ratio (%)
Unsecured loans	34,895,494	38.84	0.64	24,069,028	32.45	0.77
Guaranteed loans	10,488,236	11.67	1.10	10,011,149	13.49	1.48
Loans with collateral	44,481,562	49.49	0.82	40,113,723	54.06	1.00
Including: mortgage loans	44,144,957	49.12	0.80	39,562,294	53.32	0.99
Pledge loans	336,605	0.37	3.40	551,429	0.74	1.70
Total	89,865,292	100.00	0.78	74,193,900	100.00	0.99

(VII) Corporate restructuring loans and overdue loans

Unit: RMB'000

Classification	End of 2023		End of 2022	
	Amount	Portion (%)	Amount	Portion (%)
Restructuring of loans	1,981,520	0.89	1,670,240	0.86
Overdue loans	2,728,886	1.23	2,047,143	1.06

At the end of the reporting period, the proportion of loans overdue for more than 90 days to non-performing loans is 79.40%.

At the end of the reporting period, the proportion of loans overdue for more than 60 days to non-performing loans is 90.04%.

(VIII) Provision and write-off of provision for loan losses

Unit: RMB'000

	Measured at amortized cost	Measured at fair value through other comprehensive income
Method of provision for loan losses	Expected credit loss method	Expected credit loss method
Beginning balance of provision for loan losses	8,360,535	60,173
Provision for loan losses in the current period	1,693,502	96,341
Write-off and transfer for provision for loan losses in the current period	-1,669,411	-
Recoveries written off	461,758	-
Discount	-7,674	-
Ending balance of provision for loan losses	8,838,710	156,514

(IX) Loan migration rate

Item (%)	Year 2023	Year 2022	Year 2021
Normal loan migration rate	1.81	1.50	1.54
Special mention loan migration rate	18.80	18.19	38.63
Subprime loan migration rate	14.27	12.57	7.76
Doubtful loan migration rate	41.79	23.68	17.22

VI. Off-balance Sheet Financial Investment Assets

Unit: RMB'000

	End of 2023		End of 2022	
	Amount	Portion (%)	Amount	Portion (%)
Cash	174,014	0.53	456,619	1.22
National debt	139,787	0.44	9,948	0.03
Policy bank financial bonds	6,602,120	20.56	7,836,504	20.88
Commercial bank financial bonds	2,056,777	6.40	567,080	1.51
Corporate bonds	20,346,630	63.36	24,952,177	66.49
Fund	66,798	0.21	117,711	0.31
Negotiable certificate of deposit	2,019,574	6.29	2,996,702	7.98
Financial assets purchased under resale agreements	660,184	2.06	380,551	1.01
Asset-backed securities	47,000	0.15	47,890	0.13
Trust loans	-	-	165,304	0.44
Total	32,112,884	100.00	37,530,486	100.00

VII. Off-balance Sheet Items That Have a Significant Impact on Financial Position and Operating Results

Unit: RMB'000

Item	End of 2023	End of 2022
Credit commitments	6,452,966	7,062,883
Including: unused credit card limit	6,452,966	7,062,883
Financial guarantee contract	32,651,515	32,624,945
Including: Opening of L/C	2,466,464	2,081,125
Banker's acceptance	29,646,088	30,343,009
Opening of guarantee	538,963	200,811
Capital expenditure commitments	183,159	218,969

VIII. Investment Status

(I) External equity investment

The Company directly controls the Investment Management Bank by shareholding, and the Investment Management Bank controls 31 country banks by shareholding. The Company participates in nine institutions, including Jiangsu Zhenjiang Rural Commercial Bank Co., Ltd., Jiangsu Baoying Rural Commercial Bank Co., Ltd., Wuhan Rural Commercial Bank Co., Ltd., Lianyungang Oriental Rural Commercial Bank Co., Ltd., Jiangsu Taixing Rural Commercial Bank Co., Ltd., Tianjin Rural Commercial Bank Co., Ltd., Jiangsu Rudong Rural Commercial Bank Co., Ltd., Jiangsu Rural Credit Union and China UnionPay Co., Ltd. It is the largest shareholder of Jiangsu Zhenjiang Rural Commercial Bank Co., Ltd., Jiangsu Baoying Rural Commercial Bank Co., Ltd. and Lianyungang Oriental Rural Commercial Bank Co., Ltd.

(II) Major holding companies

The registered capital of the Investment Management Bank is RMB 2.08 billion, with registration place in Qionghshan District, Haikou City, Hainan Province. The Bank holds 90% of the shares.

1. Main accounting data and financial indicators of Xingfu Country Bank

Unit: RMB'000

Scale indicator	End of 2023	End of 2022	Increase/decrease (%)
Total assets	52,958,506	44,550,474	18.87
Total loans	41,609,685	35,507,400	17.19
Including: Corporate loans	2,418,568	2,299,013	5.20
Personal loan	39,191,117	33,208,387	18.02
Including: Personal loan for business operation	29,169,768	24,695,354	18.12
Personal loan for consumption	7,992,081	6,343,217	25.99
Housing mortgage	2,029,268	2,169,816	-6.48
Total liabilities	48,526,395	40,855,804	18.77
Total deposits	43,971,232	35,572,755	23.61
Including: Enterprise demand deposits	2,400,649	2,760,988	-13.05
Corporate time deposit	958,440	1,136,697	-15.68

Savings demand deposit	2,962,164	2,794,807	5.99
Savings time deposit	37,227,109	28,332,074	31.40
Other deposits	422,870	548,189	-22.86
Shareholder's equity	4,432,111	3,694,670	19.96
Net capital	4,797,400	3,952,552	21.37
Including: core Tier 1 capital – net	3,977,003	3,256,496	22.13
Total risk weighted assets	36,500,490	30,852,524	18.31

Note: Total deposits and loans exclude accrued interest.

Unit: RMB'000

Operating performance	Year 2023	Year 2022	Year-on-year increase (%)
Operating income	2,308,563	1,948,862	18.46
Operating profit	646,109	501,481	28.84
Total profit	634,715	501,814	26.48
Net profit	500,329	401,193	24.71
Net profit attributable to shareholders of the Investment Management Bank	305,110	242,263	25.94
Net cash flow from operating activities	1,701,133	477,325	256.39

Major financial indicators (%)	End of 2023	End of 2022
Weighted average return on equity	11.97	10.66
Return on total assets	1.03	0.98
Net interest margin	4.33	4.46
Net interest margin	4.63	4.74
Capital adequacy ratio	13.14	12.81
Tier 1 capital adequacy ratio	11.27	10.94
Core Tier 1 capital adequacy ratio	10.90	10.56
Non-performing loan ratio	0.97	0.98
Loan-to-deposit ratio	94.63	99.82
Provision coverage ratio	339.72	312.62
Provision balance/total loan ratio	3.30	3.06
Cost-income ratio	44.98	49.43

2. Description of the Investment Management Bank and 31 country banks controlled by it

The Investment Management Bank has 5 organizations with 130 employees and total assets of RMB 2,908,339,000.

No.	Province	Investee	Registered capital (RMB'000)	Shareholding ratio	Number of institutions	Number of employees	Total assets (RMB'000)
1	Hubei Province	Enshi Country Bank	250,564	54.16%	35	535	12,352,426
2		Dangyang Country Bank	42,400	52.00%	6	69	1,410,817
3		Zigui Country Bank	68,200	75.75%	5	61	1,041,147
4		Changyang Country Bank	59,300	85.08%	4	61	1,233,449
5		Yiling Country Bank	63,430	91.80%	5	77	1,310,261

6	Jiangsu Province	Jintan Country Bank	105,100	51.01%	5	79	2,193,277
7		Qingpu Country Bank	62,583	72.41%	3	111	2,258,853
8		Huaiyin Country Bank	47,736	57.18%	5	87	1,315,751
9		Binhai Country Bank	41,600	64.90%	2	63	1,419,785
10		Gaoyou Country Bank	48,484	81.99%	3	63	1,591,581
11		Sucheng Country Bank	38,679	67.08%	2	73	1,301,288
12		Gaogang Country Bank	44,372	69.92%	3	66	1,268,804
13		Wuxi Binhu Country Bank	103,500	61.00%	4	62	1,742,212
14		Qinghe Country Bank	66,401	51.00%	2	78	1,507,190
15		Henan Province	Tangyin Country Bank	52,020	54.40%	11	106
16	Yiyang Country Bank		51,150	64.52%	6	84	1,398,871
17	Songxian Country Bank		30,000	51.00%	8	92	940,391
18	Luoning Country Bank		30,000	69.00%	5	75	1,025,789
19	Neihuang Country Bank		33,072	83.00%	7	87	1,229,197
20	Ruyang Country Bank		30,000	79.00%	5	65	806,764
21	Yunnan Province	Panlong Country Bank	87,943	55.41%	7	109	1,586,825
22		Zhanyi Country Bank	39,732	53.97%	5	73	978,811
23		Luliang Country Bank	33,097	51.83%	7	90	1,386,959
24		Shizong Country Bank	44,854	60.92%	5	65	1,029,893
25		Luoping Country Bank	43,307	53.83%	7	85	1,510,215
26		Jiangchuan Country Bank	56,207	58.65%	7	76	1,209,134
27		Yimen Country Bank	44,345	51.36%	3	52	674,696
28		Nanhua Country Bank	33,075	78.00%	5	57	1,075,236
29		Yuanmou Country Bank	33,197	38.83%	5	67	1,382,621
30		Wuding Country Bank	31,200	66.33%	5	57	869,004
31	Guangdong Province	Xiangzhou Country Bank	100,000	82.00%	2	46	393,166

Note: Changes to the registered capital of each country bank and shareholding ratio of the Investment Management Bank during the reporting period are as follows:

1. Zigui Country Bank is subject to capital increase in a targeted manner, with the share capital increased from RMB 47.88 million to RMB 68.2 million, and the shareholding ratio of the Investment Management Bank is increased from 71.93% to 75.75%.

2. Qingpu Country Bank is subject to capital conversion with undistributed profits, with the share capital increased from RMB 59.7168 million to RMB 62.5832 million, and the shareholding ratio of the Investment Management Bank remains unchanged.

3. Huaiyin Country Bank is subject to capital conversion with undistributed profits, with the registered capital increased from RMB 45.5495 million to RMB 47.7359 million, and the shareholding ratio of the Investment Management Bank remains unchanged.

4. Sucheng Country Bank is subject to capital conversion with undistributed profits, with the registered capital increased from RMB 37.191 million to RMB 38.6786 million, and the shareholding ratio of the Investment Management Bank remains unchanged.

5. Gaogang Country Bank is subject to capital conversion with undistributed profits, with the registered capital increased from RMB 42.2593 million to RMB 44.3722 million, and the shareholding ratio of the Investment Management Bank remains unchanged.

6. Binhu Country Bank is subject to capital conversion with undistributed profits, with the registered capital increased from RMB 100 million to RMB 103.5 million, and the shareholding ratio of the Investment Management Bank remains unchanged.

7. Qinghe Country Bank is subject to capital conversion with undistributed profits, with the registered capital increased from RMB 63.36 million to RMB 66.4013 million, and the shareholding ratio of the Investment Management Bank remains unchanged.

8. Tangyin Country Bank is subject to capital conversion with undistributed profits, with the share capital increased from RMB 51 million to RMB 52.02 million, and the shareholding ratio of the Investment Management Bank remains unchanged.

9. Neihuang Country Bank is subject to capital conversion with undistributed profits, with the share capital increased from RMB 31.8 million to RMB 33.072 million, and the shareholding ratio of the Investment Management Bank remains unchanged.

10. Ruyang Country Bank purchases minority shareholders' equity, and the share capital remains unchanged. The shareholding ratio of the Investment Management Bank is increased from 74% to 79%.

11. Panlong Country Bank is subject to capital conversion with undistributed profits, with the share capital increased from RMB 85.3815 million to RMB 87.9429 million, and the shareholding ratio of the Investment Management Bank remains unchanged.

12. Zhanyi Country Bank is subject to capital conversion with undistributed profits, with the share capital increased from RMB 38.9532 million to RMB 39.7323 million, and the shareholding ratio of the Investment Management Bank remains unchanged.

13. Luliang Country Bank is subject to capital conversion with undistributed profits, with the share capital increased from RMB 32.448 million to RMB 33.097 million, and the shareholding ratio of the Investment Management Bank remains unchanged.

14. Shizong Country Bank is subject to capital conversion with undistributed profits, with the share capital increased from RMB 43.548 million to RMB 44.8544 million, and the shareholding ratio of the Investment Management Bank remains unchanged.

15. Luoping Country Bank is subject to capital conversion with undistributed profits, with the share capital increased from RMB 42.458 million to RMB 43.3072 million, and the shareholding ratio of the Investment Management Bank remains unchanged.

16. Jiangchuan Country Bank is subject to capital conversion with undistributed profits, with the share capital increased from RMB 54.0448 million to RMB 56.2066 million, and the shareholding ratio of the Investment

Management Bank remains unchanged.

17. Yimen Country Bank is subject to capital conversion with undistributed profits, with the share capital increased from RMB 43.475 million to RMB 44.3445 million, and the shareholding ratio of the Investment Management Bank remains unchanged.

(III) Major joint-stock companies

Unit: RMB'000

No.	Investee	Date of establishment	Registered capital	Shareholding ratio (%)	Cash dividends received during the reporting period
1	Jiangsu Zhenjiang Rural Commercial Bank Co., Ltd.	February 2011	1,500,000	33.33	17,500
2	Jiangsu Baoying Rural Commercial Bank Co., Ltd.	October 2012	470,492	18.09	3,337
3	Lianyungang Oriental Rural Commercial Bank Co., Ltd.	July 2007	1,200,831	10.71	-

(IV) Number and regional distribution of branches

No.	Prefecture-level city (county)	Name	Address	Number of institutions	Number of employees	Total assets (RMB'000)
1	Changshu	Head Office (including branches in Changshu)	58 Xinshiji Avenue, Changshu City, Jiangsu Province	109	2395	169,258,095
2	Suzhou (excluding Changshu)	Suzhou Branch	Rooms 102, 202 and 701, Building 1, No. 710, Zhongyuan Road, Suzhou Industrial Park	1	167	12,608,115
3		Xiangcheng Sub-branch	Room A009, Room A010 and Room D012, Shishang Siji Commercial Plaza, No. 1080 Jiayuan Road, Yuanhe Sub-district, Xiangcheng District, Suzhou City; No. 1096, No. 1098, No. 1100, and No. 1102.	1	80	8,610,692
4		Zhangjiagang Sub-branch	No. 107, 109 and 111, Jingang Avenue, Zhangjiagang City and No. 1 Jiannong Road, Zhangjiagang City	3	89	6,153,108
5		Kunshan Sub-branch	Rooms 101, 102 and 201, Huading Building, No. 707, Qianjin East Road, Kunshan City	1	73	9,172,159
6		Taicang Sub-branch	No.1, Shanghai East Road, Chengxiang Town, Taicang City	1	54	3,282,374
7		Wuxi Branch	Rooms 3-1601 to 3-1606, Building 2, Jiaye Fortune Center, Taihu New Town, Binhu District, Wuxi City, Jiangsu Province	1	87	8,115,764
8	Wuxi	Jiangyin Sub-branch	Jiahe Center, No. 55, Chaoyang Road, Jiangyin City, Jiangsu Province	1	56	4,466,855
9		Yixing Sub-branch	No. 177, Jingyi Middle Road, Yicheng Street, Yixing City, Jiangsu Province	1	49	2,373,893
10		Huishan Sub-branch	No. 340 and 342, Zhenghe Avenue, Huishan District, Wuxi City, Jiangsu Province and No. 36, 37 and 38, Tianli Commercial Plaza	1	51	2,899,011

11	Zhenjiang	Zhenjiang Branch	Building 4, East Courtyard, No. 39, Zhengdong Road, Zhenjiang City	1	59	2,594,034
12		Jurong Sub-branch	No. 2, East Side of Huayang North Road, Jurong City	1	29	1,207,340
13	Nantong	Nantong Branch	Building 1, No. 1, Qingnian West Road, Nantong City	1	79	4,875,421
14		Haimen Sub-branch	No. 77, Xiushan East Road, Haimen Street, Haimen District, Nantong City	4	64	3,555,747
15		Haian Sub-branch	No. 2, Huanghai Avenue (East), Haian Development Zone	1	41	1,545,486
16		Rudong Sub-branch	No. 9, Rihui East Road, Juegang Town, Rudong County	2	42	1,736,157
17		Qidong Sub-branch	Rooms 101-108 and Rooms 201-204, Building 1, No. 802, Jianghai Middle Road, Qidong City, Jiangsu Province	3	54	1,931,609
18		Tongzhou Sub-branch	No. 7, Jianshe Road, Tongzhou District, Nantong City	2	33	1,307,909
19		Rugao Sub-branch	Commercial Building, Longyou Yujing Building 53, No. 288, Haiyang Road South, Rugao City	1	42	2,028,688
20	Yancheng	Yancheng Branch	Building 5, Financial City, No. 5, Century Avenue, Yancheng City	2	87	4,747,137
21		Tinghu Sub-branch	Rooms 113-115, Building 11, Greenland Business City, No. 58, Xiwang Avenue, Yancheng City	2	43	1,019,097
22		Funing Sub-branch	No. 501, Macao Road, Chengnan New District, Fucheng Town, Funing County	2	54	1,829,406
23		Dafeng Sub-branch	No. 31, Jiankang West Road, Dafeng District, Yancheng City, Jiangsu Province	1	42	1,717,110
24		Sheyang Sub-branch	Building 15, Oriental Pearl Garden, Jiefang Road, Sheyang County	1	52	2,803,871
25		Dongtai Sub-branch	No. 32, Hailing Road South, Dongtai City	2	57	2,366,600
26	Yangzhou	Yangzhou Branch	No. 175 and 183, Wenhui West Road, Hanjiang District, Yangzhou City, Jiangsu Province	1	33	1,732,232
27		Hanjiang Sub-branch	No. 101, 102, 111, 201 and 202, Building 2, No. 101 (Yuecheng Science Plaza), Jiangyang West Road, Hanjiang District, Yangzhou City, Jiangsu Province	3	62	2,800,978
28		Jiangdu Sub-branch	Rooms 392, 396, 398 and 400, Building S4, Singapore Garden, No. 1316, Wenchang East Road, Jiangdu District, Yangzhou City	1	29	874,074
29		Yizheng Sub-branch	No. 32, Xiyuan Road North, Yizheng City, Jiangsu Province	1	35	1,266,918

30		Taizhou Branch	No. 98, Jichuan East Road, Hailing District, Taizhou City, Jiangsu Province	1	49	1,996,531
31		Jingjiang Sub-branch	No. 188, Jiangzhou Road, Jingjiang County-level City, Taizhou City	1	33	1,368,960
32	Taizhou	Taixing Sub-branch	Intersection of Gongji Road and Gensi Road, Taixing City, Jiangsu Province	1	24	1,091,685
33		Xinghua Sub-branch	Building 3, Northwest Side of Chang'an Turntable, Southern Suburb Neighborhood Committee, Xinghua City, Jiangsu Province	1	23	808,070
34	Lianyungang	Donghai Sub-branch	No. 206, Niushan Road North, Niushan Town, Donghai County, Jiangsu Province	6	163	9,255,306
35	Huaian	Jinhu Sub-branch	No. 228, Hengyang Road, Jinhu County	4	55	1,897,745
36	Suqian	Sihong Sub-branch	No. 28, Hengshan Road South, Qingyang Town, Sihong County	2	74	3,240,709
Total				168	4459	288,538,886

IX. Wealth Management Business, Asset Securitization and Wealth Management Business

(I) Wealth management business

In 2023, the Company's wealth management business developed steadily and the Group continued to issue net-value financial products. At present, the Bank's financial products include "Changle Zhixiang" series, "Xingxiang" series, "Changle Ruixiang" series, "Changle Ruiying" series and "Changle Tiantianli" series, so as to meet the financial needs of different types of investors. By the end of 2023, the total scale of the Company's financial products is RMB 29.302 billion, all of which are non-principal-guaranteed and net-value financial products.

(II) Asset securitization business

In 2023, the Company had 10 credit asset transfers, with a total amount of RMB 11.327 billion. By the end of 2023, the balance of asset securitization is RMB 8.437 billion.

(III) Wealth management business

In 2023, the Company launched differentiated marketing service solutions for different customer groups. By the end of 2023, the scale of financial products on a commission basis is RMB 2.322 billion, the scale of insurance on a commission basis is RMB 170 million, the total assets of private banking customers is RMB 23.351 billion, and there are 3,388 private banking customers, with a year-on-year growth of 10.29%.

X. Risk and Risk Management

(I) Credit risk

Credit risk refers to the risk that the borrower or the other party fails to fulfill its relevant obligations according to the agreed terms. The Bank is exposed to credit risks primarily from its loan portfolio, investment portfolio, guarantees and other payment commitments.

During the reporting period, the Bank strengthens the credit risk management mainly in the following aspects: First, continue to improve the overall risk management system and highlight the guiding role of policies. Optimize the risk preference limit system and strengthen assessment transmission; formulate sound credit management policies and risk management opinions, clarify capital investment and risk management requirements, differentiate credit policies for different industries, regions and customers, and actively adjust the asset structure. Second, implement various credit management measures and strengthen risk prevention and control. Promote credit rating management, implement normal operation and dynamic monitoring; deepen the risk warning mechanism, continuously enrich risk data, improve the early warning system, grasp customer risk changes and improve foresight; establish the intelligent post-loan system, and implement key prevention, improve quality and efficiency and strengthen trend prevention and control through the combination of initial, conventional and special post-loan measures. Third, strengthen the construction of digital risk control system, implement the life-cycle management of the model, continuously monitor, optimize verification, update the risk control model, keep the risk control model agile and effective, launch six "risk control brain" application scenarios such as intelligent approval, early warning and post-loan management, and carry out early warning and blocking of abnormal transactions and fraud-related accounts. Fourth, pay attention to the innovation of small and micro credit management mode, and do a good job in risk prevention and control of the whole process of small and micro business. Do a good job in the admission acceptance link, implement hierarchical management on the acceptance authority of customer managers and combine the rotation mechanism to improve the post binding force; do a good job in the field investigation link, and use the mobile loan platform combined with cross inspection technology to truly restore the investigation site; do a good job in the approval and decision-making link, develop a new approval model, carry out on-site approval in key areas, dynamically update the industry risk trend, and improve the risk identification ability for small and micro business; do a good job in the signing and loan granting link, strictly control the "loan separation", upgrade the identification function of personnel and certificate, strengthen the information consistency verification; and do a good job in the post-loan management link, implement the hierarchical management of large and small amount, link the early warning system to pre-position risk management, and strengthen dynamic management. Fifth, strictly implement asset classification management to improve classification accuracy. Implement the "nine-in-one" risk control management scheme covering risk warning, customer classification, internal rating, credit management, post-loan management, risk classification, risk disposition and responsibility identification, formulate loan risk classification, grading and identification rules according to early warning signal, customer classification and overdue days, and improve the initiative and effectiveness of risk classification. Sixth, strengthen asset quality monitoring and control, strengthen risk investigation and carry out risk prevention and control prospectively. Implement list system management, dynamically monitor asset quality changes, establish customer accounts for major risks and hidden dangers, strengthen management of overdue loan with overdue interest; adhere to the multi-directional risk investigation mechanism, find out risk exposures, and realize early warning and early disposition. Seventh, broaden the channels for non-performing loan disposition and speed up risk disposition. Divide the disposition strategy, flexibly implement policies by layers and types, combine internal and external forces, flexibly adopt cash collection, loan replacement, consolidation and revitalization, government support, similar syndication,

legal litigation and creditor's rights transfer to resolve and dispose risk loans; actively innovate the disposition methods, implement the non-performing assets promotion mechanism, broaden the disposition channels, promote "transfer with mortgage" and litigant agent, accelerate asset realization, and resolve risk assets in various ways. During the reporting period, through the above measures, the Bank's non-performing loans are further controlled and the asset quality is effectively controlled.

