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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Bank of Jinzhou Co., Ltd.** \*, you should at once hand this circular, together with the accompanying form of proxy to the purchaser or the transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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锦州银行股份有限公司

**Bank of Jinzhou Co., Ltd.\***

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

**(Stock Code: 0416)**

**(Stock Code of Preference Shares: 4615)**

**(1) 2017 ANNUAL REPORT**

**(2) REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2017**

**(3) REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2017**

**(4) APPRAISAL REPORT ON DIRECTORS' PERFORMANCE OF DUTIES IN 2017**  
**(5) APPRAISAL REPORT ON SUPERVISORS' PERFORMANCE OF DUTIES IN 2017**

**(6) FINAL FINANCIAL ACCOUNTS FOR THE YEAR 2017 AND  
FINANCIAL BUDGET PLAN FOR THE YEAR 2018**

**(7) PROFIT DISTRIBUTION PLAN FOR THE YEAR 2017**

**(8) CREDIT EXTENSION PLAN FOR RELATED PARTIES FOR THE YEAR 2018**

**(9) REMUNERATION PLAN FOR DIRECTORS**

**(10) REMUNERATION PLAN FOR SUPERVISORS**

**(11) PROPOSED ISSUE OF NEW H SHARES UNDER SPECIFIC MANDATE AND  
CONSEQUENTIAL AMENDMENTS TO ARTICLES OF ASSOCIATION**

**(12) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

**(13) PROPOSED EXTENSION OF THE VALIDITY PERIOD OF THE A SHARE  
OFFERING AND THE RELEVANT AUTHORISATION MATTERS**

**(14) PROPOSED ISSUE OF TIER 2 CAPITAL BONDS**

**(15) PROPOSED ISSUE OF PERPETUAL CAPITAL BONDS**

**(16) PROPOSED AMENDMENTS TO (i) THE RULES OF PROCEDURES FOR  
BOARD OF DIRECTORS' MEETINGS; AND (ii) THE ADMINISTRATIVE  
MEASURES FOR RELATED TRANSACTIONS**

**(17) GENERAL MANDATE TO ISSUE NEW SHARES  
AND**

**(18) NOTICE OF AGM AND CLASS MEETINGS**

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Notices convening the AGM and the Class Meetings to be held at the meeting room of 34th Floor, No.68 Keji Road, Jinzhou City, Liaoning Province, the PRC at 9:30 a.m. on Tuesday, 29 May 2018 are set out on pages 41 to 53 of this circular. Forms of proxy for use at the AGM and the Class Meetings are also enclosed with this circular. If you intend to attend the AGM and/or the Class Meetings by proxy, you are required to complete and return the enclosed form(s) of proxy in accordance with the instructions printed thereon to the H share registrar of the Bank, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (in respect of H Shares), or to the Bank's registered office in the PRC at No. 68 Keji Road, Jinzhou City, Liaoning Province, the PRC (in respect of Domestic Shares) as soon as possible but in any event by not later than 24 hours before the time appointed for holding of the relevant meeting(s) (i.e. by Monday, 28 May 2018 at 9:30 a.m.) or any adjournment thereof. Completion and return of the form(s) of proxy shall not preclude you from attending and voting in person at the relevant meeting(s) or any adjourned meeting(s) should you so wish.

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

18 April 2018

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## CONTENTS

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	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE BOARD</b> .....	4
<b>APPENDIX I — PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION</b> .....	27
<b>APPENDIX II — PARTICULARS OF THE A SHARE OFFERING AND THE RELEVANT AUTHORISATION MATTERS</b> .....	32
<b>APPENDIX III — PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES FOR BOARD OF DIRECTORS' MEETINGS</b> .....	36
<b>APPENDIX IV — PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES FOR RELATED TRANSACTIONS</b> .....	38
<b>NOTICE OF AGM</b> .....	41
<b>NOTICE OF DOMESTIC SHAREHOLDERS' CLASS MEETING</b> .....	46
<b>NOTICE OF H SHAREHOLDERS' CLASS MEETING</b> .....	50