(II) Liquidity risk

Liquidity risks refer to the risk that a commercial bank is unable to secure adequate funds in time with reasonable costs to settle its due debts, perform other payment obligations or meet other fund demand for normal business. In extreme cases, illiquidity may lead to the liquidity risk for commercial banks. The Bank's liquidity risk management objectives are to comply with regulatory requirements on liquidity, fulfill the Bank's payment obligations in a timely manner and meet the fund demands for loans, transactions, investments and other businesses.

During the reporting period, the Bank adheres to the business philosophy of steady development, compliance and prudence, and mainly adopts the following measures to strengthen liquidity risk management: First, continue to promote the construction of liquidity risk management system, improve the liquidity risk management system, and pay close attention to the adjustment of monetary credit policies and changes to funds in the inter-bank market. Second, continue to operate the active asset and liability management mechanism, formulate an asset and liability management plan in advance according to the Bank's actual operating conditions and liquidity control requirements, and dynamically adjust the management strategies to ensure that liquidity risks are controllable as a whole. Third, promote the construction of liquidity risk management information system, continuously improve the fund position management and control system of the Bank, and strengthen liquidity risk identification, measurement, monitoring and report management. Fourth, continue to carry out the liquidity risk stress tests regularly based on the Bank's asset and liability structure, and use the test results as the decision-making basis for asset allocation and risk management. Fifth, continue to improve the liquidity emergency mechanism, formulate the liquidity emergency plan, clarify the division of labor and cooperation mechanism, regularly carry out emergency drills, and enhance the emergency response capability.

(III) Market risk

Market risk refers to the risk of losses in on-balance sheet and off-balance sheet business due to adverse changes to the market price (interest rate and exchange rate). The Bank is exposed to market risks mainly from maturity mismatch of assets and liabilities, position exposure of various foreign currencies, and changes to the market value of investment and trading positions. Interest rate risk and exchange rate risk are the main market risks faced by the Bank.

During the reporting period, the Bank strengthens the market risk management mainly in the following aspects:

In terms of trading accounts, the Bank is mainly engaged in the trading of financial products related to interest rate risk such as bonds, mainly interest-rate bonds, with small transaction scale and low overall risk. In terms of risk measurement and monitoring management, set mark-to-market stop-loss limit indicator, interest rate sensitivity limit indicator and risk-value limit indicator and use Comstar bond management system

to monitor and measure bond valuation, so as to realize the measurement and management of various market risk indicators; carry out the stress test, analyze the impact of asset market value changes according to different degrees of parallel upward movement scenarios of interest rate, strengthen the control of scale and duration indicators in combination with market research and judgment, and adjust the trading strategies in due time. In terms of daily management, according to the market risk limit indicator system of the Bank, the market risk management department shall carry out daily monitoring of and continuous reporting on indicators such as trading account size, base point value, modified duration, value at risk (VAR) and single bond profit and loss. In addition, the Bank's foreign exchange business is relatively simple, mainly focusing on foreign exchange settlement and sale. Formulate the foreign exchange flat trading procedures, carry out limit monitoring of overnight and daytime exposure, dynamically manage the exchange rate risk, and use the system to monitor spot settlement and sales of foreign exchange exposure limit, open position cost and other important indicators in real time.

In terms of bank books, in accordance with the Guidelines for Interest Rate Risk Management of Commercial Bank Books (Revised) issued by CBIRC, the Bank continues to improve the management policies and mechanisms, continuously improve risk identification and measurement levels, and strengthen active guiding, so as to keep the interest rate risk in bank books generally stable. First, through the interest rate risk measurement and management framework with economic value interest rate sensitivity as the core, actively guide the adjustment of asset and liability business scale, term structure and interest rate structure, so as to ensure the stable acquisition of short-term net interest income and medium/long-term economic value, and the balance and controllability of interest rate risk. Second, adopt the risk measurement method combining static and dynamic simulation, strengthen risk identification and measurement analysis, visually display the maturity mismatch of assets and liabilities and interest rate sensitivity characteristics based on static repricing gap sheet, and strengthen the active management of interest rate risk in bank books by analyzing the impact of interest rate change on net interest income and economic value indicator. Third, under the background of interest rate marketization, increase the sensitivity of interest rate risk in bank books to macro policies, strengthen the judgment on future interest rate trends, and maintain the stability of the Bank's financial performance.

In terms of financial derivatives business, the Bank has always adhered to the principle of prudence, and the business includes interest rate swap, foreign exchange swap, foreign exchange forwards and structured deposit flat trading. The Bank incorporates the derivatives business into the market risk limit management system, implements daily limit monitoring, focuses on monitoring risk indicators such as scale, net worth, base point value, profit and loss, and strengthens market risk management of derivatives business.

(IV) Operational risk

Operational risk refers to the risk of loss resulting from inadequate or failed internal processes, employee and IT systems or from external events. The operational risks faced by the Bank mainly come from credit business, investment business, payment business, employee management, legal affairs and external events.

During the reporting period, the Bank strengthens the operational risk management mainly in the following aspects: First, improve the construction of operational risk management system. Gradually improve the basic system and management regulations of operational risks, and enhance the compliance, completeness and operability of the system. Second, strengthen risk prevention and control in key areas. Continuously track the

risk monitoring and assessment of key business areas, timely warn and put forward compliance suggestions for problems found; improve the centralized reconciliation and post supervision mechanism, strengthen account risk prevention and control, build up anti-gambling and anti-fraud defense line, improve paperless construction of counter business, strengthen control over counter business; strengthen credit business process control and standardize credit business operation; investigate the operational risks in key business areas and important business links, and maintain the high-pressure situation of prevention and control. Third, strengthen the use of management tools. Apply three operational risk management tools. By integrating processes and sorting methods, use the risk and control self-assessment tool (RCSA) to identify risk points and control measures, use the key risk indicator tool (KRI) to monitor key risk changes, and use the loss data collection tool (LDC) to collect risk loss, so as to achieve unified and comprehensive management of operational risks throughout the Bank, effectively prevent operational risks and minimize operational risk loss. Fourth, improve the system platform support. Strengthen the construction of system functions such as risk indicator monitoring, inspection and problem management and abnormal behavior management of employees, regularly conduct regular inspection on abnormal behaviors of employees by using audit model, and improve the systematic management level of operational risks of the Bank.

(V) Compliance risk

Compliance risk refers to the risk that a commercial bank may suffer legal sanctions, regulatory penalties, significant financial losses and reputation losses due to failure to comply with laws, rules and standards. Compliance risk mainly focuses on the economic or reputation losses suffered by Bank due to its own violations of laws, regulations and regulatory rules.

During the reporting period, the Bank adheres to the compliance philosophy of compliance priority, proactive compliance and full compliance, highlights problem-oriented, objective-oriented and result-oriented, focuses on the shortcomings of compliance management throughout the Bank, consolidates the foundation of compliance management, and establishes a sound long-term compliance management mechanism combining process with results and unifying form and substance. In terms of compliance management organization system, the Bank has established a compliance management organization system under the joint responsibility of the Board of Directors, the Board of Supervisors, senior management, all departments and branches of the Head Office and all staff, and selected compliance specialists from deputy presidents of sub-branches, deputy general managers of departments and business backbones to establish the compliance management team. In terms of compliance culture system, continue to carry out the "Five Ones" plan of one lesson per week, one lecture per month, one examination per year, one award per year and one good compliance class, compile and issue "violation cases" and "promoting compliance by cases", guide all employees to clarify professional norms and conduct and abide by laws and regulations in awe; continuously issue regulatory penalties, compliance tips and negative lists of employee behaviors, and continuously create a compliance business atmosphere throughout the Bank. In terms of system process management system, the Bank improves system review, system process sorting and post-evaluation, implements dynamic maintenance of the Bank's system, ensures effective implementation of external regulation internalization, and strengthens system process control. In terms of compliance management and control system, the Bank implements the "four mechanisms" of overall rationing, investigation, reporting and partnership, and clarifies the responsibilities and obligations of compliance risk management; improves the overall inspection management mode of the Bank and carries out risk investigation of various cases;

enhances the "Nine Ones" working mechanism of internal control of branches; strengthens the analysis and application of problem database data and establishes a regular analysis mechanism for violations; regularly carries out investigation of abnormal behaviors of various employees; and further clarifies the authorization system of the Bank and sorts out the credit business authority of the Bank. In terms of compliance evaluation and accountability system, improve the rectification and accountability linkage mechanism of the three lines of defense, form a layered and classified compliance case prevention and assessment system for departments, institutions, full-time and part-time compliance management personnel and employees of the Bank, strengthen the accountability for violations, and improve the quality and effectiveness of evaluation. In terms of compliance management technology support system, promote the construction of compliance management data platform, integrate various existing compliance management data, improve various compliance management tools, explore digitization and intelligence of compliance management, and continuously improve compliance management level.

(VI) Money laundering and terrorist financing risk

Money laundering and terrorist financing risk refers to the risk that the Company's products or services are used by criminals for money laundering and terrorist financing activities, which will adversely affect the Company's law, reputation, compliance and operation. The Bank is exposed to money laundering and terrorist financing risk mainly from use of bank accounts by criminals, cover with seemingly normal transactions, changing the form of criminal proceeds or transferring criminal funds.

The Bank has established a relatively complete internal control system for anti-money laundering and terrorist financing. In accordance with anti-money laundering and terrorist financing laws and regulations and the Bank's actual situation, establish a complete set of management systems, develop and launch a relatively complete anti-money laundering and terrorist financing monitoring system, establish a relatively complete anti-money laundering and terrorist financing organization system, and ensure the stable operation of the Bank's business.

The Bank actively performs its anti-money laundering and terrorist financing duties and take various measures to ensure its compliance and effectiveness. First, improve the internal control system for money laundering and terrorist financing risk management, provide policy guidance and strengthen system guarantee. Second, optimize the organizational structure of anti-money laundering and terrorist financing, clarify the responsibilities of the Board of Directors, the Board of Supervisors, senior management, business departments and competent departments, and strengthen division of labor and cooperation. Third, implement risk assessment of money laundering and terrorist financing, constantly strengthen weak links through multi-level risk assessment mechanism of institutions and products, and enhance risk prevention and control capability. Fourth, strengthen basic information governance of customers, improve data quality of anti-money laundering and terrorist financing system, and implement the requirements for continuous identification of customers of the People's Bank of China. Fifth, constantly strengthen the inspection of internal control implementation, and continuously carry out off-site inspection of anti-money laundering and terrorist financing. Sixth, fulfill publicity obligations, regularly carry out anti-money laundering and terrorist financing publicity work, and implement the responsibilities of preventing money laundering crimes and ensuring financial stability and security for different groups in combination with the Bank's business characteristics.

(VII) Reputational risk

Reputation risk refers to the risk where the Bank's operation, management and other behaviors or external events lead to the negative evaluation for the Bank by stakeholders. As an important part of corporate governance and comprehensive risk management, the Bank actively and effectively prevents and responds to reputational risk incidents by establishing and improving prevention and control mechanism and actively carrying out publicity, so as to consolidate and enhance its good corporate image.

During the reporting period, the Bank strengthens the reputational risk management in the following aspects: First, give information disclosure in accordance with regulations to stabilize market expectations. The Bank continues to issue performance bulletins, regular reports and ad hoc announcements, strengthens active disclosure; welcomes institutional investors to carry out surveys and participate in institutional strategy meetings, organizes open day activities for investors, actively answers investor concerns and stabilizes market expectations. Second, do a good job in public opinion monitoring and properly handle complaints. Relying on the three-level system of public opinion software monitoring facing the whole network, financial public relations corporation monitoring facing the investment market and public security monitoring facing the local government, do a good job in the early prevention of public opinion crisis; establish an early warning mechanism for complaints that are difficult to solve or have signs of upgrading, and give early warning as soon as possible, so as to achieve early intervention and early disposal of important complaints and prevent from evolving into reputational risks. Third, strengthen brand building and accumulate reputation assets. On the basis of advertising on high-speed railway, add pre-movie advertisements and publicity by online celebrities to target accurate customers and assist the promotion of the Bank's products; continue to increase trademark registration and enrich the intellectual property library of brand trademarks. Fourth, strengthen media publicity and enhance brand image. Strengthen information mining efforts, focus on the central work of the Bank, clarify information points, and improve the information publicity quality. Strengthen external publicity efforts, integrate publicity resources of the Bank, strengthen media voice, actively disseminate a good image of the Bank, and establish the credibility of the Bank's brand. Fifth, implement the requirements of consumer protection and fulfill the responsibility of consumer protection. Optimize the organizational structure of consumer protection, improve the consumer protection system, enhance the division of labor and cooperation mechanism, carry out special training for employees, carry out diversified and regular public propaganda activities, and practically fulfill the responsibilities of consumer protection. Sixth, strengthen training and drills and improve response capacity. Incorporate reputational risk courses into the staff training course system to pre-position reputational risk prevention checkpoint; actively carried out reputational risk emergency drills to enhance the ability to deal with reputational risk emergencies.

XI. Balance and Risk Exposure of Related-party Transactions with Related Natural Persons

The Company reasonably estimates the amount of related-party transactions with related natural persons in 2023. Upon review and approval by the shareholders' meeting, the transactions between the Company and related natural persons during the reporting period are within the estimated amount. By the end of the reporting period, the balance and risk exposure of loans of related natural persons are RMB 29.8887 million.

XII. Innovative Business Varieties

During the reporting period, the Company adheres to the business philosophy of "customer first, service first", continues to enrich its product system based on customer needs, improves the construction of intelligent scenarios, accelerates the pace of digitalization online service, continuously deepens technological empowerment, continuously optimizes service processes, improves service quality, and serves the real economy and assists rural revitalization.

Retail business: Adhere to the construction of "finance +" featured brand. Implement "Finance + Party Construction", take party construction and co-construction as a bridge, use the advantage of "people, geography and kinship" of inclusive financial service points, carry out activities such as red education, financial knowledge, festival celebration, civilized point exchange and social public benefit activities, and create a characteristic "Feiyan Station"; implement "Finance + Government Affairs", actively promote the cooperation of "Bank · Suzhou Service Office" to realize the coverage of government affairs offices; implement "Finance + Life", build localized "Shops in the Bank", meet the people's livelihood service needs of "handle affairs nearby", ensure residents' convenient consumption and basic living services nearby, create a digital RMB ecosystem including digital government affairs, financial appropriation, retail supermarket, medical treatment and other scenarios, focus on promoting the construction of "smart community", "smart campus" and "smart vegetable market", and improve the convenience of inclusive financial services.

Company business: By means of digitalization, informatization and intelligence, carry out digital channel construction, continuously deepen the financial technological empowerment for enterprises, develop and innovate a comprehensive financial service platform for enterprises (new version of "Corporate Online Banking"), built a comprehensive "Finance +" service platform for corporate customers, take "platformization" as the core, integrate various scenarios such as corporate online banking, corporate mobile banking, Changshu Bank business and Treasury platform, provide stable technical system services for customers and create more service value, and win the "Best Security Award for Enterprise Digital Finance" of China Financial Certificate Authority.

Small and micro business: Focus on promoting the digital transformation process of small and micro business. At the product end, upgrade the mortgage credit product "Star Loan", realize the online "Cloud House Viewing" function, develop the "Yijixu" on-lending function, classify on-lending customers hierarchically, and realize online on-lending of more than half of customers; at the management end, develop the intelligent background of "potential customer platform", realize online management and analysis of customer manager marketing process, and achieve the closed loop of online and offline marketing; at the risk control end, develop the intelligent collection system and intelligent post-loan monitoring system to promote the construction of intelligent risk control system. Promote line integration and business integration, promote personal loan business as a whole, integrate personal credit products into four categories: operation loan, consumption loan, mortgage loan and credit card, and optimize the product system combining online and offline.

Country bank business: Innovate the business development mode, actively introduce advanced technology, deeply tap and activate rural market potential, and build rural market into the core growth pole of deposit and loan business of country bank. Firmly implement the product decentralisation strategy and launch a series of innovative financial products tailored to the needs of farmers. In order to meet the diversified and increasing

credit demands of farmers, continue to promote product R&D and business mode innovation, optimize the credit approval process, and ensure efficiency and convenience. Actively promote the online transformation of business, strengthen R&D of online financial products, and strengthen online promotion activities, covering multiple links such as marketing, business handling and customer service. By comprehensively accelerating the online transformation and upgrading of business, realize efficient, convenient and intelligent financial services, drive business development with innovation, and better serve rural customers.

Financial technology: The Company further consolidates its digital foundation, puts the "Yangu" Data Center into operation, passes the computer room certification of the highest national standard Class A, and promotes the Bank to upgrade from the traditional disaster recovery and remote data-level disaster recovery architecture to the local three-center multi-activity and remote critical business application-level disaster recovery architecture, supporting the high-quality development of future business. Improve the digital platform, launch the unified combat platform, marketing mid-platform, digital collaborative office platform and risk control mid-platform, break the data barrier between lines with the construction mode of "big platform and small application", and enable the business to utilize digital technology for accurate marketing. Improve the digital ecology, launch the "Changying" supply chain business, "E-driving school gold" product and self-made smart canteen system, and provide customers with more extensive, convenient and inclusive financial and non-financial integrated high-quality services by cutting into subdivided scenarios.

XIII. Discussion and Analysis of the Future Development of the Company

(I) Industry structure and trends

From the perspective of the industry as a whole, affected by the internal and external macro environment in 2023, the deposit growth is relatively high but the loan demand is generally low. On the one hand, residents' willingness for housing consumption and financial investment is low, consumption willingness is still recovering, and propensity to save is high; on the other hand, due to the overall pressure on export and domestic commodity consumption and low price level, enterprises' investment willingness is not strong, and loan demand is relatively low. In order to stabilize growth and benefit people's livelihood, strengthen the fiscal policy to improve efficiency and help the economy to stabilize and improve. From the internal perspective of the industry, affected by the change to financing demand structure in 2023, the scale growth of large commercial banks exceeds the average growth of the industry while that of small and medium-sized commercial banks is generally under pressure.

Looking ahead, with the internal and external macro environment becoming better, the domestic economy is expected to recover faster. On the one hand, the interest rate is expected to be cut by the Federal Reserve in 2024, creating favorable conditions for global loose liquidity; monetary and fiscal policies in China are expected to remain relatively positive; and the Central Economic Working Conference proposes that the overall keynote of macro policies in 2024 is "strive for progress while maintaining stability, promote stability through progress, and establish before breaking through". On the other hand, exports, domestic consumption and market confidence are expected to be improved. The export growth cycle bottomed out in the second half of 2023 and it is expected to continue the upward trend in 2024. The domestic consumption level is at the bottom of the cycle, and the

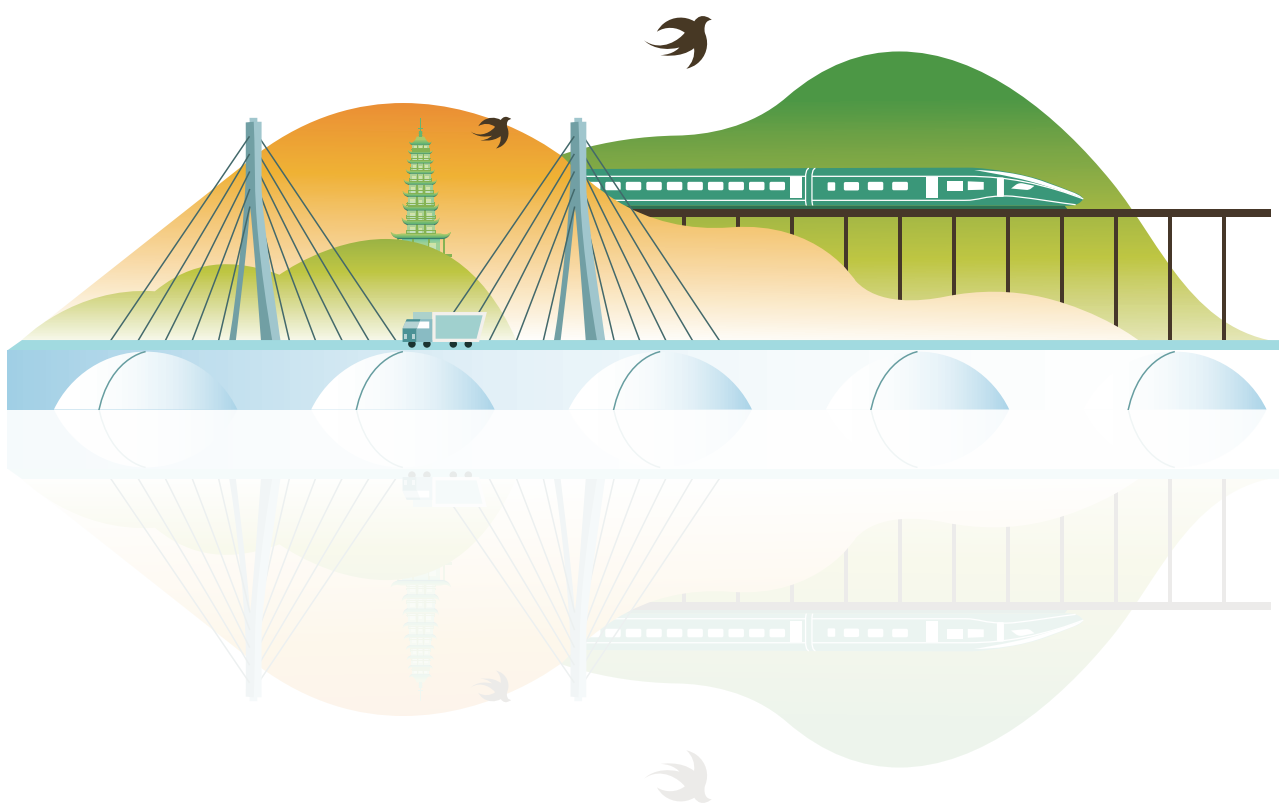
real estate adjustment has slowed down, forming support for domestic consumption and confidence. Under the background of stable macro-economy and overall upward trend, investment and credit demands are expected to recover, and commercial banks are expected to realize reasonable growth of asset scale and stable asset quality.

(II) Development strategy of the Company

In 2024, under the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Company will implement the spirit of the Central Financial Working Conference and the Central Economic Working Conference, aim at improving the quality and effectiveness of service entities, fulfill the "Five Financial Mandates", and lead the high-quality development of the Bank with the "Eight Do's". In terms of specific operations, the Company will closely follow the policy guidance, always pay an eye on the market changes, base itself on the market positioning of serving "rural areas, agriculture and farmers; microfinance and community finance", continuously promote the construction of light capital and digital, integrated and ecological service, effectively organize the four strategic elements, i.e., customers, culture, talents and technology, and write a new chapter of "Five Major Finances".

(III) Business plan

- Revenue growth rate is about 10%;
- Growth rate of net profit attributable to parent company is about 18%;
- Weighted average return on equity (ROE)14%;
- Cost-income ratio is stable and declining;
- Non-performing rate remains stable and the provision coverage ratio remains at a reasonable level.



Important Matters

I. Profit Distribution Scheme

(I) Formulation and implementation of cash dividend policy

In accordance with the guidelines of CSRC and the Shanghai Stock Exchange on encouraging listed companies to distribute cash dividends, the Company continues to improve the investor return mechanism. The Articles of Association of the Company specifies the basic principles, specific policies, decision-making procedures, implementation of the Company's profit distribution and the change procedures of the profit distribution policies, and clarifies that the Company's cash dividend scheme shall comply with the relevant regulations of the regulatory authorities.

Taking into account factors such as shareholders' return on investment, regulatory authorities' requirements on capital adequacy ratio and sustainable business development of the Bank, the Bank intends to distribute cash dividends of RMB 2.50 (tax included) for every 10 shares based on the total share capital registered on the date of registration of equity distribution, and convert capital reserve into 1 share for every 10 shares to all shareholders.

This proposal shall be submitted to the 2023 Annual Shareholders' General Meeting for consideration.

The distribution of profits for the past three years is as follows:

Unit: RMB'000

Dividends	每 10 股送红股数 (股)	每 10 股派息数 (元) (含税)	每 10 股转增数 (股)	现金分红的 数额 (含税)	分红年度合并报 表中归属于上市 公司普通股股东 的净利润	占合并报表中归 属于上市公司普 通股股东的净利 润的比率 (%)
Year	Number of bonus share per 10 shares (share)	Dividends per 10 shares (including tax) (RMB)	Number of capital conversion for every 10 shares (shares)	Amount of cash bonus	3,281,502	20.88
(tax included)	Net profit attributable to common stock shareholders of the listed company in the consolidated statements of the bonus year	Proportion of net profit attributable to common stock shareholders of the listed company in the consolidated statements (%)	0	685,220	2,743,731	24.97
Year 2023	0	2.5	1	685,221	3,281,502	20.88
Year 2022	0	2.5	0	685,220	2,743,731	24.97
Year 2021	0	2.0	0	548,171	2,188,079	25.05

Note: As the A-share convertible bonds issued by the Company are in the conversion period, the cash dividend amount for 2023 in the above table is calculated based on the total share capital of the Company as at

December 31, 2023, and the actual cash dividend amount of the Company for 2023 will be calculated based on the total share capital on the date of registration of equity distribution.

(ii)Special description of cash dividend policy

Whether compliance with the Articles of Association or the resolution of shareholders' meeting	√是 □否
Whether the dividend standards and proportions are specific and clear	√是 □否
Whether relevant decision-making procedures and mechanisms are complete	√是 □否
Whether the independent directors properly perform their responsibilities or not	√是 □否
Whether medium and small shareholders fully express their opinions and demands, and whether their lawful rights and interests are protected properly	√是 □否

II. Commitment performance

Commitment background	commitment Type	Who makes the commitment?	commitment Content	Date of commitment	Is there a performance timelimit?	Term of commitment	Performed in a timely and strict manner or not	Explain specific reasons if not performed in time	Specify further plan if not performed in time
Commitments related to IPO	Restricted shares	Employee shareholders holding more than 50,000 shares before listing	Note	From the date of listing	Yes	Eight years	Yes	Not applicable	Not applicable

Note: Employee shareholders holding more than 50,000 shares before the IPO of the Company promise:

The lock-up period for the transfer of shares held by me shall not be less than three years from the date of listing of the shares;

After the expiration of the lock-up period for share transfers, the number of shares of issuer held by me to be sold each year shall not exceed 15% of the total number of shares held by me;

Within five years after the expiry of the lock-up period, I shall transfer no more than 50% of the total number of shares of the Issuer held by me.

If there is a profit forecast for the company's assets or projects and the reporting period is still in the profit forecast period, the company explains whether the assets or projects have met the original profit forecast and the reasons for that.

Met Not Met N/A

III. Appointment of accounting firms

Unit: RMB'000

	Current appointment
Name of domestic accounting firm	Deloitte Hua Yong CPA Firm (Special General Partnership)
Remuneration of domestic accounting firms	950
Audit years of domestic accounting firms	4

	Name	Remuneration
Accounting firm for internal control and audit	Deloitte Hua Yong CPA Firm (Special General Partnership)	300

IV. Litigation and arbitration matters

In 2023, the Group has 3,499 new pending litigations as plaintiffs, involving 3,098 subjects and value of RMB 1.166 billion, with no single case exceeding RMB 10 million. There were 2,096 pending litigations carried over from previous years, involving 1,930 subjects and value of RMB 968 million; there were five single cases exceeding RMB 10 million and the total amount was RMB 139 million.

By the end of 2023, the Group had accumulated 5,595 pending litigations involving 5028 subjects with the total amount of RMB 2.134 billion. In which, there were 5 single cases exceeding RMB 10 million, amounting to RMB 139 million.

The assets involved in the above-mentioned pending litigation is RMB 2.134 billion, in which RMB 1.544 billion has been written off and a provision for impairment of RMB 395 million has been made for the portion not yet written off.

V. Significant related-party transaction

The transactions between the Company and its related parties were conducted on normal commercial terms and in the ordinary course of business, and the pricing principle is as same as that of the independent third party transactions. During the Reporting Period, the Company reasonably estimated the daily related-party transaction quota and implemented it after approval by the shareholders' meeting.

VI. Guarantees

The Bank's external guarantee business mainly focuses on the letter guarantee, which is one of the regular banking businesses within the normal business scope approved by the People's Bank of China and other regulatory authorities. As at the end of the Reporting Period, the balance of guarantee issued by the Bank was RMB 538,962,600.

The independent directors expressed their independent opinions on this matter and considered that: the Company attached importance to risk management of guarantee business, improved relevant management systems and strictly implemented relevant operation procedures and approval procedures according to the risk characteristics of this business, and effectively controlled the risks of external guarantee business. During the reporting period, the Company had no external guarantee business other than regular banking business, and there was no major non-compliance guarantee.

VII. Social Responsibility Works

(I) Overview of social responsibility works

The Bank fully has implemented the concept of sustainable development, actively implemented the corporate mission of "inclusive finance, responsible bank", adhered to the market orientation of serving "rural areas, agriculture and farmers; microfinance and community finance", made financial support for rural revitalization and promotion of agricultural and rural modernization the top priority of the Bank's work, and assisted the new situation of agricultural and rural modernization in the new era with high-quality products and efficient services to serve the people for a better life.

Take root in the source and assist rural revitalization. We continue to deepen the market positioning of "supporting agriculture and supporting small enterprises", continuously innovate inclusive financial products and services, and strengthen precise support for key fields such as rural revitalization and small and micro entities.

Establish the "1+N" grid mode, promote multiple inclusive financial services, and provide accurate inclusive financial services for residents; accelerate the intelligent and digital transformation of small and micro services, adhere to the policy of "increasing number of households and serving small customers", continuously deepen and improve the small and micro products and service system, and support the development needs of small and micro customers in villages and towns.

Science and technology empower to build responsible banks. We continue to improve the top-level design of financial science and technology innovation, steadily promote the construction of "large platform and small application", innovate new multi-channel interactive deepening in-house service mode, continuously improve the online level of business, promote the aging transformation of financial services, successfully create 5 benchmarks for aging outlets, strive to improve the availability, coverage and satisfaction of financial services, and practice the responsible concept of bank.

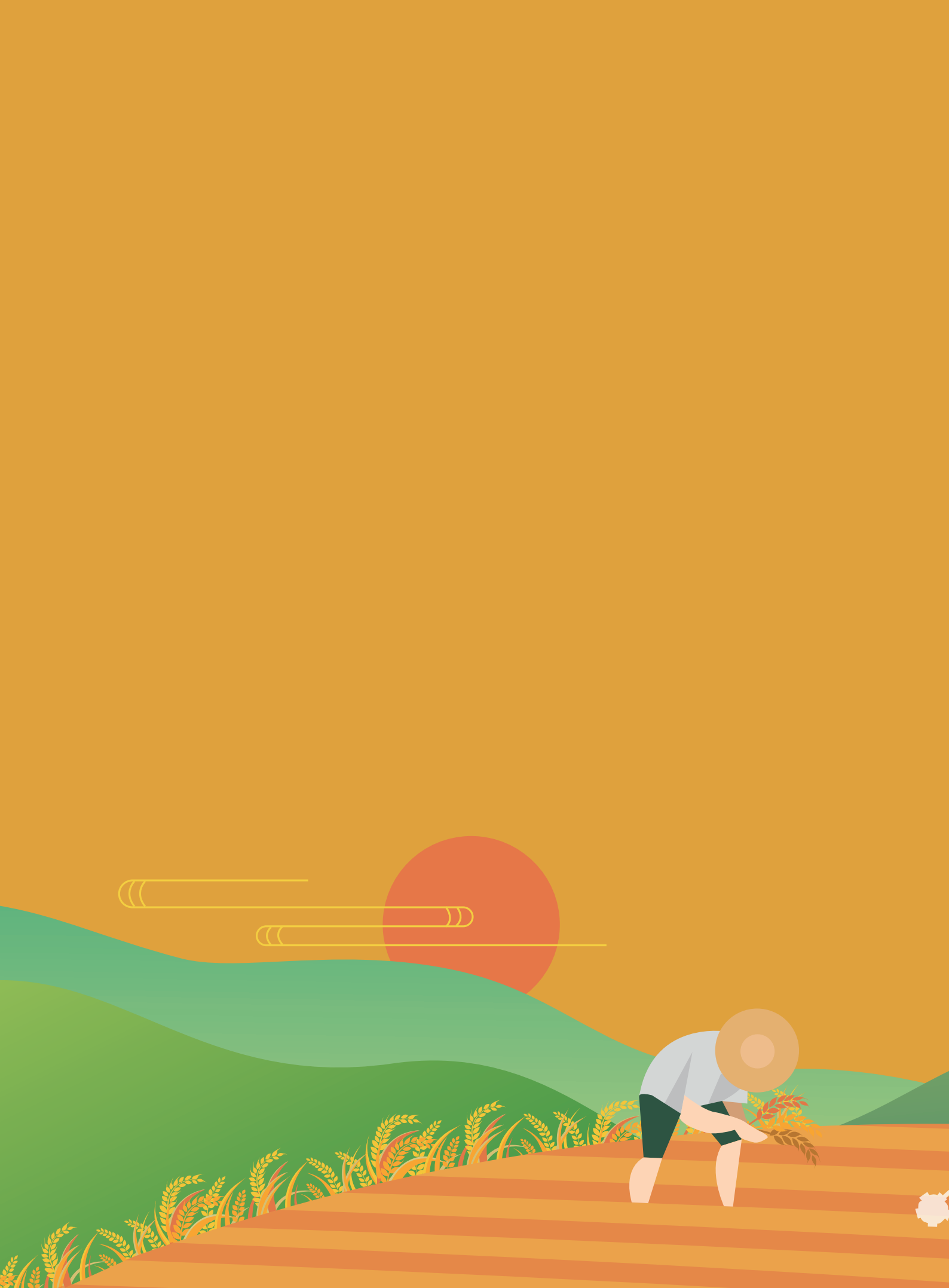
Further works for green industry, fulfillment of sustainable financial practices. Insist on the integration of green, low-carbon and sustainable concepts into daily operations, perform financial services for "carbon peak and carbon neutralization", create new features and advantages for green finance development, focus on the green financing needs of "agriculture, farmer and rural area" as well as small and micro enterprises, innovate green financial products and services, and the balance of green credit increased by 15% year-on-year at the end of 2023. Green low-carbon operation, promote the construction of photovoltaic power generation projects in sub-branches, build green data centers, and take various measures to reduce the impact of operations on the environment.

People-oriented, build harmonious society. We continue to pay attention to the needs and development of customers, employees and communities, and work together to build a harmonious and beautiful society. Adhere to the talent concept of "employees first", we pay attention to the progress and growth of employees, effectively protect the legitimate rights and interests of employees, upgrade the employee welfares and care measures, and continuously enhance employees' happiness and sense of belonging. Relying on Changshu Agricultural and Commercial Bank's Charity Foundation, we continuously practice the concept of public welfare. We have carried out various public welfare projects such as donating students and helping doctors in Hubei, Gansu, Yunnan and other places for many years; the annual donation expenditure is RMB 6.92 million to transmit the industry concern to the society with practical actions.

For details of the Company's performance of social responsibilities, please refer to *Changshu Bank's 2022 Social Responsibility (ESG) Report*.

(2) Specific social responsibility works

Donations and public welfare projects	Quantity/content	Remarks
Total investment (RMB 10k)	691.68	
Including: Money (RMB 10k)	458.80	We continue to improve poverty alleviation efforts, and actively carry out various projects such as donating funds to schools and helping doctors and the poor people.
Materials (RMB 10k)	232.88	We widely carry out voluntary service, care for special groups and other public welfare activities to expand the social influence of public welfare services.



03

Corporate Governance

Change of ordinary shares and shareholders

Convertible corporate bonds

Directors, Supervisors and Officers

Corporate Governance



Change of ordinary shares and shareholders

I.Changes in Share Capital

(I)Changes in shares

1. Statement of change in common shares

Unit: share

	Before this change		Increase or decrease of this change (+,-)		After this change	
	Quantity	Proportion (%)	Convertible bond and share	Sub-total	Quantity	Proportion (%)
I.Shares with trading limited conditions	97,510,828	3.56	-	-	97,510,828	3.56
1. State-owned shares	-	-	-	-	-	-
2. State-owned legal person shares	-	-	-	-	-	-
3. Shares held by other domestic investors	97,510,828	3.56	-	-	97,510,828	3.56
Including: shares held by domestic non-state-owned legal persons	-	-	-	-	-	-
Shares held by domestic natural persons	97,510,828	3.56	-	-	97,510,828	3.56
4. Shares held by foreign investors	-	-	-	-	-	-
Including: shares held by overseas legal person	-	-	-	-	-	-
Shares held by foreign natural persons	-	-	-	-	-	-
II. Floating shares without trading limited conditions	2,643,345,097	96.44	+27,497	+27,497	2,643,372,594	96.44
1. RMB ordinary shares	2,643,345,097	96.44	+27,497	+27,497	2,643,372,594	96.44
2. Domestically listed foreign shares	-	-	-	-	-	-
3. Overseas listed foreign shares	-	-	-	-	-	-
4. Others	-	-	-	-	-	-
III. Total shares	2,740,855,925	100.00	+27,497	+27,497	2,740,883,422	100.00

2. Notes on changes in shares

As at the end of the reporting period, the number of "Changshu Bank's convertible bonds" is 27,497 shares. On March 21, 2023, the "Changshu Bank's convertible bonds" entered the conversion period. During the period from March 21 to March 31, 2023, the number of shares converted was 11,597; during the period from April 1 to June 30, 2023, the number of shares converted was 13,739; during the period from July 1 to September 30, 2023, the number of shares converted was 1,525; and during the period from October 1 to December 31, 2023, the number of shares converted was 636. For details, please refer to the Announcement on Convertible Bond Conversion Results and Share Changes (2023-009, 2023-026, 2023-038, 2024-001) disclosed by the Company on Shanghai Stock Exchange (www.sse.com.cn) on April 4, 2023, July 4, 2023, October 10, 2023 and January 5, 2024.

3. The impact of share changes on financial indicators such as earnings per share and net assets per share in the most recent year and period

The impact of changes in ordinary shares resulting from the convertible bonds and shares issued by the Bank on financial indicators such as earnings per share and net assets per share for the most recent year and period is as follows:

Unit: RMB'000

Item	After the change of shares	Before the change of shares	Amount of change	Change (%)
Net profit attributable to shareholders of the Bank	3,281,502	3,281,502	-	-
Weighted average number of share capital	2,740,874	2,740,856	18	-
Basic earnings per share attributable to shareholders of the Bank (RMB/share)	1.20	1.20	-	-
Diluted earnings per share attributable to shareholders of the Bank (RMB/share)	0.98	0.98	-	-
Owner's equity attributable to shareholders of the listed company	25,356,407	25,356,210	197	-
Share capital	2,740,883	2,740,856	27	-
Net assets per share attributable to shareholders of the listed company (RMB)	9.25	9.25	-	-

(ii) Changes in limited shares

There was no change in the limited shares of the Bank during the reporting period

II. Existing internal staff share

Unit: share Currency: RMB

Issue date of internal staff shares	Issue price of internal staff shares (RMB)	Issue amount of internal staff shares
2001	-	97,510,828
Description of existing internal staff shares	As at the end of the Reporting Period, the number of internal staff shares was 97,510,828 shares (employee self-discipline locked shares), which were acquired through the following methods: 1. acquired when the Bank was restructured in 2001; and 2. As a result of inheritance and judicial transfer of shares.	

III.shareholder situation

(I) Total number of shareholders

Total number of common stock shareholders as of the end of reporting period (No.)	43,940
Total number of common stock shareholders as of the end of previous month prior to the date of disclosure of annual report (No.)	38,114

(II) Shareholding of top-10 shareholders and top-10 floating stockholders (or shareholders without trading limited conditions) as of the end of the reporting period

Unit: share

Shares held by the top-10 shareholders (excluding shares lent through refinancing)							
Names of shareholders	Increase or decrease during the reporting period	Number of shares held at the end of the period	Proportion (%)	Number of shares held with trading limited conditions	Pledge, marking or freezing		Shareholder's type
					Share status	Quantity	
Bank of Communications Co., Ltd.	0	246,896,692	9.01	0	None	-	State-owned legal person
National social security fund-zero portfolio	21,040,170	90,807,556	3.31	0	None	-	Domestic non-state-owned legal person
Hong Kong securities Clearing Company Limited	-38,968,065	86,195,850	3.14	0	None	-	Others
Changshu Development and Investment Co., Ltd.	0	84,431,888	3.08	0	None	-	State-owned legal person
Jiangsu Genland Trade Group Co., Ltd.	0	76,695,845	2.8	0	None	-	State-owned legal person
Harvest Fund Management Co., Ltd-Social Security Fund 16042 Portfolio	1,946,500	74,687,087	2.72	0	None	-	Domestic non-state-owned legal person
National Social Security Fund 413 combination	-9,404,700	66,467,653	2.43	0	None	-	Domestic non-state-owned legal person
National Social Security Fund 401 Portfolio	-79,600	34,017,141	1.24	0	None	-	Domestic non-state-owned legal person
Bank of China Co., Ltd-Franklin Guohai Mid-Small Cap Equity Securities Investment Fund	10,384,430	32,712,191	1.19	0	None	-	Domestic non-state-owned legal person
Jiangsu Baixue Electric Co., Ltd.	1,442,903	32,485,607	1.19	0	None	-	Domestic non-state-owned legal person

Shareholding of top-10 shareholders without trading limited conditions

Names of shareholders	Quantity of floating shares without trading limited conditions	Type and quantity of share	
		Type	Quantity
Bank of Communications Co., Ltd.	246,896,692	RMB ordinary shares	246,896,692
National social security fund-zero portfolio	90,807,556	RMB ordinary shares	90,807,556
Hong Kong securities Clearing Company Limited	86,195,850	RMB ordinary shares	86,195,850
Changshu Development and Investment Co., Ltd.	84,431,888	RMB ordinary shares	84,431,888
Jiangsu Genland Trade Group Co., Ltd.	76,695,845	RMB ordinary shares	76,695,845
Harvest Fund Management Co., Ltd-Social Security Fund 16042 Portfolio	74,687,087	RMB ordinary shares	74,687,087
National Social Security Fund 413 combination	66,467,653	RMB ordinary shares	66,467,653
National Social Security Fund 401 Portfolio	34,056,941	RMB ordinary shares	34,056,941
Bank of China Co., Ltd-Franklin Guohai Mid-Small Cap Equity Securities Investment Fund	32,712,191	RMB ordinary shares	32,712,191
Jiangsu Baixue Electric Co., Ltd.	32,485,607	RMB ordinary shares	32,485,607
Description of related relationship or concerted action of the stockholders above mentioned.	<p>Changshu Development and Investment and Genland Trade are only state-owned enterprises controlled by Changshu State-owned Assets Office. There is no agreement or arrangement in other forms in terms of voting rights of shareholders' meetings and the Board of Directors of the Bank, and there is no relationship or concerted action relationship.</p> <p>The National Social Security Fund-Zero Portfolio, National Social Security Fund 413 Portfolio and National Social Security Fund 401 Portfolio all belong to the National Social Security Fund.</p> <p>The Bank has no idea about whether there is any relationship or concerted action among other shareholders.</p>		

Share lending of top-10 shareholders participating in refinancing business

Unit: share

Top-10 shareholders participating in refinancing and lending shares

Names of shareholders	Shareholding of general account and credit account at the beginning of period		Shares lent at beginning period of refinancing and not yet returned		Shareholding of general account and credit account at the end of period		Shares lent at the end of period of refinancing and not yet returned	
	Total	Proportion (%)	Total	Proportion (%)	Total	Proportion (%)	Total	Proportion (%)
National Social Security Fund 401 Portfolio	34,096,741	1.24	-	-	34,017,141	1.24	39,800	0.001

Change of top-10 shareholders compared with previous term

Unit: share

Change of top-10 shareholders compared with previous term					
Names of shareholders	New/ withdrawn during the reporting period	Number of shares lent at the end of period of refinancing and not yet returned		Number of outstanding shares held in shareholders' ordinary accounts, credit accounts and refinancing loans at the end of the term	
		Total	Proportion (%)	Total	Proportion (%)
Bank of China Co., Ltd-Franklin Guohai Mid-Small Cap Equity Securities Investment Fund	New	-	-	32,712,191	1.19
Jiangsu Baixue Electric Co., Ltd.	New	-	-	32,485,607	1.19
Huatai Securities Co., Ltd-Zhonggeng Value Pilot Hybrid Securities Investment Fund	Withdraw	Unknown	Unknown	Unknown	Unknown
Ping An Bank Co., Ltd-Zhonggeng Value Quality One Year Holding Period Hybrid Securities Investment Fund	Withdraw	Unknown	Unknown	Unknown	Unknown

IV. Corporate shareholder with more than 5% of shares

Bank of Communications Co., Ltd.