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## DEFINITIONS

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*In this circular, the following expressions have the meanings set out below unless the context requires otherwise.*

“2017 Annual Report”	the annual report of the Bank for the financial year ended 31 December 2017
“Additional Tier 1 Capital”	has the meaning given to it in the Rules Governing Capital Management of Commercial Banks (Provisional) issued by CBRC on 7 June 2012, which became effective on 1 January 2013
“AGM”	the annual general meeting of the Bank to be held at the meeting room of 34th Floor, No.68 Keji Road, Jinzhou City, Liaoning Province, the PRC at 9:30 a.m. on Tuesday, 29 May 2018 or any adjournment thereof
“Articles of Association”	the articles of association of the Bank, as amended from time to time
“A Share(s)”	the ordinary share(s) proposed to be issued by the Bank pursuant to the A Share Offering and subscribed for in Renminbi
“A Share Offering”	the Bank’s proposed initial public offering of not more than 1,927,000,000 A Shares, which has been approved by the Shareholder on 29 June 2016
“Bank”	Bank of Jinzhou Co., Ltd.* (錦州銀行股份有限公司), a joint stock company incorporated in the PRC with limited liability, whose H Shares are listed on the Main Board of the Stock Exchange
“Board”	the fifth session of the board of Directors
“CBRC”	China Banking Regulatory Commission
“Chairman”	the chairman of the Board
“Class Meeting(s)”	the H Shareholders’ Class Meeting and/or the Domestic Shareholders’ Class Meeting (as the case may be)
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Bank

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## DEFINITIONS

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“Domestic Share(s)”	the ordinary share(s) in the capital of the Bank with a nominal value of RMB 1.00 each, which are subscribed for or credited as paid up in Renminbi by PRC nationals and/or PRC corporate entities
“Domestic Shareholder(s)”	the holder(s) of Domestic Shares
“Domestic Shareholders’ Class Meeting”	the class meeting of the holders of Domestic Shares to be convened and held on Tuesday, 29 May 2018 immediately after the conclusion of the AGM to be held on the same date at the same place or any adjournment thereof
“Fulaige Investment”	Beijing Fulaige Investment Co., Ltd. <sup>+</sup> (北京浮萊格投資有限公司), a related party to the Bank, whose vice general manager is Ms. Gu Jie, a non-executive Director
“H Share(s)”	the overseas listed foreign invested ordinary share(s) in the capital of the Bank with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
“H Shareholders’ Class Meeting”	the class meeting of the holders of H Shares to be convened and held on Tuesday, 29 May 2018 immediately after the conclusion of the Domestic Shareholders’ Class Meeting to be held on the same date at the same place or any adjournment thereof
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jinlian Holding Group”	Jinlian Holding Group Co., Ltd. <sup>+</sup> (錦聯控股集團有限公司), a related party to the Bank, being an enterprise controlled by Mr. Li Dongjun, who acted as a non-executive Director in the last 12 months, and whose vice president is Mr. Wang Jinsong, a non-executive Director
“Jinzhou Jinhua”	Jinzhou Jinhua Co., Ltd. <sup>+</sup> (錦州錦華股份有限公司), a related party to the Bank, whose chairman of the board is Mr. He Baosheng, a shareholder representative supervisor of the Bank
“Jinzhou Yixing”	Jinzhou Yixing College Logistical Services Co., Ltd. <sup>+</sup> (錦州逸興高校後勤服務有限公司), a related party to the Bank, whose vice general manager is Ms. He Mingyan, a shareholder representative supervisor of the Bank