Legal representative: Ren Deqi

Established: March 30, 1987

Registered capital: RMB 7,426,2726,645

Scope of business: (a) Absorb deposits from the public; issuing short-term, medium-term and long-term loans; handle domestic and foreign settlement; handle bill acceptance and discount; issuing financial bonds; issuing, cash and underwrite government bonds on behalf of others; buy and sell government bonds and financial bonds; engage in interbank lending; buy and sell foreign exchange on behalf of others; engage in bank card business; provide letter of credit services and guarantees; act as an agent for collection and payment; provide safe deposit box services; and other businesses approved by various supervisory and administrative departments or institutions (Subject to the approval documents); settle and sale foreign exchanges. (Items subject to approval in accordance with laws can only be carried out after approval by relevant authorities)

Convertible corporate bonds

I. Issuance of convertible bonds

Approved by the China Securities Regulatory Commission Permit [2022] No. 1688, the Bank issued 60 million A-share convertible corporate bonds with a par value of RMB 100 each on September 15, 2022, for a total issuance amount of RMB 6 billion and a maturity of 6 years. Approved by the Shanghai Stock Exchange's Self-disciplinary Supervision Decision [2022] No. 269, the Bank's RMB 6 billion A-share convertible corporate bonds was listed and traded on the Shanghai Stock Exchange from October 17, 2022 onwards, with the short name of "Changshu Bank's Convertible Bonds" and the bond code of "113062". According to the relevant regulations and Prospectus for the Public Offering of A-Share Convertible Corporate Bonds by Jiangsu Changshu Rural Commercial Bank Co., Ltd., the "Changshu Bank's Convertible Bonds" can be converted into A-shares of the Bank from 21 March 2023.

II. Information of convertible bond holders and guarantors

Name of convertible corporate bonds	Changshu Bank's Convertible Bonds
Number of holders of convertible bonds at the end of period	33,863
Guarantor of convertible bonds of the Company	Not applicable

The top-10 convertible bond holders are as follows:

Names of convertible corporate bond holders:	Amount of bond held at the end of period (RMB)	Percentage of holdings (%)
Industrial and Commercial Bank of China-limited-Boshi Credit Bond Investment Fund	443,000,000	7.38
Special Account for Registration and Settlement System Bond Repurchase Pledge (ICBC)	436,318,000	7.27
Special Account for Registration and Settlement System Bond Repurchase Pledge (China Construction Bank)	365,907,000	6.10
Special Account for Registration and Settlement System Bond Repurchase Pledge (Bank of China)	272,238,000	4.54
Bank of China Co., Ltd. -E Fund Steady Income Bond Securities Investment Fund	236,214,000	3.94
China Construction Bank Co., Ltd. -Zheshang Fengli Enhanced Bond Securities Investment Fund	150,000,000	2.50
Guosen Securities Co., Ltd.	146,826,000	2.45
Changshu Development and Investment Co., Ltd.	143,079,000	2.38
Special Account for Registration and Settlement System Bond Repurchase Pledge (Agricultural Bank of China)	104,649,000	1.74
Jiangsu Genland Trade Group Co., Ltd.	102,594,000	1.71

III. Changes in convertible bonds during the reporting period

Unit: RMB'000

Name of convertible corporate bonds	Before this change	Increase or decrease of this change			After this change
		Conversion:	Redemption	Resell	
Changshu Bank's Convertible Bonds	6,000,000	222	-	-	5,999,778

Cumulative conversion of convertible bonds during the reporting period

Amount of conversion during reporting period (RMB)	222,000
Amount of conversion during reporting period (share)	27,497
Amount of cumulative conversion (share)	27,497
Total amount of cumulative conversion of the issued shares of the Company prior to conversion (%)	0.0010%
Amount shares not converted yet (RMB)	5,999,778,000
Proportion of shares not converted of total amount of issued convertible bonds (%)	99.9963%

IV. Previous adjustments of conversion price

Adjustment date of conversion price	Conversion price after adjustment	Disclosure time	Media of disclosure	Price adjustment of converted shares Remarks
June 05, 2023	RMB 7.83/ share	26 May 2023	China Securities Journal, website of Shanghai Stock Exchange	Due to the implementation of the profit distribution plan for 2022 by the Company, the price of RMB 8.08 of Changshu Bank's Convertible Bonds increases to RMB 7.83.
Latest conversion price as at the end of the reporting period		RMB 7.83/share		

V. Credit Rating of Convertible Bonds

The Bank entrusted China Chengxin International Credit Rating Co., Ltd., a credit rating agency, to conduct a comprehensive analysis to the credit status of the "Changshu Bank's Convertible Bonds" issued by the Bank, and issued the Announcement of China Chengxin International on Upgrading the Credit Rating of Jiangsu Changshu Rural Commercial Bank Co., Ltd. and the Credit Rating of "21 Changshu Agricultural Commercial Small and Micro Debt 01," "21 Changshu Agricultural Commercial Agriculture, Farmer and Rural's Debt" and "convertible bonds on December 28, 2023. The credit rating of the Bank was upgraded from "AA+" to "AAA" with stable rating outlook; the credit rating of the convertible corporate bonds was upgraded from "AA+" to "AAA".

Directors, Supervisors and Officers

I. Changes in shareholding and remuneration of current and outgoing directors, supervisors and Officers during the reporting period

Unit: share

Name	Position	Gender	Age	Date of commencement of term	Date of termination of term	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Share increases or decreases during the year	Reasons for increases or decreases	Total remuneration received from the Company during the reporting period (RMB 10k) (before taxes)	Whether or not receiving remuneration by related parties of the Company
Xue Wen	Chairman of the Board of Directors	Male	50	2023.11	End of transition	449,952	449,952	-	-	180.00	No
	Director			2020.12	End of transition						
	President			2020.12	2023.11						
Bao Jian	Director	Male	43	2023.12	End of transition	131,098	131,098	-	-	15.00	No
	President			2023.11	End of transition						
Sun Ming	Director, Secretary of the Board of Directors	Male	50	2020.12	End of transition	48,300	48,300	-	-	126.55	No
Yuan Xiang	Director	Male	48	2023.12	End of transition	-	-	-	-	-	Yes
Chen Xing	Director	Male	37	2023.12	End of transition	-	-	-	-	-	Yes
Xu Xuefeng	Director	Male	54	2023.12	End of transition	-	-	-	-	-	No

Wang Chunhua	Director	Male	61	2014.03	End of transition	-	-	-	-	5.00	No
Zhu Qinbao	Director	Male	70	2014.03	End of transition	-	-	-	-	5.00	No
Cai Zexiang	Independent director	Male	66	2020.12	End of transition	-	-	-	-	10.00	No
Fan Jingwu	Independent director	Male	53	2023.05	End of transition	-	-	-	-	5.73	No
Pang Ling	Independent director	Male	52	2023.05	End of transition	-	-	-	-	5.83	No
Zhou Yueshu	Independent director	Female	51	2023.05	End of transition	-	-	-	-	5.83	No
Zhou Mei	Independent director	Female	46	2023.05	End of transition	-	-	-	-	5.83	No
Song Yi	Chief Supervisor, Employee Representative Supervisor	Male	53	2023.06	End of transition	-	-	-	-	89.85	No
Huang Ye	Employee Representative Supervisor	Female	47	2023.12	End of transition	76,787	76,787	-	-	77.16	No
Qian Xiaofeng	Shareholder supervisor	Male	43	2023.12	End of transition	-	-	-	-	-	No
Shen Mei	Shareholder supervisor	Female	55	2020.12	End of transition	3,700	3,700	-	-	5.00	No
Chen Dexiang	External supervisor	Male	55	2023.05	End of transition	-	-	-	-	2.92	No
Gao Zhiling	External supervisor	Female	47	2023.05	End of transition	-	-	-	-	2.92	No
Wu Tiejun	Vice President	Male	49	2020.12	End of transition	310,362	310,362	-	-	154.38	No
Lu Dingchang	Vice President	Male	38	2022.08	End of transition	-	-	-	-	138.41	No

Li Yong	Vice President	Male	45	2022.12	End of transition	-	-	-	-	136.64	No
Gan Qing	Vice President	Female	42	2023.12	End of transition	3,100	-	-	-	127.31	No
	2023.01										
Meng Jiong	President assistant	Male	53	2016.10	End of transition	81,000	-	-	-	126.57	No
Zhuang Guangqiang	Chairman of the Board of Directors	Male	54	2020.12	2023.11	160,000	-	-	-	166.58	No
Meng Shihe	Director	Female	57	2017.04	2023.12	-	-	-	-	-	Yes
Yang Yuguang	Director	Female	55	2019.01	2023.12	-	-	-	-	-	Yes
Nie Yuhui	Director	Male	53	2020.12	2023.12	-	-	-	-	-	Yes
Jiang Jiansheng	Independent director	Male	53	2017.04	2023.04	-	-	-	-	3.33	No
Zhang Helian	Independent director	Female	52	2017.04	2023.04	-	-	-	-	3.33	No
Yuan Xiuguo	Independent director	Male	69	2017.04	2023.04	6,000	-	-	-	3.33	No
Wu Minyan	Independent director	Female	49	2017.04	2023.04	-	-	-	-	3.33	No
Huang Yongbin	Chief Supervisor, Employee Representative Supervisor	Male	57	2020.12	2023.06	650,000	-	-	-	144.11	No
Wen Yi	Employee Representative Supervisor	Female	45	2020.12	2023.12	97,905	-	-	-	85.17	No
Tao Shaofeng	Shareholder supervisor	Male	61	2020.12	2023.12	-	-	-	-	-	No

Yu Xiaohua	External supervisor	Male	59	2017.04	2023.04	-	-	-	-	1.30	No
Liao Yuansu	External supervisor	Male	49	2017.04	2023.04	-	-	-	-	1.30	No
Fu Jin	Vice President	Male	55	2017.04	2023.11	81,000	81,000	-	-	39.99	Yes
Yin Xianzhu	Vice president, chief financial officer	Male	49	2020.01	2023.06	81,300	81,300	-	-	63.64	No
Total	/	/	/	/	/	2,180,504	2,180,504	/	/	1,741.34	/

Note: 1. Mr. Fu Jin was assigned to the Bank by Bank of Communications, and his salary was paid by Bank of Communications. In 2023, he actually received a job subsidy of RMB 399,900 from the Bank.

2. The 2022 Annual General Meeting of the Bank held on May 12, 2023 considered and approved the proposal on Election of Independent Directors, which agrees to elect Mr. Fan Jingwu, Mr. Pang Ling, Ms. Zhou Yueshu and Ms. Zhou Mei as independent directors of the seventh session of the Board of Directors, which was approved by the Banking and Insurance Supervision and Administration Department in July 2023.

3. The Bank held the Twentieth Meeting of the Seventh Session of the Board of Directors on November 13, 2023, at which it considered and passed the proposal on the Election of the Chairman of the Board of Directors, which agrees to elect Mr. Xue Wen as the Chairman of the Seventh Session of the Board of Directors. His qualification for appointment is subject to the approval of the Suzhou Supervisory Sub-bureau of the State Financial Supervision and Administration Bureau, and until then, Mr. Xue Wen is performing the duties of the Chairman of the Bank.

4. The Bank held the Twentieth Meeting of the Seventh Session of the Board of Directors on November 13, 2023 and considered and passed the motion on the Appointment of the President of the Bank, which agrees to appoint Mr. Bao Jian as the President of the Bank. His qualification for appointment is subject to the approval of the Suzhou Supervisory Sub-bureau of the State Financial Supervision and Administration Bureau, and until then, Mr. Bao Jian is performing the duties of the president of the Bank.

5. The Bank held the Twentieth Meeting of the Seventh Session of the Board of Directors on November 13, 2023 and considered and passed the motion on Appointment of Vice President of the Bank, which agrees to appoint Ms. Gan Qing as the Vice President of the Bank, which was approved by the Suzhou Supervisory Sub-bureau of the State Financial Supervision and Administration Bureau in December 2023.

6. The Bank held the Second Extraordinary General Meeting of 2023 on December 29, 2023, and considered and passed the motion on the Election of the Board of Directors, which agrees to elect Mr. Bao Jian as the Executive Director of the Eighth Board of Directors, and Mr. Yuan Xiang, Mr. Chen Xing and Mr. Xu Xuefeng as the Non-Executive Directors of the Eighth Board of Directors, which was approved by Suzhou Supervisory Sub-bureau of the State Financial Supervision and Administration Bureau in March 2024.

Name	Working experiences
Xue Wen	Served as the Chairman of the Board of Directors of the Bank (qualification is still under approval) since November 2023. He successively served as clerk of Xieqiao Credit Cooperative in Changshu, clerk of Xieqiao Sub-branch of the Bank, president assistant and vice president of Xieqiao Sub-branch and Development Zone Sub-branch of the Bank (presiding over works), president of Xieqiao Sub-branch, president of China Merchants Sub-branch, vice president of Lianyungang Oriental Rural Commercial Bank, vice president, chief financial officer and president of the Bank.
Bao Jian	Served as the director of the Bank since December 2023, and President of the Bank since November 2023 (qualification is still under approval). He successively served as teller, credit office clerk, customer manager, clerk of the Business Development Department, clerk of office, clerk of the Corporate Banking Department, clerk and general manager assistant of microfinance center of the Bank, general manager assistant and deputy general manager of investment banking and interbank department of Bank of Nanjing Suzhou Branch, general manager of investment banking department, general manager of bill business department, general manager of interbank finance department of the Bank, president of corporate banking headquarters, vice president of the Bank and vice president of Jiangnan Agricultural Commercial Bank.
Sun Ming	Served as the director and secretary of the secretary of the Board of Directors of the Bank since December 2020, and currently serves as the director of the Party Committee Office, the director of the Board Office and the general manager of the Strategic Planning Department of the Bank. Successively served as the bookkeeper, deputy director and director of the branch office of China Construction Bank, clerk of the strategic planning department of the Bank, general manager assistant, deputy general manager, deputy director of the office (presiding over works), president of Taizhou Branch, and concurrently served as the director of the office of the Bank.
Yuan Xiang	Served as the director of the Bank since December 2023, and currently member of the Party Committee, vice president and senior credit executive of the Bank of Communications, Suzhou Branch. Successively served as the credit officer of the Credit Section II of Business Department of Bank of Communications, Shanghai Branch, credit officer in charge of grade II, section chief assistant (served temporary positions), first-class customer manager (section level), team leader of credit marketing team of the Business Department, assistant senior manager of the Business Department, deputy senior manager of the Business Department, general manager (senior manager) of the Major Customer Department II (Business Department II), general manager of the International Business Department and credit approver of the Bank of Communications.
Chen Xing	Served as the director of the Bank since December 2023, and currently the deputy general manager (department head level) of the Business Department of the Bank of Communications, Wuxi Branch. Successively served as the chief planning manager and planning specialist of the Planning Management Department of the Financial Institutions Department of the Bank of Communications, deputy senior manager of the Secretary of Office (Security Department), deputy director of Poverty Alleviation and Enterprise Culture Department of Party Committee Office, senior manager of the Designated Assistance of Rural Revitalization Finance Department.
Xu Xuefeng	Served as the director of the Bank since December 2023, and is currently the secretary of the Party Committee and chairman of Changshu Development and Investment Co., Ltd. Successively served as the clerk of Bixi Town Finance Office, director of Judicial Office, director of Political and Law Office of Changshu, mayor assistant of Bixi Town (deputy town mayor level), member of the Town Party Committee, deputy secretary of Town Discipline Inspection Commission, secretary of Party Working Committee of Bixi Administrative District, member and deputy mayor of Xingang Town Party Committee, member and deputy mayor of Bixi Town Party Committee, secretary of Party Working Committee of Hupu Administrative District, member and deputy director of Party Working Committee of Bixi New District (Bixi Street), secretary of Party Working Committee of Hupu Office, deputy secretary of Party Working Committee of Bixi New District (Bixi Street), director of Bixi Street CPPCC Working Committee, deputy secretary of the Party Committee, vice chairman and general manager of Changshu Development and Investment Co., Ltd.

Wang Chunhua	Served as the director of the Bank since March 2014, and currently the secretary of the Party Committee, chairman and general manager of Changshu Switch Manufacturing Co., Ltd. Successively served as the technician of Changshu General Electric Appliance Factory, director of Complete Electrical Equipment Branch of Changshu Switch Factory, deputy director and deputy general manager of Changshu Switch Factory, vice chairman and general manager of Changshu Switch Manufacturing Co., Ltd. (former Changshu Switch Factory).
Zhu Qinbao	Served as the director of the Bank since March 2014, and currently the chairman and general manager of Jiangsu Baixue Electric Co., Ltd. Successively served as the deputy secretary of Youth League Committee, secretary of Youth League Committee and secretary of Party Branch of workshop of Suzhou Machinery Factory, head of the Quality Assurance Office of Changshu Machinery General Factory, deputy director, director and secretary of the Party Committee of Changshu Refrigeration Equipment Factory, secretary of the Party Committee, chairman and general manager of Jiangsu Baixue Electric Appliance Co., Ltd.
Cai Zexiang	Served as the independent director of the Bank since December 2020, and currently the professor at the School of Finance of Nanjing Audit University and independent director of Jiangsu Hongtu High Technology Co., Ltd. Successively served as the teacher of Jiangsu Bank School, teacher of Nanjing Financial College, deputy director and vice president of the Academic Affairs Office, director of scientific research, director of Academic Affairs and director of Development Planning Office of Nanjing Audit College.
Fan Jingwu	Serve as the independent director of the Bank since May 2023, and currently the vice chairman and president of Hundsun Electronics Co., Ltd. and the member of the Information Technology Standardization Committee of Zhejiang Province, member of the Expert Committee of the Software Industry Association of Zhejiang Province, council member of the China Software Industry Association, and member of the WG3 Working Group of the National Information Security Standardization Technical Committee. Served as R&D engineer, manager of securities R & D department, deputy general manager of securities business department, technical director of the company and executive president of the company of Hundsun Electronics Co., Ltd.
Pang Ling	Served as the independent director of the Bank since May 2023, and currently the vice president and professor of Wang Jian Law School of Suzhou University, an independent director of Suzhou Fatedi Technology Co., Ltd. Successively served as the lawyer of Suzhou City Dongfang Law Firm, a lawyer of Suzhou Zhengwen Law Firm, a teacher, lecturer and associate professor of Wang Jian Law School of Suzhou University.
Zhou Yueshu	Served as the independent director of the Bank since May 2023, and currently the professor of finance and doctoral supervisor of the School of Finance of Nanjing Agricultural University, independent director of Jiangsu Rugao Rural Commercial Bank Co., Ltd., vice president of Jinshanbao Agricultural Modernization Development Research Institute, key think tank of Jiangsu Province, director of Jiangsu Province Financial Industry Federation and director of Jiangsu Province International Finance Society. Successively served as the lecturer and associate professor of Finance Department of School of Economics and Management of Nanjing Agricultural University, vice president and dean of Finance College.
Zhou Mei	Served as the independent director of the Bank since May 2023, and currently the professor at the Business School of Changshu Institute of Technology and independent director of Changshu Tianyin Electromechanical Co., Ltd. Served as the teacher of the Department of Economics and Management of Xuzhou Jiuzhou Vocational and Technical College, and the teacher of the Department of Economic Management of Jiangsu Vocational and Technical College of Architecture.
Song Yi	Served as the employee representative supervisor, Chief Supervisor and chairman of the labor union of the Bank since June 2023. Successively served as the clerk of Business Office of People's Bank of China, Yantai Branch, clerk of Business Office, Supervision Section I, Foreign Exchange Management Section and Office of People's Bank of China, Yantai Downtown Sub-branch, clerk and deputy director of Logistics Service Center, deputy section chief of Monetary Credit Management Section, deputy section chief and section chief of Financial Stability Section, member of Party Committee, secretary of Discipline Inspection Commission and Chief Supervisor of Qidong Agricultural and Commercial Bank.

Huang Ye	Served as the employee supervisor of the Bank since December 2023, and currently the general manager of the Audit Department of the Bank. Successively served as teller of Dayi Credit Cooperative in Changshu, clerk, assistant general manager and deputy general manager (presiding over works) of the Planning and Accounting Department of Changshu Agricultural and Commercial Bank, deputy general manager (presiding over works) and general manager of Operation Management Department, president of Financial Science and Technology Headquarters.
Qian Xiaofeng	Served as a shareholder supervisor of the Bank since December 2023, and currently the Party Secretary, chairman and general manager of Jiangsu Genland Trade Group Co., Ltd. Successively served as the member of Haiyu Town Finance Office in Changshu, deputy director of the Asset Management Office, deputy director and director of the Finance Department of Changshu New Materials Industrial Park, deputy director (serve temporary position) of the Fifth Taxation Branch of Changshu City Local Taxation Bureau, chief financial officer (concurrently) of Changshu Suyu Biomedical Industry Development Co., Ltd., secretary, general manager and chairman of Party General Branch of Suzhou Chang'an Security Service Co., Ltd., strategic department leader, member of the Party Committee, assistant general manager, leader of the Comprehensive Management Department, deputy general manager, deputy secretary of the Party Committee and general manager of Jiangsu Genland Trade Group Co., Ltd.
Shen Mei	Served as the shareholder supervisor of the Bank since December 2020, and currently the partner of Changshu Xinlian Accounting Firm (general partnership) and executive director and general manager of Changshu City Bonnie Enterprise Management Consulting Co., Ltd. Successively served as the department manager of Changshu City Audit Firm, department manager of Changshu Xinlian Accounting Firm, and department manager of Changshu Xinlian Branch of Suzhou Fangben Accounting Firm.
Chen Dexiang	Served as the external supervisor of the Bank since May 2023, and currently the researcher of inclusive finance at Shanghai Institute of International Banking Finance. Successively served as the teacher of Xunkou Middle School in Lichuan County, Jiangxi Province, deputy director of the Planning Information Department of Bank of Shanghai Head Office, chief of the Small Enterprise Section of Corporate Finance Department of Head Office, senior director of the Small Enterprise Financial Service Center, general manager of the Small Enterprise Finance Department of Puxi Branch.
Gao Zhiling	Served as the external supervisor of the Bank since May 2023, and currently the associate professor at the School of Marxism of Changshu Institute of Technology. Served as the director of the Teaching and Research Office of Sias International College of Law, Zhengzhou University.
Wu Tiejun	Served as the vice president of the Bank since December 2020. Successively served as the teller and customer manager of Jinlong City Credit Cooperative in Changshu, clerk of the Risk Management Department, clerk of the Credit Management Department, clerk of the Small Enterprise Credit Center, general manager assistant of the Small Enterprise Credit Center, vice president of Tangshi Sub-branch (presiding over works), general manager of the Banking Department of the Company, president and president assistant of the Bank Headquarters of the Company.
Lu Dingchang	Served as the vice president of the Bank since August 2022. Successively served as the loan officer and general manager assistant of the Bank's Microfinance Center, deputy general manager of the Micro-finance Headquarters, deputy general manager of the Banking Department of the Bank, president of Hanjiang Sub-branch, general manager of the Inclusive Finance Department and general manager of the Micro-finance Headquarters.
Li Yong	Served as the vice president of the Bank since December 2022. Successively served as the teller, mortgage customer manager, product manager of international business department, corporate customer manager, president of secondary branch of Industrial and Commercial Bank of China, Changzhou Branch, assistant president of Wujin Sub-branch of China Merchants Bank, Changzhou Branch, general manager assistant of the Business Department of Changzhou Branch, vice president of Changzhou Branch, Juqian Street Sub-branch, deputy general manager of the Investment Bank and financial market team of Changzhou Branch (general manager assistant at first-level branch department), deputy general manager of the Business Department and Investment Banking Department of Jiangnan Agricultural Commercial Bank, deputy general manager of the Strategic Customers and Investment Banking Department (preside over works), president of the Management Bank of Zhonglou Sub-branch, general manager of the Retail Business Management Department.