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## DEFINITIONS

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“Latest Practicable Date”	13 April 2018, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“New H Shares”	not more than 1,000,000,000 new H Shares proposed to be issued upon the exercises of a specific mandate to be granted to the Board by the Shareholders at the AGM and the Class Meetings
“New H Share Issue”	the proposed issue of not more than 1,000,000,000 New H Shares
“Offshore Preference Shares”	the US\$1,496,000,000 5.50% non-cumulative perpetual offshore preference shares issued by the Bank on 27 October 2017 and listed on the Stock Exchange (stock code: 4615)
“Ordinary Shareholder(s)” or “Shareholder(s)”	the holder(s) of Ordinary Share(s)
“PBOC”	the People’s Bank of China
“Perpetual Capital Bonds”	the capital bonds with no fixed term in the aggregate principal amount of not more than RMB4 billion that the Board has resolved to issue
“PRC”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)” or “Ordinary Share(s)”	the Domestic Share(s) and/or the H Share(s), excluding the Offshore Preference Shares
“Shareholder(s)”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tier 2 Capital Bonds”	the tier 2 capital bonds in the aggregate principal amount of not more than RMB6 billion that the Board has resolved to issue

+ *For identification purposes only*

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LETTER FROM THE BOARD

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锦州银行股份有限公司

**Bank of Jinzhou Co., Ltd.\***

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

**(Stock Code: 0416)**

**(Stock Code of Preference Shares: 4615)**

*Executive Directors:*

Mr. ZHANG Wei  
Mr. HUO Lingbo  
Ms. LIU Hong  
Mr. WANG Jing  
Mr. SUN Jing  
Ms. WANG Xiaoyu

*Non-executive Directors:*

Mr. ZHANG Caiguang  
Ms. GU Jie  
Mr. WANG Jinsong  
Ms. MENG Xiao

*Independent non-executive Directors:*

Mr. CHOON Yew Khee  
Mr. LIN Yanjun  
Mr. CHANG Peng'ao  
Ms. PENG Taoying  
Ms. TAN Ying

*Registered office:*

No. 68 Keji Road  
Liaoning Province  
The PRC

*Principal place of business*

*in Hong Kong:*  
18/F, Tesbury Centre  
28 Queen's Road East  
Wan Chai  
Hong Kong

18 April 2018

*To the Shareholders,*

Dear Sir/Madam,

- (1) 2017 ANNUAL REPORT**
- (2) REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2017**
- (3) REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2017**
- (4) APPRAISAL REPORT ON DIRECTORS' PERFORMANCE OF DUTIES IN 2017**
- (5) APPRAISAL REPORT ON SUPERVISORS' PERFORMANCE OF DUTIES IN 2017**
- (6) FINAL FINANCIAL ACCOUNTS FOR THE YEAR 2017 AND  
FINANCIAL BUDGET PLAN FOR THE YEAR 2018**
- (7) PROFIT DISTRIBUTION PLAN FOR THE YEAR 2017**
- (8) CREDIT EXTENSION PLAN FOR RELATED PARTIES FOR THE YEAR 2018**

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## **LETTER FROM THE BOARD**

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- (9) REMUNERATION PLAN FOR DIRECTORS**
- (10) REMUNERATION PLAN FOR SUPERVISORS**
- (11) PROPOSED ISSUE OF NEW H SHARES UNDER SPECIFIC MANDATE AND  
CONSEQUENTIAL AMENDMENTS TO ARTICLES OF ASSOCIATION**
- (12) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**
- (13) PROPOSED EXTENSION OF THE VALIDITY PERIOD OF THE A SHARE  
OFFERING AND THE RELEVANT AUTHORISATION MATTERS**
- (14) PROPOSED ISSUE OF TIER 2 CAPITAL BONDS**
- (15) PROPOSED ISSUE OF PERPETUAL CAPITAL BONDS**
- (16) PROPOSED AMENDMENTS TO (i) THE RULES OF PROCEDURES FOR  
BOARD OF DIRECTORS' MEETINGS; AND (ii) THE ADMINISTRATIVE  
MEASURES FOR RELATED TRANSACTIONS**
- (17) GENERAL MANDATE TO ISSUE NEW SHARES  
AND**
- (18) NOTICE OF AGM AND CLASS MEETINGS**