Gan Qing	Served as the vice president of the Bank since December 2023. Successively served as the teller of Yetang Sub-branch, clerk of the Office of the Board of Directors, assistant president and vice president of Xieqiao Sub-branch, vice president and president of Yushan Forest Farm Sub-branch (Central Sub-branch), general manager of Corporate Business Department III of the Head Office, general manager of Business Development Department III of the Head Office, president of Xieqiao Sub-branch, general manager of Human Resources Department and Training Center, and assistant president of the Bank.
Meng Jiong	Served as the president assistant of the Bank since October 2016. Successively served as product manager, supervisor and senior special affair officer of the Personal Finance Department of the Bank of Communications Head Office, general manager of the Retail Department, general manager of the Family Finance Department and Director of the Retail Business Department of Changshu Agricultural Commercial Bank, and concurrently the president of Changshu Agricultural Commercial Bank, Suzhou Branch.
Zhuang Guangqiang	Chairman of the Board of Directors of the Bank, December 2020–November 2023,
Meng Shihe	Director of the Bank, April 2017– December 2023.
Yang Yuguang	Director of the Bank, January 2019–December 2023.
Nie Yuhui	Director of the Bank, December 2020–December 2023.
Jiang Jiansheng	Independent director of the Bank, April 2017–April 2023.
Zhang Helian	Independent director of the Bank, April 2017–April 2023.
Yuan Xiuguo	Independent director of the Bank, April 2017–April 2023.
Wu Minyan	Independent director of the Bank, April 2017–April 2023.
Huang Yongbin	Employee representative supervisor and chief supervisor of the Bank, December 2020–June 2023,
Wen Yi	Employee representative supervisor of the Bank, December 2020–December 2023
Tao Shaofeng	Shareholder supervisor of the Bank, December 2020–December 2023.
Yu Xiaohua	External supervisor of the Bank, April 2017–April 2023.
Liao Yuansu	External supervisor of the Bank, April 2017–April 2023.
Fu Jin	Vice president of the Bank, April 2017–November 2023.
Yin Xianzhu	Vice president and chief financial officer of the Bank, January 2020–June 2023

(III) Positions of current and dismissed directors, supervisors, and officers during the reporting period

1. Positions in shareholder company

Name of person	Name of shareholder company	Positions held in shareholder company
Yuan Xiang	Bank of Communications Co., Ltd.	Member of the Party Committee, vice president and senior credit executive officer of Suzhou Branch
Chen Xing	Bank of Communications Co., Ltd.	Deputy general manager of Business Department of Wuxi Branch (Department Chief Level)

Xu Xuefeng	Changshu Development and Investment Co., Ltd.	Party Secretary of CPC Committee and Chairman of the Board of Directors
	Changshu Switch Manufacturing Co., Ltd. (formerly Changshu Switch Factory)	Director
Wang Chunhua	Changshu Switch Manufacturing Co., Ltd. (formerly Changshu Switch Factory)	Party Secretary of PC Committee, chairman of the Board of Directors and general manager
Zhu Qinbao	Jiangsu Baixue Electric Co., Ltd.	Chairman of the Board of Directors and general manager
Qian Xiaofeng	Jiangsu Genland Trade Group Co., Ltd.	Party Secretary of PC Committee, chairman of the Board of Directors and general manager
Meng Shihe	Bank of Communications Co., Ltd.	Member of the Party Committee and vice president of Suzhou Branch
Yang Yuguang	Bank of Communications Co., Ltd.	Deputy leader of inspection team of head office
Nie Yuhui	Bank of Communications Co., Ltd.	Member of Party Committee and vice president of Hunan Province Branch

2.Positions in other companies

Name of person	Name of other companies	Positions in other companies
Sun Ming	Jiangsu Baoying Rural Commercial Bank Co., Ltd.	Director
Wang Chunhua	Changshu Wuyue Zhichuang Industrial Park Development Co., Ltd.	Chairman Chairman of the Board of Directors
	Changshu Fuji Motor Co., Ltd.	Vice chairman
	Jiangsu Lianhong Real Estate Investment Co., Ltd.	Director
	Changshu City Guofa Management Consulting Service Co., Ltd.	Director
Zhu Qinbao	Jiangsu Blue Sky Airport Equipment Co., Ltd.	Chairman Chairman of the Board of Directors
	Changshu Yingte New Component Co., Ltd.	Executive director and general manager
	Liaoning Baixue Electric Co., Ltd.	Chairman Chairman of the Board of Directors
	Jiangsu Baixue Electric Overseas Marketing Co., Ltd.	Executive director
	Chongqing Baixue Electric Co., Ltd.	Director
	Jiangsu Lianhong Real Estate Investment Co., Ltd.	Director
	Ping An Securities Company Limited	Supervisor
Xu Xuefeng	Changshu Wuyue Financial Leasing Co., Ltd.	Chairman Chairman of the Board of Directors
	Changshu City Kunchenghu Construction Investment Group Co., Ltd.	Chairman Chairman of the Board of Directors
	Suzhou Yanjiang Expressway Co., Ltd.	Chairman Chairman of the Board of Directors
	Changshu High-tech Holdings Co., Ltd.	Chairman Chairman of the Board of Directors
	Jiangsu Yanjiang Expressway Co., Ltd.	Director
	Suzhou Asset Management Co., Ltd.	Director

Fan Jingwu	Hundsun Electronics Co., Ltd.	Vice Chairman and President
	Shanghai Hengsheng Juyuan Data Service Co., Ltd.	Director
	Hangzhou Yunji Network Technology Co., Ltd.	Director
	Shanghai Jinna Information Technology Co., Ltd.	Director
	Hangzhou Hengsheng Lirong Software Co., Ltd.	Chairman of the Board of Directors and general manager
	Hangzhou Niuniu New Energy Technology Co., Ltd.	Supervisor
	Hangzhou Baiyong Electronic Technology Co., Ltd.	Supervisor
	Hangzhou Qianda Investment Management Co., Ltd.	Supervisor
Pang Ling	Soochow University	Dean and Professor of kenneth Wang School of Law
	FT Device Technology (Suzhou) Co., Ltd.	Independent director
Zhou Yueshu	Nanjing Agricultural University	Professor at the College of Finance
	Jiangsu Rugao Rural Commercial Bank Co., Ltd.	Independent director
Zhou Mei	Changshu Institute of Technology	Professor at the Business School
	Changshu Tianyin Electromechanical Co., Ltd.	Independent director
Cai Zexiang	Nanjing Audit University	Professor at the College of Finance
	Jiangsu Hongtu High-tech Co., Ltd.	Independent director
Qian Xiaofeng	Suzhou GENLAN IPAK Technology Co., Ltd.	Chairman Chairman of the Board of Directors
	Changshu Urban and Rural Integration Construction Investment Development Co., Ltd.	Director
	Jiangsu Zhongli Electronic Information Technology Co., Ltd.	Director
	Suzhou Changshu BOC Fullerton Community Bank Co., Ltd.	Director
Shen Mei	Changshu Bonnie Enterprise Management Consulting Co., Ltd.	Executive Director, General Manager
	Changshu Shenlian Certified Public Accountants (General Partnership)	Partner
Chen Dexiang	Shanghai International Banking and Finance Institute	Financial inclusion researcher
Gao Zhiling	Changshu Institute of Technology	Associate professor at School of Marxism
Wu Tiejun	Jiangsu Baoying Rural Commercial Bank Co., Ltd.	Director
Jiang Jiansheng	Hundsun Electronics Co., Ltd.	Chairman of the Board of Supervisors
	Hangzhou Hengsheng Digital Equipment Technology Co., Ltd.	Director
	Hangzhou Baiyong Electronic Technology Co., Ltd.	Executive director
	Ant (Hangzhou) Fund Sales Co., Ltd.	Director
	Hangzhou Yunhui Investment Management Co., Ltd.	Executive director and general manager
	Hangzhou Hengsheng Data Security Technology Co., Ltd.	Chairman Chairman of the Board of Directors
	Hangzhou Baiyong Century Technology Co., Ltd.	Director
Zhang Helian	Beijing Huiyinxintong Investment Co., Ltd.	Supervisor
	Beijing Changhengtong Instrument Technology Co., Ltd.	General Manager
Yuan Xiuguo	Jiangsu Jiejie Microelectronics Co., Ltd	Independent director
	Kunshan Kersen Science Technology Co., Ltd.	Independent director

Wu Minyan	Changshu Institute of Technology	Head of Department of Accounting and Finance Department, School of Business
	Jiangsu Zhangjiagang Rural Commercial Bank Co., Ltd.	Independent director
	Jiangsu Yitong High-tech Co., Ltd.	Independent director
Tao Shaofeng	Suzhou Agricultural Development Group Co., Ltd.	Supervisor
	Jiangsu Yangzhou Power Generation Co., Ltd. of CHD	Director
	Suzhou Yanjiang Expressway Co., Ltd.	Director
	Suzhou Coastal Cooperative Development and Construction Investment Co., Ltd.	Director
	Jiangsu Chuanglan Solar Air Conditioning Co., Ltd.	Director
Yu Xiaohua	Jiangsu Yuxiaohua Law Firm	Director
Liao Yuansu	Changshu Institute of Technology	Head of Department of Financial Engineering

III. Remuneration of Directors, Supervisors and Officers

Decision-making procedure for remunerations of directors, supervisors, and officers	The Management Measures for Directors' and Supervisors' Remuneration of Changshu Bank was approved at the Shareholders' Meeting. The Nomination and Remuneration Committee of the Board of Directors shall assess and implement the remuneration of directors and officers, and the Nomination and Performance Assessment Committee of the Board of Supervisors shall assess and implement the remuneration of supervisors.
Does a director recuse himself from the Board's discussion of his remuneration?	No
Details of the recommendations made by the Remuneration and Appraisal Committee or at the Special Meeting of Independent Directors on the remuneration of directors, supervisors and officers	The Nomination and Remuneration Committee of the Board of Directors considered and approved the proposal on the Remuneration Scheme for Directors and Officers for 2023, and the Nomination and Performance Assessment Committee of the Board of Supervisors considered and approved the proposal on the Remuneration Scheme for Supervisors for 2023.
Basis for determining remuneration of directors, supervisors and officers	It is determined in accordance with the Articles of Association of the Company, Management Measures for Remuneration of Directors and Supervisors of Changshu Bank, Measures for the Performance Assessment of Chairman and Officer of Changshu Bank in 2023, Measures for the Performance Assessment of Chairman of the Board of Supervisors of Changshu Bank in 2023 and Management Measures for Sound Remuneration of Changshu Bank, etc., and as well as the guidance opinions of regulatory authorities and industry management departments.
Actual payment of remuneration to directors, supervisors and officers	The Chairman, Chairman of the Board of Supervisors, officer and employee supervisor shall pay monthly basic remuneration in accordance with the remuneration management system of the Company, and annual remuneration shall be paid according to the results of year-end appraisal; allowances shall be paid to non-executive directors, independent directors, shareholder supervisors and external supervisors according to the appraisal results.
Total remunerations actually paid to all directors, supervisors and officers at the end of the reporting period	RMB 17,413,400

IV. Changes in Directors, Supervisors and Officers of the Company

Name	Job title	Manner of change	Reason for change
Xue Wen	Chairman Chairman of the Board of Directors	Election	-
	President	Office leaving	Job adjustment
Bao Jian	Director	Election	Change of leadership
Bao Jian	President	Engagement	-
Yuan Xiang	Director	Election	Change of leadership
Chen Xing	Director	Election	Change of leadership
Xu Xuefeng	Director	Election	Change of leadership
Fan Jingwu	Independent director	Election	-
Pang Ling	Independent director	Election	-
Zhou Yueshu	Independent director	Election	-
Zhou Mei	Independent director	Election	-
Song Yi	Chief Supervisor, Employee Representative Supervisor	Election	-
Huang Ye	Employee Representative Supervisor	Election	Change of leadership
Qian Xiaofeng	Shareholder supervisor	Election	Change of leadership
Chen Dexiang	External supervisor	Election	-
Gao Zhiling	External supervisor	Election	-
Gan Qing	Vice President	Engagement	-
Zhuang Guangqiang	Chairman Chairman of the Board of Directors	Office leaving	Work transfer
Meng Shihe	Director	Office leaving	Change of leadership
Yang Yuguang	Director	Office leaving	Change of leadership
Nie Yuhui	Director	Office leaving	Change of leadership
Jiang Jiansheng	Independent director	Office leaving	Expiration of the term of office
Zhang Helian	Independent director	Office leaving	Expiration of the term of office
Yuan Xiuguo	Independent director	Office leaving	Expiration of the term of office
Wu Minyan	Independent director	Office leaving	Expiration of the term of office
Huang Yongbin	Chief Supervisor, Employee Representative Supervisor	Office leaving	Age
Wen Yi	Employee Representative Supervisor	Office leaving	Change of leadership
Tao Shaofeng	Shareholder supervisor	Office leaving	Change of leadership
Yu Xiaohua	External supervisor	Office leaving	Expiration of the term of office
Liao Yuansu	External supervisor	Office leaving	Expiration of the term of office
Fu Jin	Vice President	Office leaving	Job adjustment
Yin Xianzhu	Vice president, chief financial officer	Office leaving	Work transfer

V. Employees of parent company and major subsidiaries at the end of the reporting period

(I) Employees

Number of current employees of parent company	4,459
Number of current employees of major subsidiaries	2,917
Total number of current employees	7,376
Number of retired employees who shall be paid by the parent company and main subsidiaries	359
Occupation structure	
Occupation composition category	Number of employees in each occupation
Management personnel	682
Business personnel	6,386
Technical personnel	308
Total	7,376
Education background	
Category of educational attainment	Number (person)
Graduate degree or higher degree	404
Bachelor degree	6,068
Others	904
Total	7,376

(b) Remuneration policy

1. Basic information

In order to give full play to the guiding role of remuneration assessment in the Bank's corporate governance and risk control, establish and improve a scientific and effective remuneration management mechanism, and promote the Bank's stable operation and sustainable development, the Bank formulated the Management Measures for Sound Remuneration in accordance with the CBIRC's Guidelines for the Supervision of Sound Remuneration of Commercial Banks and the Articles of Association of the Bank. The remuneration level of the relevant position can fairly reflect the value of the position. The overall remuneration level of the Company has certain market competitiveness externally, reflects the value and fairness of the position internally, and provides a promotion channel for the career development of employees.

2. Organization and management

The Board of Directors formulates the remuneration management systems and policies of the Company

in accordance with the Articles of Association of the Company and relevant national laws and policies, and is ultimately responsible for remuneration management, approves the remuneration assessment scheme for officers of the Company formulated by the Nomination and Remuneration Committee, and discloses remuneration management information in a timely and objective manner in the annual report according to the requirements of the regulatory authorities. The Nomination and Remuneration Committee of the Board of Directors is responsible for formulating and implementing the remuneration assessment scheme for officers of the Company. The management level is responsible for organizing and implementing the resolutions of the Board of Directors on remuneration management, and is responsible for the specific arrangements and daily work of the Company's remuneration management.

3. Assessment management

According to the remuneration system of the Company, the measures for remuneration assessment of the Company officers are formulated and implemented by the Nomination and Remuneration Committee of the Board of Directors, while the remuneration assessment methods for other personnel are formulated and implemented by the management.

(III) Training plan

In line with the industry development trend and internal growth needs, the Bank promoted the training and empowerment of the whole Group through offline "Changshu Bank School" and online "Xiaoyan School", striving to cultivate a "Changshu Bank employees" with excellent political quality, cultural identity and strong ability. In 2023, the school innovated the "Changshu Bank Happy-learning Open Class" project, which was open and targeted at empowerment in the form of independent registration. The Bank strengthened the "Xinyan Plan" for new employee training, and did a good job in the first training, and strengthened the "Start-up" and "Take-off" and "Leadership" plans for management training, so as to realize the orderly flow of cadres and talents. Meanwhile, it continuously enriched the content and form of courses online, expanded learning channels, made flexible learning methods, created active learning atmosphere, and built learning organizations and growth teams. By the end of 2023, the Bank had held a total of 293 sessions of various training, with 87,229 person-times of training, a total of 318,461 class hours, and 75.32 class hours for all employees of the Bank through all channels.

(IV) Outsourcing of labor services

Total number of hours for for labr outsourcing (hour)	1,326,336
Total remuneration paid for labr outsourcing (RMB'000)	66,549

Corporate Governance

I. Corporate Governance

(I) Convening of Shareholders' Meeting

During the reporting period, the Company held 3 general meetings of shareholders, at which 15 resolutions were considered and approved. The meeting shall be held by combining on-site and network, and the notice, convening, convening and voting procedures of the meeting are in line with the Company Law and the Articles of Association of the Company.

Session	Date	Inquiry index of the website designated for resolution publishing	Date of disclosure of resolution publishing	Meeting resolution
Annual Shareholders' Meeting in 2022	May 12, 2023	www.sse.com.cn	May 13, 2023	<ol style="list-style-type: none"> 1. Annual report of the Board of Directors for 2022 2. Annual report of the Board of Supervisors for 2022 3. Annual report and summary in 2022 4. Annual financial statements for 2022 and financial budget plan for 2023 5. Profit distribution plan in 2022 6. Estimated daily related-party transactions of some related parties in 2023 7. Elect independent directors 8. Elect external supervisors 9. Revise the Equity Management Measures
First Extraordinary General Meeting in 2023	September 12, 2023	www.sse.com.cn	September 13, 2023	<ol style="list-style-type: none"> 1. Renew the appointment of accounting firm for 2023 2. Revise the Articles of Association 3. Revise the Rules of Procedure of the Board of Directors 4. Revise the Management Measures for Remuneration of Directors and Supervisors
Second Extraordinary General Meeting in 2023	December 29, 2023	www.sse.com.cn	December 30, 2023	<ol style="list-style-type: none"> 1. General election of the Board of Directors 2. General election of the Board of Supervisors

Jiangsu C&T Partner Law Firm witnessed the convening and convening procedures, attendees, convener qualifications, voting procedures and voting results of the Shareholders' Meeting of the Company on the spot, and issued legal opinions. The convening of the Shareholders' Meeting of the Company guarantees shareholders' right to know, participate and vote on important matters of the Company.

(II) Directors and Board of Directors

Both the seventh and eighth sessions of the Board of Directors of the Company consist of 13 directors. The qualifications, selection procedures, number and composition of directors meet the requirements of the Company Law, the Commercial Bank Law and the Articles of Association of the Company.

In the reporting period, the Board of Directors held 7 meetings, reviewed and adopted 62 resolutions. The Directors have conscientiously performed their duties, actively participated in the research and decision-making on major issues of the Company, implemented the resolutions of the Shareholders' Meeting and safeguarded the interests of the Company and all shareholders as a whole. Details of the meetings and resolutions of the Board of Directors are as follows:

Session	Date	Meeting resolution
Sixteenth meeting of the seventh Board of Directors	March 23, 2023	<ol style="list-style-type: none"> 1. Annual report of the Board of Directors for 2022 2. Annual report and summary in 2022 3. Annual financial statements for 2022 and financial budget plan for 2023 4. Profit distribution plan in 2022 5. Annual budget plan for remuneration of company leaders for performance of duties and business expenses in 2023 6. Annual capital adequacy management plan in 2023 7. Annual risk appetite statement in 2023 8. Special report on related-party transactions in 2022 9. Estimated daily related-party transactions of some related parties in 2023 10. Annual internal control evaluation report in 2022 11. Annual corporate social responsibility (ESG) report in 2022 12. Report on the implementation of financial business plan for agriculture, farmers and rural areas in 2022 13. Annual remuneration plan for directors and officers in 2022 14. Measures for performance assessment of Chairman and officers in 2023 15. Report on performance assessment of major shareholders 16. Assessment report on major shareholders 17. Credit asset securitization and credit asset circulation project arrangement in 2023 18. Special report on deposit and actual use of raised funds in 2022 19. Purchase property for the construction of Center for Financial Inclusion
Seventeenth meeting of the seventh Board of Directors	April 20, 2023	<ol style="list-style-type: none"> 1. Report for the first quarter of 2023 2. Nominate independent director candidates 3. Revise the Equity Management Measures 4. Revise the Management Measures for Shares Held and Changed by Directors, Supervisors and Officers 5. Convene Annual Shareholders' Meeting in 2022
Eighteenth meeting of the seventh Board of Directors	August 24, 2023	<ol style="list-style-type: none"> 1. Add members of special committees of the seventh Board of Directors 2. Semi-annual report and summary in 2023 3. Renew the appointment of accounting firm for 2023 4. Revise the Articles of Association 5. Revise the Rules of Procedure of the Board of Directors 6. Adjust the Letter of Authorization of the Seventh Board of Directors to the President 7. Revise the Management Measures for Remuneration of Directors and Supervisors 8. Revise the Management Measures for Annual Salary of Officers 9. Revise the Data Governance Management Measures 10. Revise the Consolidated Management Policy 11. Formulate the Detailed Rules for the Implementation of Financial Asset Risk Classification (Trial) 12. Formulate the Work Plan for the Protection of Financial Consumers' Rights and Interests in 2023-2025 13. Adjust the write-off plan for 2023 14. Non-performing loan disposal scheme 15. External cooperation program 16. Foreign investment scheme of Xingfu Country Bank 17. Plan to increase capital to Xingfu Country Bank 18. Convene the First Extraordinary General Meeting in 2023

Nineteenth meeting of the seventh Board of Directors	October 26, 2023	<ol style="list-style-type: none"> 1. Report for the third quarter of 2023 2. Budget for renovation and renovation of Center for Financial Inclusion 3. Credit asset securitization and credit asset circulation project arrangement in 2023 and 2024 4. Write-off plan for 2024
Twentieth meeting of the seventh Board of Directors	November 13, 2023	<ol style="list-style-type: none"> 1. Elect the Chairman of the seventh Board of Directors 2. Elect the Chairman of the Committee on Strategy and Financial Services for Agriculture, Farmers and Rural Areas of the seventh Board of Directors 3. Appoint the President of the Bank 4. Appoint the Vice President of the Bank
Twenty-first meeting of the seventh Board of Directors	December 13, 2023	<ol style="list-style-type: none"> 1. General election scheme of the Board of Directors 2. Convene the Second Extraordinary General Meeting in 2023
First meeting of the eighth Board of Directors	December 29, 2023	<ol style="list-style-type: none"> 1. Elect the Chairman of the eighth Board of Directors 2. Elect members of special committees of the eighth Board of Directors 3. Appoint the President of the Bank 4. Appoint the Secretary of the Board of Directors of the Bank 5. Formulate the Letter of Authorization of the Eighth Board of Directors to the President 6. Appoint officers of the Bank such as Vice President and Assistant President 7. Appoint the heads of compliance, audit and finance departments of the Bank 8. Reconstruct the budget plan of the data mid-platform project 9. Purchase property for expansion of the head office production center and supporting ancillary buildings 10. Appoint the Representative of Securities Business of the Bank

(III) Special committees under the Board of Directors

1. Members of special committees under the Board of Directors

All special committees and members of the Board of Directors of the Company comply with the relevant provisions of the regulatory authorities and the Articles of Association of the Company, and all special committees actively carry out their work within the scope of their duties.