### **INTRODUCTION**

The purpose of this circular is to provide you with relevant information to enable you to make informed decision on whether to vote for or against the following resolutions to be proposed at the AGM and the Class Meetings (as the case may be):

### **ORDINARY RESOLUTIONS**

- (1) 2017 Annual Report;
- (2) Report of the Board for the year 2017;
- (3) Report of the board of supervisors for the year 2017;
- (4) Appraisal report on Directors' performance of duties in 2017;
- (5) Appraisal report on supervisors' performance of duties in 2017;
- (6) Final financial accounts for the year 2017 and financial budget plan for the year 2018;
- (7) Profit distribution plan for the year 2017;
- (8) Credit extension plan for related parties for the year 2018;
- (9) Remuneration plan for Directors;
- (10) Remuneration plan for supervisors;
- (11) Proposed amendments to the rules of procedures for Board meetings;
- (12) Proposed amendments to the administrative measures for related transactions;

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## LETTER FROM THE BOARD

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### SPECIAL RESOLUTIONS

- (13) Proposed New H Share Issue under specific mandate:
- (i) Class of shares and nominal value;
  - (ii) Method of issuance;
  - (iii) Target places and method of subscription;
  - (iv) Size of issuance;
  - (v) Issue price and pricing mechanism;
  - (vi) Lock-up period;
  - (vii) Use of proceeds;
  - (viii) Accumulated profits;
  - (ix) Underwriting;
  - (x) Time of issuance;
  - (xi) Validity period of the resolution;
- (14) Proposal on the authorisation to the Board and its authorised persons to implement the New H Share Issue;
- (15) Proposed amendments to the Articles of Association consequential to the New H Share Issue;
- (16) Proposed amendments to the Articles of Association;
- (17) Proposed extension of the validity period of the A Share Offering;
- (18) Proposed extension of the authorisation to the Board to deal with matters in relation to the A Share Offering;
- (19) Proposed issue of Tier 2 Capital Bonds;
- (20) Proposed issue of Perpetual Capital Bonds; and
- (21) General mandate to issue new Shares.

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## **LETTER FROM THE BOARD**

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**(1) 2017 ANNUAL REPORT**

An ordinary resolution will be proposed at the AGM to approve the 2017 Annual Report.

**(2) REPORT OF THE BOARD FOR THE YEAR 2017**

An ordinary resolution will be proposed at the AGM to approve the report of the Board for the year ended 31 December 2017, the text of which is set out in the 2017 Annual Report.

**(3) REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2017**

An ordinary resolution will be proposed at the AGM to approve the report of the board of supervisors for the year ended 31 December 2017, the text of which is set out in the 2017 Annual Report.

**(4) APPRAISAL REPORT ON DIRECTORS' PERFORMANCE OF DUTIES IN 2017**

In 2017, all Directors faithfully, diligently, and independently performed their duties, actively attended the Shareholders' general meetings, Board meetings and committees' meeting, consciously followed the requirements and procedures of the meetings, fully expressed their opinions and suggestions, actively participated in the decision making and played an active role in the development of the Bank. The Board believes that the work of all Directors is active, careful and dutiful.

An ordinary resolution will be proposed at the AGM to approve the appraisal report on Directors' performance of duties in 2017, which will be presented at the AGM.

**(5) APPRAISAL REPORT ON SUPERVISORS' PERFORMANCE OF DUTIES IN 2017**

In 2017, all supervisors of the Bank faithfully and diligently performed their duties, fully expressed their opinions and suggestions on the operation management of the Bank, enhanced the risk management and internal control of the Bank, standardized business operations, improved supervising ability, actively participated in the decision making and played an active role in the development of the Bank. The board of supervisors of the Bank believes that the work of all supervisors of the Bank is active, careful and dutiful.

An ordinary resolution will be proposed at the AGM to approve the appraisal report on supervisors' performance of duties in 2017, which will be presented at the AGM.

**(6) FINAL FINANCIAL ACCOUNTS FOR THE YEAR 2017 AND FINANCIAL BUDGET PLAN FOR THE YEAR 2018**

An ordinary resolution will be proposed at the AGM to approve the final financial accounts for the year ended 31 December 2017, the text of which is set out in the 2017 Annual Report, and the financial budget plan for the year 2018.

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## LETTER FROM THE BOARD

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The total budget of operating expenses (net of taxes and surcharges as well as non-business expenditure) for the year 2018 will be expected to be controlled at approximately RMB3.3 billion.

### (7) PROFIT DISTRIBUTION PLAN FOR THE YEAR 2017

On 29 March 2018, the Board resolved to submit to the Shareholders for their consideration and approval a profit distribution plan for the year ended 31 December 2017 as follows:

The Board has proposed the payment of a cash dividend of RMB0.16 (tax inclusive) per Share for the year ended 31 December 2017 in aggregate amount of RMB1,085,058,509.44 (tax inclusive) to all Shareholders. If such proposal is approved at the AGM, the dividend will be distributed to holders of Domestic Shares and holders of H Shares whose names appear on the register of members of the Bank on Friday, 8 June 2018 by the Bank. Such dividend is expected to be paid to Shareholders on or around Friday, 20 July 2018.

Such proposed dividend will be denominated in RMB. Dividends payable to holders of Domestic Shares shall be paid in RMB, whereas dividends payable to holders of H Shares shall be paid in HK\$. The exchange rate of RMB to HK\$ to be adopted shall be the average middle exchange rates of the five business days preceding and including the date of declaration of such dividends at the AGM as announced by the PBOC.

The Board recommends Shareholders to authorise the Board to implement the above profit distribution plan, and authorise the Board to further grant its authority to the Bank's management for implementing all relevant matters relating to the above profit distribution plan, having obtained the above authority.

According to the Enterprise Income Tax Law of the PRC (中國企業所得稅法) and its Regulation on the Implementation effective from 1 January 2008, the Bank shall withhold and pay the enterprise income tax at a rate of 10% for the non-resident enterprise Shareholder whose names appear on the H share register of member of the Bank on Friday, 8 June 2018.

Pursuant to the Notice on Matters Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348) (關於國稅發[1993]045號檔廢止後有關個人所得稅徵管問題的通知) (國稅函[2011]348號), the Bank shall withhold and pay the individual income tax for non-resident individual Shareholder.

For those non-resident individual Shareholders who reside in Hong Kong, the Macau Special Administrative Region of the PRC and other countries or regions that have entered into a taxation treaty with the PRC stipulating a tax rate of 10%, the Bank shall withhold the personal income tax at the rate of 10% for such Shareholders.

For those non-resident individual Shareholders who reside in countries or regions that have entered into a taxation treaty with the PRC stipulating a tax rate of less than 10%, the Bank shall withhold the personal income tax at the rate of 10% for such Shareholders. Should such Shareholders demand that amount in excess of the personal income tax payable under the taxation treaty be refunded, the Bank shall apply for the refund from the relevant inland revenue departments, provided

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## LETTER FROM THE BOARD

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however that such Shareholders have submitted relevant documents in accordance with the requirements of Measures for Non-resident Taxpayers to Benefit from the Taxation Treaties (No. 60 of the Announcement of the State Administration of Taxation for 2015) (非居民納稅人享受稅收協定待遇管理辦法) within a stipulated time frame.

For non-resident individual Shareholders who reside in countries or regions that have entered into a taxation treaty with the PRC stipulating a tax rate of more than 10% but less than 20%, the Bank shall withhold and pay the personal income tax for such Shareholders at the applicable rate as stipulated in the said taxation treaty.

For non-resident individual Shareholders who reside in countries or regions that have entered into a taxation treaty with the PRC stipulating a tax rate of more than 20% (applicable in the case of distributing cash dividends to the residents thereof) or that have not entered into any taxation treaty with the PRC and otherwise, the Bank shall withhold and pay the personal income tax at a rate of 20% for such Shareholders.