Category of special committee	Names of members
Committee on Strategy and Financial Services for Agriculture, Farmers and Rural Areas	Xue Wen, Bao Jian, Sun Ming, Xu Xuefeng, Zhu Qinbao
Risk Management and Related-party Transaction Control Committee	Pang Ling, Fan Jingwu, Zhou Yueshu, Yuan Xiang
Committee on Audit and Protection of Financial Consumers' Rights and Interests	Zhou Yueshu, Pang Ling, Cai Zexiang, Chen Xing
Nomination and Remuneration Committee	Fan Jingwu, Zhou Mei, Wang Chunhua
Financial Integrity and Ethics Committee	Cai Zexiang, Zhou Mei, Zhu Qinbao

2. Special committees under the Board of Directors

(1) In the reporting period, the Committee on Strategy and Financial Services for Agriculture, Farmers and

Rural Areas held 4 meetings

Date	会议内容
March 22, 2023	<ol style="list-style-type: none"> 1. Report on the implementation of financial business plan for agriculture, farmers and rural areas in 2022 2. Capital adequacy ratio management plan in 2023 3. Credit asset securitization and credit asset circulation project arrangement in 2023 4. Purchase property for the construction of Center for Financial Inclusion 5. Work plan of Committee on Strategy and Financial Services for Agriculture, Farmers and Rural Areas of the Board of Directors in 2023
August 24, 2023	<ol style="list-style-type: none"> 1. Revise the Articles of Association 2. Revise the Rules of Procedure of the Board of Directors 3. Adjust the Letter of Authorization of the Seventh Board of Directors to the President 4. Foreign investment scheme of Xingfu Country Bank 5. Plan to increase capital to Xingfu Country Bank 6. Semi-annual report on the implementation of financial business plan for agriculture, farmers and rural areas in 2023
December 12, 2023	Formulate the Financial Science and Technology Development Plan in 2023-2026
December 29, 2023	<ol style="list-style-type: none"> 1. Reconstruct the budget plan of the data mid-platform project 2. Purchase property for expansion of the head office production center and supporting ancillary buildings

(2) In the reporting period, the Risk Management and Related-party Transaction Control Committee held 6 meetings

Date	Contents of the meeting
March 22, 2023	<ol style="list-style-type: none"> 1. Annual risk appetite statement in 2023 2. Special report on related-party transactions in 2022 3. Estimated amount of daily related-party transactions of some related parties in 2023 4. Comprehensive risk management report in 2022 5. Asset risk classification and risk management report in 2022 6. Annual compliance report in 2022 7. Work plan of Risk Management and Related-party Transaction Control Committee of Board of Directors in 2022
April 19, 2023	<ol style="list-style-type: none"> 1. Asset risk classification and risk management report in the first quarter of 2023 2. Special report on related-party transactions in the first quarter of 2023
August 24, 2023	<ol style="list-style-type: none"> 1. Revise the Data Governance Management Measures 2. Formulate the Detailed Rules for the Implementation of Financial Asset Risk Classification (Trial) 3. Adjust the write-off plan for 2023 4. Non-performing loan disposal scheme 5. Asset risk classification and risk management report in the first half of 2023 6. Comprehensive risk management report in the first half of 2023 7. Special report on related-party transactions in the first half of 2023 8. Compliance report in the first half of 2023
October 25, 2023	<ol style="list-style-type: none"> 1. Write-off plan for 2024 2. Asset risk classification and risk management report in the third quarter of 2023 3. Special report on related-party transactions in the third quarter of 2023
November 13, 2023	Develop the Comprehensive Risk Management Report in 2023-2025
December 29, 2023	List of identified related parties of the Bank

(3) In the reporting period, the Committee on Audit and Protection of Financial Consumers' Rights and Interests held 4 meetings

Date	Contents of the meeting
March 22, 2023	<ol style="list-style-type: none"> 1. Annual report and summary in 2022 2. Annual financial statements for 2022 and financial budget plan for 2023 3. Profit distribution plan in 2022 4. Annual internal control evaluation report in 2022 5. Annual corporate social responsibility (ESG) report in 2022 6. Special report on deposit and use of raised funds in 2022 7. Report of Committee on Audit and Protection of Financial Consumers' Rights and Interests of the Board of Directors on performance of duties in 2022 8. Report on audit results of financial statements in 2022 9. Work plan of Committee on Audit and Protection of Financial Consumers' Rights and Interests of Board of Directors in 2023
April 19, 2023	Report for the first quarter of 2023
August 24, 2023	<ol style="list-style-type: none"> 1. Semi-annual report and summary in 2023 2. Renew the appointment of accounting firm for 2023 3. Revise the Consolidated Management Policy 4. Formulate the Work Plan for the Protection of Financial Consumers' Rights and Interests in 2023–2025
October 25, 2023	Report for the third quarter of 2023

(4) In the reporting period, the Nomination and Remuneration Committee held 6 meetings

Date	Contents of the meeting
March 22, 2023	<ol style="list-style-type: none"> 1. Annual budget plan for remuneration of company leaders for performance of duties and business expenses in 2023 2. Annual remuneration plan for directors and officers in 2022 3. Measures for performance assessment of Chairman and officers in 2023 4. Work plan of Nomination and Remuneration Committee of the Board of Directors in 2022
April 19, 2023	Nominate independent director candidates
August 24, 2023	<ol style="list-style-type: none"> 1. Revise the Management Measures for Remuneration of Directors and Supervisors 2. Revise the Management Measures for Annual Salary of Officers
November 13, 2023	<ol style="list-style-type: none"> 1. Nominate the candidate of the Chairman of the seventh Board of Directors 2. Nominate candidates for the Chairman of the Committee on Strategy and Financial Services for Agriculture, Farmers and Rural Areas of the seventh Board of Directors 3. Nominate Mr. Bao Jian as the candidate for President of the Bank 4. Nominate candidates for Vice President of the Bank
December 13, 2023	Nominate the candidate of the Chairman of the eighth Board of Directors
December 29, 2023	<ol style="list-style-type: none"> 1. Nominate the candidate for President of the Bank 2. Nominate the candidates for Secretary of the Board of Directors of the Bank 3. Nominate the candidates for officers of the Bank such as Vice President and Assistant President 4. Nominate the candidates for heads of compliance, audit and finance departments of the Bank 5. Nominate the candidates for Representative of Securities Business of the Bank

(5) In the reporting period, the Financial Integrity and Ethics Committee held 2 meetings

Date	Contents of the meeting
March 22, 2023	Work plan of Financial Integrity and Ethics Committee of the Board of Directors in 2022
August 24, 2023	Work report of Financial Integrity and Ethics Committee in the first half of 2023

(IV) Supervisors and Board of Supervisors

The seventh and eighth Board of Supervisors of the Company were composed of 6 supervisors, including 2 external supervisors, 2 shareholder supervisors and 2 employee representative supervisors.

According to the Articles of Association of the Company and the duties of the Board of Supervisors, the Board of Supervisors inspects and supervises the Company's operating conditions and financial activities by attending Shareholders' Meetings, attending meetings of the Board of Directors and officers, reviewing the Company's financial reports and conducting on-site investigations.

In 2023, the Board of Supervisors strictly performed its supervisory duties, held 7 meetings and deliberated and approved 36 proposals. Details of the meetings and resolutions of the Board of Supervisors are as follows:

Session	Date	Contents of the resolution	Media of disclosure	Date of disclosure of information published in resolution
Tenth meeting of the seventh Board of Supervisors	March 23, 2023	<ol style="list-style-type: none"> 1. Annual report of the Board of Supervisors for 2022 2. Work plans of the Board of Supervisors and its special committees in 2023 3. Annual report on performance assessment of the Board of Directors and directors by the Board of Supervisors in 2022 4. Annual report on performance assessment of sensor management and its members by the Board of Supervisors in 2022 5. Annual report on performance assessment of supervisors by the Board of Supervisors in 2022 6. Review opinions of annual report and summary in 2022 7. Annual financial statements for 2022 and financial budget plan for 2023 8. Review opinions of profit distribution plan in 2022 9. Annual remuneration plan for supervisors in 2022 10. Measures for performance assessment of Chief Supervisor in 2023 11. Annual internal control evaluation report in 2022 12. Annual corporate social responsibility (ESG) report in 2022 13. Special report on deposit and actual use of raised funds in 2022 	Shanghai Securities News, China Securities Journal, Securities Times and the website of Shanghai Stock Exchange (www.sse.com.cn)	March 24, 2023
Eleventh meeting of the seventh Board of Supervisors	April 20, 2023	<ol style="list-style-type: none"> 1. Review opinions of report for the first quarter of 2023 2. Nominate external supervisor candidates 3. Annual special inspection and evaluation report on write-off of bad debts in 2022 4. Inspection and evaluation report on asset risk classification and risk management in the first quarter of 2023 	Shanghai Securities News, China Securities Journal, Securities Times and the website of Shanghai Stock Exchange (www.sse.com.cn)	April 21, 2023

Twelfth meeting of the seventh Board of Supervisors	June 26, 2023	<ol style="list-style-type: none"> 1. Elect the Chairman of the seventh Board of Supervisors 2. Elect members of special committees of the eighth Board of Supervisors 	Shanghai Securities News, China Securities Journal, Securities Times and the website of Shanghai Stock Exchange (www.sse.com.cn)	June 27, 2023
Thirteenth meeting of the seventh Board of Supervisors	August 24, 2023	<ol style="list-style-type: none"> 1. Review opinions of semi-annual report and summary in 2023 2. Compliance Evaluation report on performance of duties of the Board of Directors in the first half of 2023 3. Compliance Evaluation report on performance of duties of the management in the first half of 2023 4. Revise the Articles of Association 5. Revise the Management Measures for Remuneration of Directors and Supervisors 6. Supervision opinions of re-appointment of accounting firm in 2023 7. Opinions on special inspection risks of data center management 8. Opinions on special inspection risks of fund operation center operation 9. Annual report on development strategy risk assessment in 2022 10. Inspection and evaluation report on asset risk classification and risk management in the first half of 2023 	Shanghai Securities News, China Securities Journal, Securities Times and the website of Shanghai Stock Exchange (www.sse.com.cn)	August 25, 2023
Fourteenth meeting of the seventh Board of Supervisors	October 26, 2023	<ol style="list-style-type: none"> 1. Review opinions of report for the third quarter of 2023 2. Opinions on special inspection risks of anti-money laundering in 2023 3. Inspection and evaluation report on implementation of post responsibilities in 2023 4. Inspection and evaluation report on establishment and implementation of internal control system structure in the first three quarters of 2023 	Shanghai Securities News, China Securities Journal, Securities Times and the website of Shanghai Stock Exchange (www.sse.com.cn)	October 27, 2023
Fifteenth meeting of the seventh Board of Supervisors	December 13, 2023	<ol style="list-style-type: none"> 1. Change of the Board of Supervisors and the nomination of candidates for non-employee representative supervisors of the eighth Board of Supervisors 	Shanghai Securities News, China Securities Journal, Securities Times and the website of Shanghai Stock Exchange (www.sse.com.cn)	December 14, 2023
First meeting of the eighth Board of Directors	December 29, 2023	<ol style="list-style-type: none"> 1. Elect the Chairman of the eighth Board of Supervisors 2. Elect members of the special committee of the eighth Board of Supervisors 	Shanghai Securities News, China Securities Journal, Securities Times and the website of Shanghai Stock Exchange (www.sse.com.cn)	December 30, 2023

In 2023, members of the Board of Supervisors attended the Annual General Meeting in 2022, the First

Extraordinary General Meeting in 2023 and the Second Extraordinary General Meeting in 2023 and participated in the deliberation process of the resolutions of the Shareholders' Meeting.

In 2023, the Nomination and Performance Assessment Committee held 4 meetings, and the topics reviewed included: (1) Work plan of the Nomination and Performance Assessment Committee in 2023; (2) Annual report on performance assessment of the Board of Directors and directors by the Board of Supervisors in 2022; (3) Annual report on performance assessment of senior management and its members by the Board of Supervisors in 2022; (4) Annual report on performance assessment of supervisors by the Board of Supervisors in 2022; (5) Annual remuneration plan for supervisors in 2022; (6) Measures for performance assessment of Chairman of the Board of Supervisors in 2023; (7) List of nominated external supervisor candidates; (8) Compliance Evaluation report on performance of duties of the Board of Directors in the first half of 2023; (9) Compliance Evaluation report on performance of duties of the management in the first half of 2023; (10) Revision of the Management Measures for Remuneration of Directors and Supervisors; (11) Change of the Board of Supervisors and the nomination of candidates for non-employee representative supervisors of the eighth Board of Supervisors.

The Supervisory Committee held 4 meetings, and the topics reviewed included: (1) Work plan of Supervisory Committee in 2023; (2) Review opinions of annual report and summary in 2022; (3) Annual financial statements for 2022 and financial budget plan for 2023; (4) Review opinions of profit distribution plan in 2022; (5) Annual internal control evaluation report in 2022; (6) Annual corporate social responsibility (ESG) report in 2022; (7) Special report on deposit and actual use of raised funds in 2022; (8) Review opinions of report for the first quarter of 2023; (9) Annual special inspection and evaluation report on write-off of bad debts in 2022; (10) Inspection and evaluation report on asset risk classification and risk management in the first quarter of 2023; (11) Review opinions of semi-annual report and summary in 2023; (12) Revision of Articles of Association; (13) Supervision opinions of re-appointment of accounting firm in 2023; (14) Opinions on special inspection risks of data center management; (15) Opinions on special inspection risks of fund operation center operation; (16) Annual report on development strategy risk assessment in 2022; (17) Inspection and evaluation report on asset risk classification and risk management in the first half of 2023; (18) Review opinions of report for the third quarter of 2023; (19) Opinions on special inspection risks of anti-money laundering in 2023; (20) Inspection and evaluation report on implementation of post responsibilities in 2023; (21) Inspection and evaluation report on establishment and implementation of internal control system structure in the first three quarters of 2023.

(V) Information Disclosure

The Company strictly implements the requirements of regulatory authorities such as the CSRC and Shanghai Stock Exchange to disclose regular reports, resolutions of the Board of Directors and other major matters and important information, strive to disclose all kinds of information truthfully, accurately, completely, timely and fairly, continuously improve the transparency of the Company, and ensure that investors can timely and comprehensively understand the operation of the Company. In 2023, 4 regular reports, 54 temporary announcements and 39 other institutional documents were disclosed, and it was rated as Grade A of the annual information disclosure evaluation of Shanghai Stock Exchange in 2022-2023.

(VI) Management of investor relations

The Company strengthened communication and exchange with investors through various forms such as online performance briefing, telephone communication with investors, reception of investor visits, participation in brokerage strategy meetings, etc., and actively publicized the Company's strategic positioning, development

policy and operation results. In 2023, 78 batches of on-site research and teleconferences were received, with 640 institutional investors and 765 person-times. The Company participated in 37 brokerage strategy meetings, 496 one-to-many exchanges, 546 exchanges. The transparency of company operations has been enhanced, and the legitimate rights and interests of investors, especially small and medium-sized investors, have been protected.

No.	Time of reception	Way of reception	Host (shareholder)	Number of visitors (Person-time)
1	2023.1.11	Brokerage strategy meeting	3 institutions such as BofA Securities	3
2	2023.1.16 (9:50-10:50 a.m.)	Tele-conference	22 institutions such as Industrial Securities, Minsheng Royal Fund and ICBC Credit Suisse Asset	24
3	2023.1.16 (11:00-12:00 a.m.)	Tele-conference	Aegon Standard Life, J.P. Morgan	2
4	2023.1.17 morning	Tele-conference	23 institutions such as Huatai Securities, E Fund and Fullgoal Fund	25
5	2023.1.17 afternoon	On-site meeting	Changjiang Securities, China Southern Fund	2
6	2023.1.18 afternoon	Tele-conference	12 institutions such as Essence Securities, China Universal Asset, China Life Asset Management	14
7	2023.2.8 morning	On-site meeting	9 institutions such as Changjiang Securities, Shanghai Securities and AVIVA-COFCO Life Insurance	12
8	2023.2.8 (13:30-14:30)	Brokerage strategy meeting	28 institutions such as Minsheng Securities	31
9	2023.2.8 (16:00-17:30)	On-site meeting	10 institutions such as GF Securities, Guohua Insurance Asset Management, Dongfanghong Fund	12
10	2023.2.13 afternoon	Tele-conference	UBS Securities, Millennium	2
11	2023.2.14 morning	On-site meeting	Galaxy securities	1
12	2023.2.14 afternoon	On-site meeting	Huaan Securities	2
13	2023.2.15 morning	On-site meeting	10 institutions such as China Securities, Zhonggong Fund, Foresight Fund	11
14	2023.2.15 afternoon	On-site meeting	Huatai Securities, BlackRock Fund, ICBC-AXA, ZKI, Lian Life Insurance, ZTCAPITAL	7
15	2023.2.16 morning	On-site meeting	18 institutions such as Shenwan Hongyuan Securities, China Asset and Dacheng Fund	22
16	2023.2.16 afternoon	On-site meeting	Guotai Junan Securities, Industrial Securities Asset Management	4
17	2023.2.17 morning	On-site meeting	Donghai Securities	2
18	2023.2.20 afternoon	On-site meeting	Zheshang Securities, Tianhong Fund, Bosc Asset, Hengyue Fund	7
19	2023.2.21 afternoon	On-site meeting	Guosen Securities, Penghua Fund, CCB Wealth Management	3
20	2023.2.22 morning	On-site meeting	Soochow Securities	2
21	2023.2.22 (15:30-16:30)	Brokerage strategy meeting	28 institutions such as China Merchants Securities	32

22	2023.2.22 (16:30-17:30)	Brokerage strategy meeting	24 institutions such as Zheshang Securities	27
23	2023.2.27 afternoon	On-site meeting	Zhongtai Securities, Co-power	3
24	2023.2.28 afternoon	On-site meeting	Citibank	1
25	2023.3.1 morning	On-site meeting	Fullgoal Fund, Guosheng Securities	5
26	2023.3.2 afternoon	On-site meeting	Minsheng Securities, Gfund	3
27	2023.3.27 afternoon	Tele- conference	19 institutions such as Huatai Securities, E Fund and China Merchants Fund	22
28	2023.3.28 morning	On-site meeting	Essence Securities, Bosera Fund, Guoren P&C	4
29	2023.3.28 afternoon	Tele- conference	49 institutions such as GF Securities, Hua An Funds and Ping An Fund	54
30	2023.3.30 morning	Tele- conference	Neuberger Berman, UBS Securities	2
31	2023.4.3 morning	On-site meeting	Abu Dhabi Investment Authority	1
32	2023.4.6 afternoon	Tele- conference	J.P. Morgan, MLP	3
33	2023.4.26 morning	On-site meeting	80 institutions such as Zheshang Securities, Guosen Securities and Minsheng Royal Fund	101
34	2023.4.26 afternoon	Brokerage strategy meeting	5 institutions such as Zhongtai Securities	6
35	2023.4.28 morning	On-site meeting	E Fund, Guosen Securities	2
36	2023.5.9 morning	On-site meeting	HSBC Securities, Bank of Thailand, Neuberger Berman, Pengyang Fund, Taikang Asset	5
37	2023.5.11 afternoon	Brokerage strategy meeting	9 institutions including Cinda Securities	9
38	2023.5.12 morning	On-site meeting	Chengdu Wufuyuan Investment, Zhejiang Kaifeng Private Equity Fund	5
39	2023.5.17 afternoon	Brokerage strategy meeting	45 institutions such as Tianfeng Securities	45
40	2023.5.18 afternoon	On-site meeting	China Merchants Fund, Hua An Funds, Dongcai Fund, Industrial Securities	5
41	2023.5.24 morning	Tele- conference	BofA Securities	3
42	2023.5.24 afternoon	Brokerage strategy meeting	33 institutions such as Zheshang Securities	34
43	2023.5.25 afternoon	Brokerage strategy meeting	35 institutions such as GF Securities	39
44	2023.5.26 afternoon	On-site meeting	35 institutions such as Soochow Securities, Huatai Securities and E Fund	40
45	2023.5.30 morning	Tele- conference	38 institutions such as Hotland Innovation Asset, BOCI Securities, Mingya Fund	42
46	2023.5.31 afternoon	Brokerage strategy meeting	5 institutions such as CITIC Securities	6

47	2023.6.1 (13:00-14:00)	Brokerage strategy meeting	10 institutions such as Huatai Securities	11
48	2023.6.1 (14:30-15:30)	Brokerage strategy meeting	8 institutions such as China Merchants Securities	10
49	2023.6.1 (16:00-16:50)	Brokerage strategy meeting	4 institutions such as J.P. Morgan	4
50	2023.6.2 morning	On-site meeting	Shenwan Hongyuan Securities, China Universal Asset, China Post, PICC	6
51	2023.6.7 afternoon	Brokerage strategy meeting	4 institutions such as Essence Securities	6
52	2023.6.14 morning	On-site meeting	Guosheng Securities, TruValue Asset	4
53	2023.6.14 afternoon	Brokerage strategy meeting	14 institutions including CICC	16
54	2023.6.15 morning	On-site meeting	Minsheng Royal Fund, Northeast Securities	3
55	2023.6.15 afternoon	On-site meeting	Taikang Asset, Taikang Fund, Ruiquan Capital, Jing'an Investment, Huachuang Securities	6
56	2023.6.19 afternoon	On-site meeting	Ping An Securities	2
57	2023.6.28 (12:00-13:00)	Brokerage strategy meeting	10 institutions such as Industrial Securities	10
58	2023.6.28 (13:30-14:30)	Brokerage strategy meeting	15 institutions such as Minsheng Securities	15
59	2023.6.28 (15:30-16:30)	Brokerage strategy meeting	4 institutions such as Huachuang Securities	5
60	2023.7.5 afternoon	On-site meeting	China Securities, Perseverance Asset, China Everwin Asset, China Post Fund, INFORE CAPITAL	5
61	2023.7.6 afternoon	Brokerage strategy meeting	15 institutions such as Shenwan Hongyuan Securities	16
62	2023.7.18 afternoon	Tele-conference	11 institutions such as BofA Securities, Allianz Global Investors and Goldman Sachs Asset Management	11
63	2023.7.19 morning	On-site meeting	7 institutions such as GF Securities, Shenwan Hongyuan Securities, Taikang Asset	8
64	2023.7.19 afternoon	On-site meeting	Huatai Securities, GF Fund, ICBC-AXA	3
65	2023.7.20 (9:30-10:30 a.m)	On-site meeting	Guosen Securities, Essence Fund	3
66	2023.7.20 (10:30-12:00 a.m)	On-site meeting	HSBC Securities	1
67	2023.8.28 (9:30-10:30 a.m)	Tele-conference	26 institutions such as Guosheng Securities, Sunshine Asset and GH SHINING ASSET	26
68	2023.8.28 afternoon (15:00-16:00)	Tele-conference	15 institutions such as Industrial Securities, Rongtong Fund and GuoHua Life Insurance	17
69	2023.8.28 afternoon (16:30-17:30)	Tele-conference	10 institutions such as Huatai Securities, Hua An Funds, Harvest Fund and Harvest Fund	11

70	2023.9.1 morning	Brokerage strategy meeting	5 institutions such as Zheshang Securities	8
71	2023.9.1 afternoon (13:30-14:30)	Brokerage strategy meeting	2 institutions such as Orient Securities	2
72	2023.9.1 afternoon (15:30-16:30)	Brokerage strategy meeting	14 institutions such as GF Securities	16
73	2023.9.5 morning	Brokerage strategy meeting	7 institutions such as UBS Securities	11
74	2023.9.5 afternoon	Tele- conference	28 institutions such as CICC, ICBC Credit Suisse Asset and Yimu Fund	32
75	2023.9.6 afternoon (13:00-14:00)	Brokerage strategy meeting	13 institutions such as Haitong Securities	14
76	2023.9.6 afternoon (15:10-15:55)	Brokerage strategy meeting	1 institution, namely Huafu Securities	2
77	2023.9.6 afternoon (16:30-17:30)	Brokerage strategy meeting	12 institutions such as Kaiyuan Securities	15
78	2023.9.8 afternoon	On-site meeting	Shenwan Hongyuan Securities, BOCIM, Minsheng Royal Fund, China Future Capital	6
79	2023.9.12 morning	On-site meeting	Citibank	1
80	2023.9.13 morning	On-site meeting	Huatai Securities, China Southern Fund, Ping An Asset	3
81	2023.9.14 morning	Tele- conference	4 institutions such as BofA Securities	5
82	2023.9.15 afternoon	Brokerage strategy meeting	9 institutions such as Zhongtai Securities	9
83	2023.9.21 afternoon (14:00-15:00)	On-site meeting	Ping An Securities	2
84	2023.9.21 afternoon (16:00-17:00)	Tele- conference	19 institutions such as Guotai Junan, Sunshine Asset Management and China Merchants Fund	20
85	2023.9.25 afternoon	On-site meeting	GuoHua Life Insurance	1
86	2023.9.26 morning	On-site meeting	CCB Principal Asset, Capital Asset Management, Taikang Asset, Kaiyuan Securities, SWS MU	8
87	2023.9.26 afternoon (14:00-14:30)	Tele- conference	point72	1
88	2023.9.26 afternoon (17:00-17:30)	Tele- conference	Millennium	1
89	2023.9.27 afternoon	Tele- conference	Shenwan Hongyuan Securities, Great Wall Fund	4
90	2023.10.12 afternoon	Tele- conference	Citibank	1
91	2023.10.18 morning	Brokerage strategy meeting	13 institutions including Minsheng Securities	13
92	2023.10.27 morning	Tele- conference	35 institutions such as Changjiang Securities, Green Fund, China Nature Fund	36

93	2023.10.27 afternoon	Tele- conference	35 institutions such as CITIC Securities, China Universal Asset and Fullgoal Fund	36
94	2023.10.30 afternoon	Tele- conference	10 institutions such as Huatai Securities, China Asset and Penghua Fund	11
95	2023.11.1 morning	Brokerage strategy meeting	29 institutions such as Zheshang Securities	32
96	2023.11.1 (13:30-15:20)	Brokerage strategy meeting	13 institutions such as Huafu Securities	13
97	2023.11.1 (15:30-16:30)	Tele- conference	Fullerton Fund, CICC	4
98	2023.11.3 afternoon	On-site meeting	Huatai Securities, China Universal Asset	2
99	2023.11.8 morning	Brokerage strategy meeting	4 institutions such as Citibank	4
100	2023.11.8 afternoon	Brokerage strategy meeting	8 institutions such as Kaiyuan Securities	8
101	2023.11.9 afternoon	Brokerage strategy meeting	4 institutions such as Citibank	5
102	2023.11.14 morning	On-site meeting	ICBC Credit Suisse	4
103	2023.11.14 (13:30-15:00)	On-site meeting	China Post Insurance	3
104	2023.11.14 (15:00-16:00)	On-site meeting	China Merchants Fund	1
105	2023.11.15 morning	On-site meeting	Harvest Fund	5
106	2023.11.15 afternoon	Brokerage strategy meeting	23 institutions such as CICC	26
107	2023.11.16 morning	Tele- conference	Goldman	5
108	2023.11.28 morning	On-site meeting	China Merchants Securities	3
109	2023.11.29 morning	On-site meeting	Huatai Securities, Penghua Fund	2
110	2023.11.30 morning	Tele- conference	Franklin Templeton Sealand	2
111	2023.12.6 (14:30-15:30)	Brokerage strategy meeting	10 institutions such as China Securities	11
112	2023.12.6 (16:00-17:00)	Brokerage strategy meeting	4 institutions such as Essence Securities	5
113	2023.12.19 morning	Tele- conference	CLSA	3
114	2023.12.21 afternoon	Brokerage strategy meeting	25 institutions such as Industrial Securities	27
115	2023.12.25 morning	Tele- conference	Dacheng Fund	2

(VII) Information about insiders

In order to further regulate the trading of the Company's shares and its derivatives by insiders of the Company, the Company formulated the Insider Management System, which was considered and approved at the 23rd Meeting of the Fifth Board of Directors.

In the reporting period, the Company registered and managed insiders in strict accordance with the Management System for Insiders, and did not find any violation of the system in respect of matters involving material matters, financial changes and other matters affecting the prices of shares and their derivatives.

II. Performance of Duties by Directors

Director Name	Independent director or not	Attendance at the meetings of the Board of Directors					Attendance at Shareholders' Meeting
		Number of the meetings of the Board of Directors that should be attended this year	Attendances in person	Attendances by proxy	Number of absences	Presence by proxy for two consecutive times or not	Number of attendances at the Shareholders' Meeting
Zhuang Guangqiang	No	4	4	0	0	No	2
Xue Wen	No	7	7	0	0	No	2
Sun Ming	No	7	7	0	0	No	3
Meng Shihe	No	6	5	1	0	No	0
Yang Yuguang	No	6	3	3	0	Yes	0
Nie Yuhui	No	6	4	2	0	No	0
Wang Chunhua	No	7	7	0	0	No	1
Zhu Qinbao	No	7	7	0	0	No	1
Jiang Jiansheng	Yes	2	2	0	0	No	0
Zhang Helian	Yes	2	2	0	0	No	0
Yuan Xiuguo	Yes	2	2	0	0	No	0
Wu Minyan	Yes	2	2	0	0	No	0
Cai Zexiang	Yes	7	7	0	0	No	2
Fan Jingwu	Yes	5	4	1	0	No	1
Pang Ling	Yes	5	5	0	0	No	1
Zhou Yueshu	Yes	5	5	0	0	No	1
Zhou Mei	Yes	5	5	0	0	No	1
Number of the meetings of the Board of Directors that should be held this year		7					
Including: Number of on-site meetings		7					
Frequency of meetings held in communication mode		0					
Frequency of on-site meetings held in communication mode		0					

III. Establishment and implementation of assessment system for officers and incentive system during the reporting period

The Company strengthened the performance assessment of officers, further implemented and conducted the Company's strategic development objectives and tasks through performance management, and ensured that the Company's short-term interests were consistent with its long-term interests.

IV. Construction and implementation of internal control system during the reporting period

For details, please refer to the Internal Control Evaluation Report of Jiangsu Changshu Rural Commercial Bank Co., Ltd. in 2023 disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on March 22, 2024.

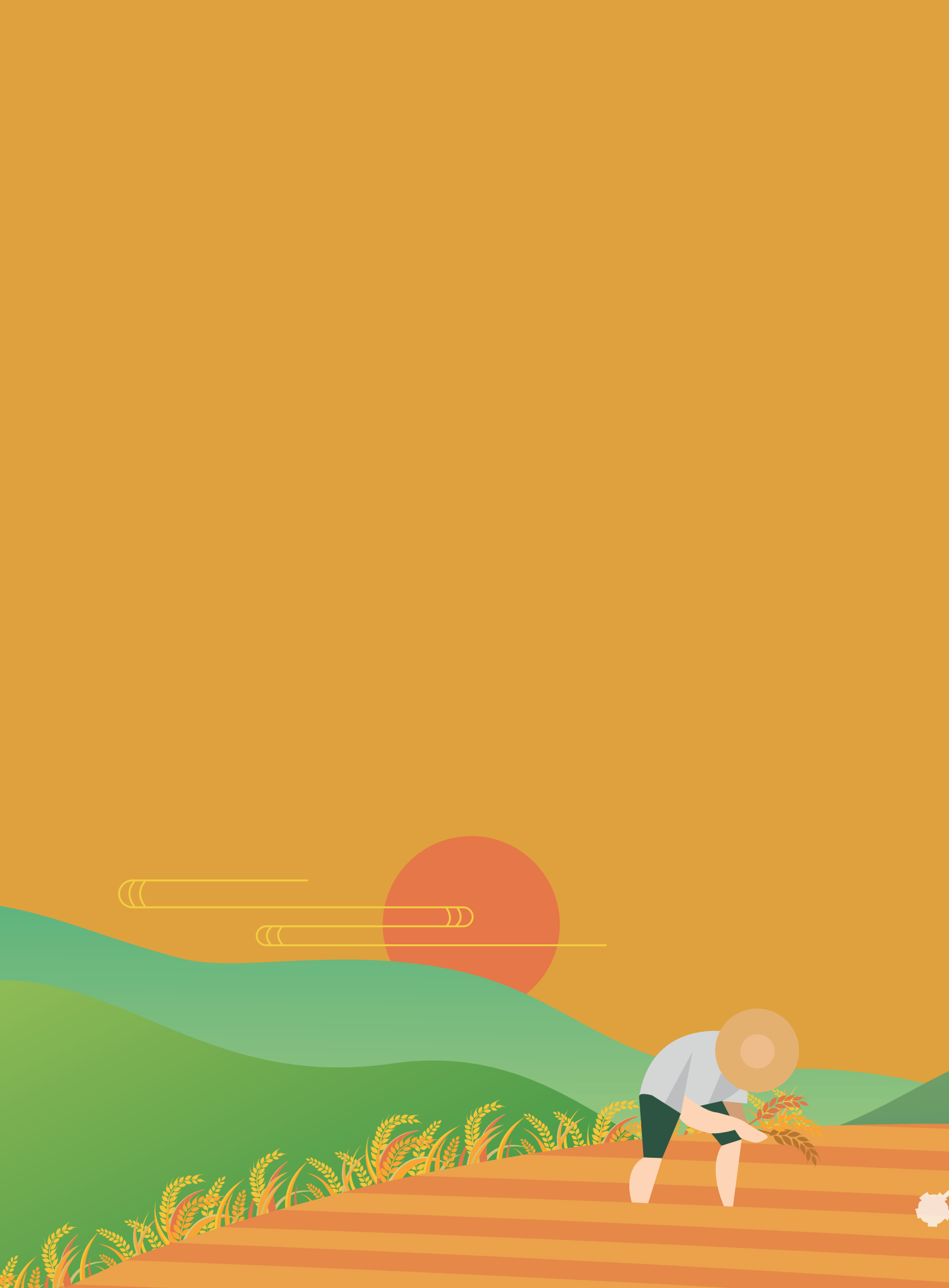
V. Description of relevant information of internal control audit report

The Bank engaged Deloitte Hua Yong CPA Firm (Special General Partnership) to conduct an audit on the effectiveness of the Bank's internal control over financial reporting and is of the opinion that the Bank has maintained effective internal control over financial reporting in all material respects as at December 31, 2023 in accordance with the Basic Standards for Enterprise Internal Control and relevant regulations.

Has the Company disclosed the internal control audit report: Yes

Type of opinion in internal control audit report: Standard unqualified opinion





04

Financial Reports

Audit Report
Financial statements



Financial Reports

DSB(S)Z(24) No. P02380

All shareholders of Jiangsu Changshu Rural Commercial Bank Co., Ltd.:

I. Audit Opinions

We have audited the financial statements of Jiangsu Changshu Rural Commercial Bank Co., Ltd. (the "Bank") and its subsidiaries (the "Group"), which comprise the consolidated and the bank's balance sheets as of December 31, 2023, the consolidated and the bank's income statements, the consolidated and the bank's cash flow statements, the consolidated and the bank's statements of changes in shareholder's equity for the year 2023 and notes to the financial statements.

In our opinion, the attached financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises in all material aspects, fairly reflecting your Group's consolidated financial conditions as of December 31, 2023 and consolidated business performance and cash flows of 2023.

II. Basis for the opinion

We have carried out audit in accordance with provisions of the Auditing Standards for Chinese Certified Public Accountants. The "CPA's Responsibility for Auditing Financial Statements" section in the audit report further explains our responsibilities under those standards. According to the Code of Ethics for Certified Public Accountants of China, we are independent from the Group and have fulfilled other responsibilities in terms of the professional ethics. We believe that the audit evidence received by us is adequate and appropriate, which provides basis for offering audit opinions.

III. Key Audit Matters

Key audit matters	How did we handle these key audit matters?
<p>Provision for expected credit losses on loans and advances issued at amortized cost</p> <p>We identified the provision for expected credit losses on loans and advances issued at amortized cost as a key audit matter due to the significance of the balance of loans and advances issued at amortized cost to the financial statements and the significant accounting judgments and estimates applied by management in measuring the provision for expected credit losses using the expected credit loss model by your Group.</p> <p>As disclosed in Note VIII (6) to the financial statements – loans and advances, as of December 31, 2023, the Group's total loans and advances measured at amortized cost and accrued interest amounted to RMB 206,216,230,000 and the related expected credit loss provision amounted to RMB 8,838,710,000.</p> <p>Significant accounting judgments and estimates applied by management in the ECL accrual process include: model design and application, whether there is a significant increase in credit risk, whether impairment events have occurred, input parameters of the ECL model and determination of forward-looking information.</p> <p>Significant accounting policies, significant judgments and accounting estimates used in determining the provision for expected credit losses on loans and advances to customers measured at amortized cost are set out in notes III, 8 and IV to the financial statements.</p>	<p>The audit procedures relating to the provision for expected credit losses on loans and advances issued at amortized cost mainly include:</p> <p>(1) We have understood, evaluated and tested internal controls relating to provision for expected credit loss. These controls mainly include optimization and review of expected credit loss models, control of data input to expected credit loss models, control of expected credit loss calculations, identification of significant increases in credit risk and control related to impaired events, etc.</p> <p>(2) We evaluated the methodology of the ECL model with the assistance of our in-house credit risk modeling experts, reviewed relevant documents and assessed the suitability and reasonableness of the ECL model. At the same time, the key definitions, parameters and assumptions of the ECL model were evaluated, including probability of default, loss given default, exposure to default and forward-looking information.</p> <p>(3) We performed credit reviews on selected samples to assess the reasonableness of significant judgments such as whether credit risk has increased significantly and whether impairment events have occurred. We also checked the ECL model input data on a sample basis to evaluate the completeness and accuracy of the data inputs; and reviewed the calculations associated with the ECL model. Among them, for loans and advances classified as Stage 3 measured at amortized cost, we tested management's estimates of future cash flows of relevant borrowers, including the estimated recoverable amount of collateral, the financial position of guarantors and guarantee willingness, etc., on a sample basis, to assess whether there is material misstatement of the amount of provision for credit losses.</p>

Key audit matters are those which we consider to be the most important for the audit of the current financial statements based on our professional judgment. Those matters are handled in the context that we audit the financial statements as a whole and form an audit opinion, and we do not express a separate opinion on these matters. We identify the following as key audit issues that need to be communicated in the audit report.

IV. Other Information

Management is responsible for other information. Other information includes those covered by Annual Report 2023 but excludes financial statements and our audit report.

Our audit opinion on financial statements does not include other information, and no authentication conclusion on other information has been made by us in any form.

Our responsibility is to read such other information together with our audit of financial statements. In this process, we consider whether there is any material inconsistency or other material misstatement between other information and the financial statements or what we have learned during the audit process.

If we determine that there is a material misstatement in such other information based on the work we have performed, we should report such material misstatement. In this regard, we have nothing to report.

V. Responsibilities of the Management and the Governance for the Financial Statements

The Management is responsible for preparing the financial statements in accordance with the Accounting Standards for Business Enterprises to realize fair presentation, and designing, implementing and maintaining necessary internal control to ensure that the Financial Statements are free from material misstatement due to fraud or error.

In the preparation of financial statements, the management is responsible for evaluating your Group's operation capacity on a going concern, disclosing matters related to operation on a going concern (if applicable), and applying the going-concern assumption, unless the plan is made to carry out liquidation, termination of operations, or there is no other realistic options.

The Governance is responsible for supervising the Group's financial reporting process.

VI. Responsibilities of Certified Public Accountants for the Audit of Financial Statements

Our goal is to obtain reasonable assurance as to whether the entire financial statements are free from any material misstatement due to frauds or errors, and to issue an audit report containing audit opinions. The reasonable assurance is a high level of assurance, but it does not guarantee that the audit conducted in accordance with the auditing standards can always identify all material misstatements. Misstatement may be

caused by frauds or errors. And it is generally considered that the misstatement is significant if it is reasonably expected that the misstatement alone or aggregated may affect the economic decision made by the financial statement users based on the financial statements.

In the course of carrying out audit work in accordance with the auditing standards, we use professional judgment and maintain professional suspicion. At the same time, we also perform the following tasks:

(1) Identify and assess risks of material misstatement of financial statements due to frauds or errors, design and implement audit procedures to address these risks, and obtain adequate and appropriate audit evidence as basis for expressing audit opinions. Since frauds may involve collusion, falsification, intentional omission, misrepresentation or override of internal controls, the risk of failing to identify a material misstatement due to frauds is higher than that of failing to identify a material misstatement due to errors.

(2) Understand internal control related to audit so as to design proper audit procedures.

(3) Evaluate the appropriateness of the accounting policy selected by the Management and the rationality of making accounting estimates and relevant disclosures.

(4) Draw conclusions on the appropriateness of going concern assumption used by the Management. Meanwhile, based on the audit evidence obtained, we could draw conclusions on whether there are material uncertainties in matters or circumstances that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we then are required by the auditing standards to remind the users of financial statements in the audit report to pay attention to relevant information disclosures in the financial statements. Our conclusions are based on the information available as of the date of the audit report. However, future events or conditions may cause the Group to cease to continue as a going concern.

(5) Evaluate the overall presentation (including disclosure), structure and content of the financial statements, and assess whether the financial statements can fairly reflect relevant transactions and matters.

(6) Obtain sufficient and appropriate audit evidence relating to the financial information of the Group's entity or business activities to provide our audit opinions on the financial statements. We are responsible for guiding, supervising and implementing the group audit, and taking full responsibility for the audit opinion.

We communicate with the Governance on the planned audit scope, timing, and major audit findings, including communication on the noteworthy internal control deficiencies that we have identified during the audit.

We also provided a statement to Those Charged with Governance on compliance with ethical requirements related to independence and communicated with Those Charged with Governance on all relationships and other matters that may be reasonably expected to affect our independence, as well as related precautionary measures (if applicable).

From the matters on which we communicate with the Governance, we determine which matters are the most important for the audit of the financial statements for the current period and thus constitute the key audit matters. We describe these matters in the Audit Report, and unless laws and regulations prohibit the public disclosure of these matters or in rare cases, if it is reasonably expected that the negative consequence of communicating certain matters in the Audit Report will outweigh the benefits in the public interest, we determine that such matters shall not be communicated in the Audit Report.

Deloitte Hua Yong CPA Firm (Special General Partnership)
China Shanghai

Chinese CPA: Wu Lingzhi
(Project Partner)

Chinese CPA: Zhu Lina
March 21, 2024

Financial statements

Consolidated Balance Sheet December 31, 2023

Prepared by: Jiangsu Changshu Rural Commercial Bank Co., Ltd.

Unit: RMB'000

Item	December 31, 2023	December 31, 2022
Assets:		
Cash and balances with central bank	19,345,642	16,954,085
Amounts due from banks	2,653,210	2,570,832
Loans to banks and other financial institutions	3,249,822	3,640,092
Derivative financial assets	207,959	188,562
Financial assets purchased under resale agreements	-	100,007
Loans and advances to customers	214,226,530	185,626,290
Financial investment:		
Trading financial assets	13,928,540	12,130,960
Debt investment	48,694,140	42,175,213
Other debt investment	24,175,402	17,425,680
Investment in other equity instruments	631,847	760,344
Long-term equity investment	1,598,780	1,508,161
Fixed assets	1,482,928	1,252,895
Construction in progress	356,697	350,830
Right-of-use assets	286,840	319,933
Intangible assets	297,446	293,152
Goodwill	9,440	9,440
Deferred income tax assets	2,208,963	1,936,878
Other assets	1,102,244	638,020
Total assets	334,456,430	287,881,374
Liabilities:		
Borrowings from central bank	8,176,140	7,546,431
Deposits in other banks and other financial institutions	1,193,691	890,016
Loans from banks and other financial institutions	9,371,201	6,659,739
Trading financial liabilities	3,976,572	1,725,741
Derivative financial liabilities	194,738	218,256
Financial assets sold under repurchase agreements	12,253,382	9,251,207
Receipt of deposits	254,452,879	219,182,495
Payroll payable	517,103	464,441
Taxes payable	333,928	464,243
Estimated liabilities	166,858	100,531
Bonds payable	12,357,440	14,766,793
Lease liabilities	264,876	291,869
Other liabilities	4,066,686	2,203,946
Total liabilities	307,325,494	263,765,708
Shareholder's equity:		
Share capital	2,740,883	2,740,856
Other equity instruments	719,671	719,697
Capital reserve	3,251,187	3,249,584
Other comprehensive income	624,116	443,168
Surplus reserve	4,619,273	4,619,273
General risk provision	4,141,277	4,141,277
Undistributed profits	9,260,000	6,663,718
Total shareholder's equity attributable to the parent company	25,356,407	22,577,573
Minority equity	1,774,529	1,538,093
Total shareholders' equity	27,130,936	24,115,666
Total liabilities and shareholders' equity	334,456,430	287,881,374

Head of the company: Xue Wen

Accountant in charge: Wu Tiejun

Head of accounting organization: Fan Libin

Balance Sheet of the Parent Company
December 31, 2023

Prepared by: Jiangsu Changshu Rural Commercial Bank Co., Ltd.