The Bank assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the holders of H Shares and for any claims arising from any delay in or inaccurate determination of the tax status or tax treatment of the holders of H Shares or any disputes over the withholding mechanism or arrangements. Shareholders are recommended to consult their tax advisors regarding the ownership and disposal of H Shares in the PRC and in Hong Kong and other tax effects.

### **(8) CREDIT EXTENSION PLAN FOR RELATED PARTIES FOR THE YEAR 2018**

An ordinary resolution will be proposed at the AGM to approve the credit extension plan for related parties of the Bank for the year 2018.

#### **8.1 Information on Related Parties**

According to the relevant rules of regulatory authorities including the CBRC and CSRC, an ordinary resolution will be proposed at the AGM to approve the credit extension plan for related parties of the Bank for the year 2018. The related parties refer to the legal person related parties who are determined by the Related-party Transactions Control Committee under the Board as the Bank's related parties in accordance with the relevant laws and regulations, which shall be Fulaige Investment, Jinzhou Jinhua, Jinzhou Yixing and Jinlian Holding Group.

#### **8.2 Listing Rules Requirements**

According to Rule 14A.87(1) of the Listing Rules and as disclosed in the prospectus of the Bank date 24 November 2015, the recurring credit extension for the Bank's related parties and their respective subsidiaries constitutes financial assistance provided by the Bank. Since such connected transaction is entered into by the Bank in its ordinary and usual course of business on normal commercial terms or such commercial terms that are more favorable to the Bank, the connected transaction will be exempt from reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

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## LETTER FROM THE BOARD

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### 8.3 Transaction Amounts

#### (a) Credit Extension Plan for Jinlian Holding Group and other 12 related parties

##### (i) *Related party credit extension balance as of 31 December 2017*

As at the end of 2017, the balance of the credit lines extended by the Bank to Jinlian Holding Group and the other 12 related parties under Jinlian Holding Group amounted to RMB2,053.44 million (excluding lowest risk credit lines as prescribed by the CBRC) in total.

##### (ii) *Estimate amount of credit extension to related parties in 2018*

Considering that some of the credit lines extended will expire in 2018 and, meanwhile, the Bank will enhance its clearing-up on unused credit lines extended to related parties, the Bank has prudently estimated the amount of credit extension to related parties in 2018. The estimate total amount of credit lines extended to Jinlian Holding Group and the other 12 related parties under Jinlian Holding Group proposed by the Board in 2018 (excluding lowest risk credit lines as prescribed by the CBRC) shall not exceed the equivalent of RMB2,488.80 million (including the credit lines which has been approved). Any credit extension transactions beyond such cap shall be reported to the Related-party Transactions Control Committee under the Board and approved by the Board.

#### (b) Credit Extension Plan for Jinzhou Yixing

##### (i) *Related party credit extension balance as of 31 December 2017*

As at the end of 2017, the balance of the credit lines extended by the Bank to Jinzhou Yixing amounted to RMB122.00 million (excluding lowest risk credit lines as prescribed by the CBRC) in total.

##### (ii) *Estimate amount of credit extension to related parties in 2018*

Considering the balance of the credit lines extended by the Bank as the end of 2017, the Board proposed not to increase the credit extension to Jinzhou Yixing for the year 2018.

#### (c) Credit Extension Plan for Fulaige Investment

##### (i) *Related party credit extension balance as of 31 December 2017*

As at the end of 2017, the balance of the credit lines extended by the Bank to Fulaige Investment was nil.

##### (ii) *Estimate amount of credit extension to related parties in 2018*

The Board proposed not to increase the credit extension to Fulaige Investment for the year 2018.

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## LETTER FROM THE BOARD

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### (d) Credit Extension Plan for Jinzhou Jinhua

#### (i) *Related party credit extension balance as of 31 December 2017*

As at the end of 2017, the balance of the credit lines extended by the Bank to Jinzhou Jinhua was nil.

#### (ii) *Estimate amount of credit extension to related parties in 2018*

The Board proposed not to increase the credit extension to Jinzhou Jinhua for the year 2018.