Unit: RMB'000

Item	December 31, 2023	December 31, 2022
Assets:		
Cash and balances with central bank	12,129,621	11,976,967
Amounts due from banks	4,191,774	4,826,833
Loans to banks and other financial institutions	3,249,822	3,640,092
Derivative financial assets	207,959	188,562
Financial assets purchased under resale agreements	-	100,007
Loans and advances to customers	173,779,954	151,007,291
Financial investment:		
Trading financial assets	13,928,540	12,130,960
Debt investment	48,694,140	42,175,213
Other debt investment	24,175,402	17,425,680
Investment in other equity instruments	631,847	760,344
Long-term equity investment	3,175,622	2,860,003
Fixed assets	1,166,259	945,251
Construction in progress	265,337	262,717
Right-of-use assets	114,313	157,476
Intangible assets	292,020	285,330
Deferred income tax assets	1,871,076	1,713,706
Other assets	665,200	386,900
Total assets	288,538,886	250,843,332
Liabilities:		
Borrowings from central bank	7,732,286	6,871,581
Deposits in other banks and other financial institutions	4,726,007	4,250,202
Loans from banks and other financial institutions	9,371,201	6,659,739
Trading financial liabilities	3,976,572	1,725,741
Derivative financial liabilities	194,738	218,256
Financial assets sold under repurchase agreements	12,253,382	9,251,207
Receipt of deposits	209,079,816	182,491,639
Payroll payable	279,572	190,681
Taxes payable	189,977	353,291
Estimated liabilities	165,900	100,378
Bonds payable	12,357,440	14,766,793
Lease liabilities	99,545	140,495
Other liabilities	3,861,762	2,102,605
Total liabilities	264,288,198	229,122,608
Shareholder's equity:		
Share capital	2,740,883	2,740,856
Other equity instruments	719,671	719,697
Capital reserve	3,249,035	3,248,839
Other comprehensive income	624,116	443,168
Surplus reserve	4,619,273	4,619,273
General risk provision	4,141,277	4,141,277
Undistributed profits	8,156,433	5,807,614
Total shareholders' equity	24,250,688	21,720,724
Total liabilities and shareholders' equity	288,538,886	250,843,332

Head of the Company: Xue Wen Accountant in charge: Wu Tiejun Head of accounting organization: Fan Libin

Consolidated Income Statement
January–December 2023

Prepared by: Jiangsu Changshu Rural Commercial Bank Co., Ltd.

Unit: RMB'000

Item	Year 2023	Year 2022
I. Gross operating revenue	9,870,291	8,808,734
Interest income – net	8,501,339	7,611,468
Interest income	15,069,376	13,232,723
Interest expenses	6,568,037	5,621,255
Net income from service charge and commission	32,244	187,943
Service charge and commission income	270,115	389,461
Service charge and commission expenditure	237,871	201,518
Investment income (loss expressed with “-”)	957,470	978,024
Including: Return on investment in associates and joint ventures	92,006	86,616
Income from derecognition of financial assets measured at amortized cost (loss expressed with “-”)	22,145	84,832
Other income	30,025	13,214
Gains from changes in fair value (loss expressed with “-”)	331,695	-134,869
Exchange gains (loss expressed with “-”)	-35,541	124,614
Income from other businesses	32,336	15,330
Income from asset disposal (loss expressed with “-”)	20,723	13,010
II. Total operating expenses	5,817,407	5,445,128
Taxes and surcharges	53,005	47,014
Business and overhead expenses	3,639,208	3,398,245
Credit impairment loss	2,124,306	1,973,225
Other asset impairment losses	888	26,644
III. Operating profit (loss expressed with “-”)	4,052,884	3,363,606
Add: Non-operating revenue	21,472	20,164
Less: Non-operating expenses	27,502	19,916
IV. Total profit (total loss expressed with “-”)	4,046,854	3,363,854
Less: Income tax expenses	539,622	436,966
V. Net profit (net loss expressed with “-”)	3,507,232	2,926,888
(I) Classification by operation continuity:		
1. Net profit from continuing operations (net loss expressed with “-”)	3,507,232	2,926,888
2. Net profit from discontinued operations (net loss expressed with “-”)	-	-
(II) Classified by ownership		
1. Net profit attributable to shareholders of the parent company (net loss expressed with “-”)	3,281,502	2,743,731
2. Minority interest income (net loss expressed with “-”)	225,730	183,157
VI. After-tax net amount of other comprehensive income	180,948	-129,244
After-tax net amount of other comprehensive income attributable to shareholders of the parent company	180,948	-129,244
(I) Other comprehensive income that cannot be reclassified into profit or loss	-96,374	-33,356
1. Changes in fair value of other equity instruments	-96,374	-33,356
(II) Other comprehensive income to be reclassified into profit or loss	277,322	-95,888
1. Other comprehensive income transferable to profit or loss under equity method	19,451	-6,050
2. Changes in fair value of financial assets measured at fair value through other comprehensive income	83,707	-70,877
3. Provision for credit losses on financial assets measured at fair value through other comprehensive income	174,164	-18,961
After-tax net amount of other comprehensive income attributable to minority shareholders	-	-
VII. Total comprehensive income	3,688,180	2,797,644
Total comprehensive income attributable to shareholders of the parent company	3,462,450	2,614,487
Total comprehensive income attributable to minority shareholders	225,730	183,157
VIII. Earnings per share		
(I) Basic earnings per share (RMB/share)	1.20	1.00
(II) Diluted earnings per share (RMB/share)	0.98	0.94

Head of the company: Xue Wen

Accountant in charge: Wu Tiejun

Head of accounting organization: Fan Libin

**Income Statement of the Parent Company
January–December 2023**

Prepared by: Jiangsu Changshu Rural Commercial Bank Co., Ltd.

Unit: RMB'000

Item	Year 2023	Year 2022
I. Gross operating revenue	7,561,666	6,859,664
Interest income – net	6,222,077	5,679,910
Interest income	11,918,631	10,612,821
Interest expenses	5,696,554	4,932,911
Net income from service charge and commission	49,701	201,385
Service charge and commission income	262,320	381,896
Service charge and commission expenditure	212,619	180,511
Investment income (loss expressed with “-”)	935,829	957,030
Including: Return on investment in associates and joint ventures	92,006	86,504
Income from derecognition of financial assets measured at amortized cost (loss expressed with “-”)	22,145	84,832
Other income	5,911	3,099
Gains from changes in fair value (loss expressed with “-”)	331,695	-134,869
Exchange gains (loss expressed with “-”)	-35,541	124,614
Income from other businesses	32,213	15,330
Income from asset disposal (loss expressed with “-”)	19,781	13,165
II. Total operating expenses	4,118,690	4,015,137
Taxes and surcharges	43,529	38,298
Business and overhead expenses	2,600,928	2,434,887
Credit impairment loss	1,474,233	1,519,359
Other asset impairment losses	-	22,593
III. Operating profit (loss expressed with “-”)	3,442,976	2,844,527
Add: Non–operating revenue	21,002	13,762
Less: Non–operating expenses	15,638	13,848
IV. Total profit (total loss expressed with “-”)	3,448,340	2,844,441
Less: Income tax expenses	414,301	331,997
V. Net profit (net loss expressed with “-”)	3,034,039	2,512,444
(i) Net profit from continuing operations (net loss expressed with “-”)	3,034,039	2,512,444
(II) Net profit from discontinued operation (net loss expressed with “-”)	-	-
VI. After–tax net amount of other comprehensive income	180,948	-129,244
(I) Other comprehensive income that cannot be reclassified into profit or loss	-96,374	-33,356
1. Changes in fair value of other equity instruments	-96,374	-33,356
(II) Other comprehensive income to be reclassified into profit or loss	277,322	-95,888
1. Other comprehensive income transferable to profit or loss under equity method	19,451	-6,050
2. Changes in fair value of financial assets measured at fair value through other comprehensive income	83,707	-70,877
3. Provision for credit losses on financial assets measured at fair value through other comprehensive income	174,164	-18,961
VII. Total comprehensive income	3,214,987	2,383,200

Head of the Company: Xue Wen

Accountant in charge: Wu Tiejun

Head of accounting organization: Fan Libin

Consolidated Cash Flow Statement
January–December 2023

Prepared by: Jiangsu Changshu Rural Commercial Bank Co., Ltd.

Unit: RMB'000

Item	Year 2023	Year 2022
I. Cash flows from operating activities:		
Net increase in customer deposits and due to banks and other financial institutions	34,802,959	28,623,601
Net increase in borrowings from central bank	629,480	937,446
Net decrease of deposits with central bank and other financial institutions	-	58,584
Net increase in loans from banks and other financial institutions	2,704,364	3,845,887
Net decrease in placements with banks and other financial institutions	144,704	1,408,531
Net decrease in financial assets held for trading	229,016	1,506,506
Net increase in repurchase business capital	3,001,307	1,772,671
Cash received for interests, service charges and commissions	15,582,222	13,606,675
Cash received from other operating activities	1,185,915	173,327
Subtotal of cash inflows from operating activities	58,279,967	51,933,228
Net increase in loans and advances to customers	30,216,678	30,965,160
Net increase in deposits with central bank and other financial institutions	1,543,089	-
Cash paid for interests, service charges, and commissions	5,877,794	4,476,694
Cash paid to and for employees	2,235,395	2,122,270
Tax payments	1,257,993	1,006,872
Cash paid for other operating activities	779,562	208,648
Subtotal of cash outflows from operating activities	41,910,511	38,779,644
Net cash flow from operating activities	16,369,456	13,153,584
II. Cash flows from investing activities:		
Cash received from disinvestment	73,794,966	43,478,229
Cash received from investment income	903,002	915,691
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	47,804	115,705
Cash received from other investing activities	-	48,086
Subtotal of cash inflows from investing activities	74,745,772	44,557,711
Cash paid for investment	86,475,011	56,136,524
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	514,614	571,370
Subtotal of cash outflows from investing activities	86,989,625	56,707,894
Net cash flows from investing activities	-12,243,853	-12,150,183
III. Cash flows from financing activities:		
Cash received from absorption of investments	24,682	-
Including: Cash received from minority shareholder investment by subsidiaries	24,682	-
Cash received from bonds issue	19,188,909	30,438,112
Subtotal of cash inflows from financing activities	19,213,591	30,438,112
Cash paid for debt repayments	21,890,001	29,981,020
Cash to pay lease liabilities	108,347	107,118
Cash paid for distribution of dividends and profits or payment of interests	786,062	935,613
Including: Dividend and profit paid to minority shareholders by subsidiaries	13,976	10,230
Cash paid for other financing activities	-	4,527
Subtotal of cash outflows from financing activities	22,784,410	31,028,278
Net cash flows from financing activities	-3,570,819	-590,166
IV. Impact of exchange rate changes on cash and cash equivalents	-566	100,340
V. Net increase in cash and cash equivalents	554,218	513,575
Add: Balance of cash and cash equivalents at the beginning of the period	11,537,172	11,023,597
VI. Balance of cash and cash equivalents at the end of the period	12,091,390	11,537,172

Head of the company: Xue Wen

Accountant in charge: Wu Tiejun

Head of accounting organization: Fan Libin

**Cash Flow Statement of the Parent Company
January–December 2023**

Prepared by: Jiangsu Changshu Rural Commercial Bank Co., Ltd.

Unit: RMB'000

Item	Year 2023	Year 2022
I. Cash flows from operating activities:		
Net increase in customer deposits and due to banks and other financial institutions	26,574,394	22,767,947
Net increase in borrowings from central bank	860,198	1,397,074
Net decrease of deposits with central bank and other financial institutions	-	17,722
Net increase in loans from banks and other financial institutions	2,704,364	3,845,887
Net decrease in placements with banks and other financial institutions	144,704	1,408,531
Net decrease in financial assets held for trading	229,016	1,506,506
Net increase in repurchase business capital	3,001,307	1,772,671
Cash received for interests, service charges and commissions	12,898,845	10,998,039
Cash received from other operating activities	1,161,207	684,293
Subtotal of cash inflows from operating activities	47,574,035	44,398,670
Net increase in loans and advances to customers	23,792,351	24,685,416
Net increase in deposits with central bank and other financial institutions	247,637	-
Cash paid for interests, service charges, and commissions	5,756,465	4,062,001
Cash paid to and for employees	1,538,963	1,557,834
Tax payments	1,018,602	839,788
Cash paid for other operating activities	361,265	509,141
Subtotal of cash outflows from operating activities	32,715,283	31,654,180
Net cash flow from operating activities	14,858,752	12,744,490
II. Cash flows from investing activities:		
Cash received from disinvestment	73,794,966	43,478,229
Cash received from investment income	881,361	894,697
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	22,288	77,225
Subtotal of cash inflows from investing activities	74,698,615	44,450,151
Cash paid for investment	86,701,417	56,140,104
Cash paid for the purchase and construction of fixed assets, intangible assets and other long-term assets	450,555	467,878
Subtotal of cash outflows from investing activities	87,151,972	56,607,982
Net cash flows from investing activities	-12,453,357	-12,157,831
III. Cash flows from financing activities:		
Cash received from bonds issue	19,188,909	30,438,112
Subtotal of cash inflows from financing activities	19,188,909	30,438,112
Cash paid for debt repayments	21,890,001	29,981,020
Cash to pay lease liabilities	64,023	63,631
Cash paid for distribution of dividends and profits or payment of interests	772,301	925,383
Subtotal of cash outflows from financing activities	22,726,325	30,970,034
Net cash flows from financing activities	-3,537,416	-531,922
IV. Impact of exchange rate changes on cash and cash equivalents		
	-566	100,340
V. Net increase in cash and cash equivalents		
	-1,132,587	155,077
Add: Balance of cash and cash equivalents at the beginning of the period	7,757,329	7,602,252
VI. Balance of cash and cash equivalents at the end of the period		
	6,624,742	7,757,329

Head of the Company: Xue Wen Accountant in charge: Wu Tiejun Head of accounting organization: Fan Libin

**Consolidated Statement of Changes in Shareholder' s Equity
January-December 2023**

Prepared by: Jiangsu Changshu Rural Commercial Bank Co., Ltd.

Unit: RMB'000

Item	Shareholder's equity attributable to the parent company								Minority equity	Total shareholders' equity
	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Surplus reserve	General risk provision	Undistributed profits			
I. Ending balance of the prior year	2,740,856	719,697	3,249,584	443,168	4,619,273	4,141,277	6,663,718	1,538,093	24,115,666	
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	-	
Corrections of errors in the previous period	-	-	-	-	-	-	-	-	-	
Others	-	-	-	-	-	-	-	-	-	
II. Beginning balance of the current year	2,740,856	719,697	3,249,584	443,168	4,619,273	4,141,277	6,663,718	1,538,093	24,115,666	
III. Increases/decreases in the amount of the current period (decrease expressed with "-")	27	-26	1,603	180,948	-	-	2,596,282	236,436	3,015,270	
(I) Total comprehensive income	-	-	-	180,948	-	-	3,281,502	225,730	3,688,180	
(II) Shareholder's investment and capital decrease	27	-26	1,603	-	-	-	-	24,682	26,286	
1. Common stock invested by shareholders	-	-	-	-	-	-	-	26,089	26,089	
2. Capital invested by holders of other instruments	27	-26	196	-	-	-	-	-	197	
3. Amount of share-based payments recorded in shareholder's equity	-	-	-	-	-	-	-	-	-	
4. Others	-	-	1,407	-	-	-	-	-1,407	-	

Year 2023

(III) Profit distribution	-	-	-	-	-	-	-	-	-	-685,220	-13,976	-699,196
1. Withdrawal of surplus reserve	-	-	-	-	-	-	-	-	-	-	-	-
2. Appropriation of general risk reserve	-	-	-	-	-	-	-	-	-	-	-	-
3. Distribution to shareholders	-	-	-	-	-	-	-	-	-	-685,220	-13,976	-699,196
4. Others	-	-	-	-	-	-	-	-	-	-	-	-
(IV) Internal carry-forward of shareholder's equity	-	-	-	-	-	-	-	-	-	-	-	-
1. Capital reserve converted to share capital	-	-	-	-	-	-	-	-	-	-	-	-
2. Surplus reserve converted to share capital	-	-	-	-	-	-	-	-	-	-	-	-
3. Surplus reserves for making up losses	-	-	-	-	-	-	-	-	-	-	-	-
4. Changes in defined benefit plans carried forward to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
5. Other comprehensive income carried over to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-	-	-	-	-
IV. Ending balance of the year	2,740,883	719,671	3,251,187	624,116	4,619,273	4,141,277	9,260,000	1,774,529	27,130,936			

Head of the company: Xue Wen Accountant in charge: Wu Tiejun Head of accounting organization: Fan Libin

Unit: RMB'000

Item	Shareholder's equity attributable to the parent company								Minority equity	Total shareholders' equity
	Year 2022									
	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Surplus reserve	General risk provision	Undistributed profits			
I. Ending balance of the prior year	2,740,856	-	3,246,003	572,412	4,619,273	4,141,277	4,468,158	1,348,725	21,136,704	
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	-	
Corrections of errors in the previous period	-	-	-	-	-	-	-	-	-	
Others	-	-	-	-	-	-	-	-	-	
II. Beginning balance of the current year	2,740,856	-	3,246,003	572,412	4,619,273	4,141,277	4,468,158	1,348,725	21,136,704	
III. Increases/decreases in the amount of the current period (decrease expressed with “-”)	-	719,697	3,581	-129,244	-	-	2,195,560	189,368	2,978,962	
(I) Total comprehensive income	-	-	-	-129,244	-	-	2,743,731	183,157	2,797,644	
(II) Shareholder's investment and capital decrease	-	-	3,581	-	-	-	-	16,441	20,022	
1. Common stock invested by shareholders	-	-	-	-	-	-	-	-	-	
2. Capital invested by holders of other instruments	-	-	-	-	-	-	-	-	-	
3. Amount of share-based payments recorded in shareholder's equity	-	-	-	-	-	-	-	-	-	
4. Change in scope of consolidation of subsidiaries	-	-	-	-	-	-	-	20,968	20,968	

5. Others	-	-	-	-	-	-	-	-	-	-	-4,527	-946
(III) Profit distribution	-	-	-	-	-	-	-	-	-	-	-10,230	-558,401
1. Withdrawal of surplus reserve	-	-	-	-	-	-	-	-	-	-	-	-
2. Appropriation of general risk reserve	-	-	-	-	-	-	-	-	-	-	-	-
3. Distribution to shareholders	-	-	-	-	-	-	-	-	-	-	-10,230	-558,401
4. Others	-	-	-	-	-	-	-	-	-	-	-	-
(IV) Internal carry-forward of shareholder's equity	-	-	-	-	-	-	-	-	-	-	-	-
1. Capital reserve converted to share capital	-	-	-	-	-	-	-	-	-	-	-	-
2. Surplus reserve converted to share capital	-	-	-	-	-	-	-	-	-	-	-	-
3. Surplus reserves for making up losses	-	-	-	-	-	-	-	-	-	-	-	-
4. Changes in defined benefit plans carried forward to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
5. Other comprehensive income carried over to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-	-	-	-	-
(V) Others	-	-	-	-	-	-	-	-	-	-	-	719,697
1. Issuance of convertible corporate bonds	-	-	-	-	-	-	-	-	-	-	-	719,697
IV. Ending balance of the year	2,740,856	719,697	3,249,584	443,168	4,619,273	4,141,277	6,663,718	1,538,093	24,115,666			

Head of the company: Xue Wen Accountant in charge: Wu Tiejun Head of accounting organization: Fan Libin

2. Appropriation of general risk reserve	-	-	-	-	-	-	-	-	-	-	-	-
3. Distribution to shareholders	-	-	-	-	-	-	-	-	-	-	-685,220	-685,220
4. Others	-	-	-	-	-	-	-	-	-	-	-	-
(IV) Internal carry-forward of shareholder's equity	-	-	-	-	-	-	-	-	-	-	-	-
1. Capital reserve converted to share capital	-	-	-	-	-	-	-	-	-	-	-	-
2. Surplus reserve converted to share capital	-	-	-	-	-	-	-	-	-	-	-	-
3. Surplus reserves for making up losses	-	-	-	-	-	-	-	-	-	-	-	-
4. Changes in defined benefit plans carried forward to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
5. Other comprehensive income carried over to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-	-	-	-	-
IV. Ending balance of the year	2,740,883	719,671	3,249,035	624,116	4,619,273	4,141,277	8,156,433	24,250,688				

Head of the company: Xue Wen Accountant in charge: Wu Tiejun Head of accounting organization: Fan Libin

Unit: RMB'000

Item	Year 2022							
	Share capital	Other equity instruments	Capital reserve	Other comprehensive income	Surplus reserve	General risk provision	Undistributed profits	Total shareholders' equity
I. Ending balance of the prior year	2,740,856	-	3,248,839	572,412	4,619,273	4,141,277	3,843,341	19,165,998
Add: Changes in accounting policies	-	-	-	-	-	-	-	-
Corrections of errors in the previous period	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
II. Beginning balance of the current year	2,740,856	-	3,248,839	572,412	4,619,273	4,141,277	3,843,341	19,165,998
III. Increases/decreases in the amount of the current period (decrease expressed with “-”)	-	719,697	-	-129,244	-	-	1,964,273	2,554,726
(I) Total comprehensive income	-	-	-	-129,244	-	-	2,512,444	2,383,200
(II) Shareholder's investment and capital decrease	-	-	-	-	-	-	-	-
1. Common stock invested by shareholders	-	-	-	-	-	-	-	-
2. Capital invested by holders of other instruments	-	-	-	-	-	-	-	-
3. Amount of share-based payments recorded in shareholder's equity	-	-	-	-	-	-	-	-
4. Others	-	-	-	-	-	-	-	-
(III) Profit distribution	-	-	-	-	-	-	-548,171	-548,171
1. Withdrawal of surplus reserve	-	-	-	-	-	-	-	-
2. Appropriation of general risk reserve	-	-	-	-	-	-	-	-
2. Distribution to shareholders	-	-	-	-	-	-	-548,171	-548,171

3. Others	-	-	-	-	-	-	-	-	-	-
(IV) Internal carry-forward of shareholder's equity	-	-	-	-	-	-	-	-	-	-
1. Capital reserve converted to share capital	-	-	-	-	-	-	-	-	-	-
2. Surplus reserve converted to share capital	-	-	-	-	-	-	-	-	-	-
3. Surplus reserves for making up losses	-	-	-	-	-	-	-	-	-	-
4. Changes in defined benefit plans carried forward to retained earnings	-	-	-	-	-	-	-	-	-	-
5. Other comprehensive income carried over to retained earnings	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-	-	-
(V) Others	-	719,697	-	-	-	-	-	-	-	719,697
1. Issuance of convertible corporate bonds	-	719,697	-	-	-	-	-	-	-	719,697
IV. Ending balance of the year	2,740,856	719,697	3,248,839	443,168	4,619,273	4,141,277	5,807,614	21,720,724		

Head of the company: Xue Wen Accountant in charge: Wu Tiejun Head of accounting organization: Fan Libin