As Ms. Gu Jie and Mr. Wang Jinsong, the non-executive Directors, act as the vice general manager of Fulai Investment and vice president of Jinlian Holding Group, respectively, Ms. Gu Jie and Mr. Wang Jinsong have material interest in the relevant credit extension related party transactions and have abstained from voting on the relevant resolutions at the Board meeting held on 29 March 2018.

### (9) PROPOSED REMUNERATION PLAN OF DIRECTORS

In accordance with the Guideline on the Steady Remuneration Management of Commercial Banks (商業銀行穩健薪酬管理指引) and the Articles of Association, the Board proposed to submit to the Shareholders for their consideration and approval the following remuneration plan for Directors:

#### 9.1 Chairman

The remuneration for the Chairman consists of the basic remuneration, performance-linked remuneration and allowance, which shall be implemented in accordance with Bank of Jinzhou Measurement of Management on the Remuneration (錦州銀行薪酬管理辦法), Bank of Jinzhou Measurement of Performance Assessment on the Senior Management (錦州銀行高管薪酬績效考核辦法) and Bank of Jinzhou Enforcement Regulation of the Management on the Communication and Transportation Fee (錦州銀行通訊費和交通費管理實施細則), respectively.

#### 9.2 Executive Director

The executive Directors shall be entitled to receive remuneration based on their management positions in the Bank in accordance with Bank of Jinzhou Measurement of Performance Assessment on the Senior Management (錦州銀行高管薪酬績效考核辦法), and shall not receive additional remuneration as executive Directors.

#### 9.3 Non-executive Directors

Non-executive Directors shall not receive any remuneration from the Bank.

#### 9.4 Independent Non-executive Directors

Independent non-executive Directors shall be entitled to receive the annual remuneration and allowance of RMB150,000 (after taxes).

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## LETTER FROM THE BOARD

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### **(10) PROPOSED REMUNERATION PLAN OF SUPERVISORS**

In accordance with the Guideline on the Steady Remuneration Management of Commercial Banks (商業銀行穩健薪酬管理指引) and the Articles of Association, the Board proposed to submit to the Shareholders for their consideration and approval the following remuneration plan for supervisors of the Bank:

#### **10.1 Chairman and vice chairman**

The remuneration for the chairman and the vice chairman of the board of supervisors of the Bank consists of the basic remuneration, performance-linked remuneration and allowance, which shall be implemented in accordance with Bank of Jinzhou Measurement of Management on the Remuneration (錦州銀行薪酬管理辦法), Bank of Jinzhou Measurement of Performance Assessment on the Senior Management (錦州銀行高管薪酬績效考核辦法) and Bank of Jinzhou Enforcement Regulation of the Management on the Communication and Transportation Fee (錦州銀行通訊費和交通費管理實施細則), respectively.

#### **10.2 Employee representative supervisors**

Employee representative supervisors of the Bank shall not receive any remuneration from the Bank as the employee representative supervisors.

#### **10.3 External supervisors**

External supervisors of the Bank shall be entitled to receive the annual remuneration and allowance of RMB150,000 (after taxes).

#### **10.4 Other supervisors**

Other supervisors of the Bank shall not receive any remuneration from the Bank as the supervisors.

### **(11) PROPOSED AMENDMENTS TO (I) THE RULES OF PROCEDURES FOR BOARD MEETINGS; AND (II) THE ADMINISTRATIVE MEASURE FOR RELATED TRANSACTIONS OF THE BANK**

In accordance with relevant rules, regulations and the Articles of Association and in order to improve the Bank's risk management ability, the Board has proposed to amend (i) the rules of procedures for the Board meetings; and (ii) the administrative measure for the related transactions of the Bank, which are subject to the approval by way of ordinary resolutions at the AGM and shall take effect upon approval by the Shareholders.

For the details of the proposed amendments to the above-mentioned rules of procedures and the administrative measures, please refer to Appendix III and Appendix IV to this circular, respectively.

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## LETTER FROM THE BOARD

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### (12) PROPOSED NEW H SHARE ISSUE UNDER SPECIFIC MANDATE AND CONSEQUENTIAL AMENDMENTS TO THE ARTICLES OF ASSOCIATION

#### 12.1 Proposed plan for the New H Share Issue

The Board proposes to issue, pursuant to a specific mandate to be sought at the AGM and the Class Meetings, not more than 1,000,000,000 New H Shares, representing approximately 14.75% of the total existing issued share capital of the Bank before the issue, and approximately 12.85% of total enlarged issued share capital of the Bank after the issue; and representing approximately 39.72% of the existing issued H Shares before the issue, and approximately 28.43% of the enlarged issued H Shares after the issue (without taking into account of the A Share Offering).

The proposed issue of New H Shares under specific mandate and other related matters below are conditional and subject to (i) obtaining Shareholders' approval as special resolutions at the AGM and the Class Meetings (in respect of this paragraph and paragraph 12.5 below) and necessary approvals from the CBRC, the CSRC and other relevant regulatory authorities; (ii) the entering into of subscription agreements between the Bank and the investors and such subscription agreements not being terminated in accordance with the terms therein; and (iii) the Listing Committee of the Stock Exchange granting listing of and permission to deal in all of the New H Shares to be issued and allotted pursuant to the proposed New H Share Issue.

Details of the proposed New H Share Issue are as follows:

(i). **Class of Shares to be issued and nominal value**

Ordinary Shares with a nominal value of RMB1.00 each. New H Shares will be listed on the Main Board of Stock Exchange after issuance. Unless otherwise required by the applicable PRC laws and regulations and the Articles of Association, the New H Shares shall rank *pari passu* with the issued Domestic Shares and H Shares.

(ii). **Method of issuance**

Non-public offering, subject to the approval for the listing and trading of the New H Shares from relevant regulatory authorities (including but not limited to CBRC and CSRC) and the Stock Exchange.

(iii). **Target placees**

The New H Shares will be placed to qualified foreign investors (excluding those in respect of which subscription has been prohibited under relevant laws and regulations), who (together with their respective ultimate beneficial owners) are independent third parties and not connected persons (as defined under the Listing Rules) of the Bank or connected persons of the Bank. The Directors currently expect that no shareholder will become substantial shareholder(s) of the Bank upon completion of the New H Share Issue. The actual placee(s) will be determined according to the prevailing marketing condition at the time of issue. As at the Latest Practicable Date, the Bank has not identified any placing agent or any placees, and has not entered into any letter of

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## LETTER FROM THE BOARD

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intent or other similar agreements/arrangements in respect of the New H Share Issue. Once the placee(s) is/are confirmed, the Bank will promptly publish an announcement containing the names of the placee(s) if less than six in number, and in the case of six or more placees, a brief generic description of them.

**(iv). Method of subscription**

The New H Shares are to be subscribed by the investors in cash, and issued and allotted in accordance with the terms of the subscription agreements to be entered into between the Bank and the investors.

**(v). Size of issuance**

Having considered the reasons disclosed in paragraph 12.2 below, the Board proposed to issue not more than 1,000,000,000 New H Shares, representing approximately 14.75% of the total existing issued share capital of the Bank before the issue, and approximately 12.85% of total enlarged issued share capital of the Bank after the issue; and representing approximately 39.72% of the existing issued H Shares before the issue, and approximately 28.43% of the enlarged issued H Shares after the issue (without taking into account of the A Share Offering). The actual size of issuance will be determined by the two executive Directors (Mr. Zhang Wei and Mr. Wang Jing) or the senior management of the Bank delegated by any of them as authorised by the Shareholders based on the prevailing market conditions at the time of the issuance after negotiation with the lead underwriter(s), but in any event not exceeding 1,000,000,000 New H Shares.

**(vi). Pricing mechanism**

The New H Shares will be issued at a price to be determined by the two executive Directors (Mr. Zhang Wei and Mr. Wang Jing) or the senior management delegated by any of them with reference to the rule of fair trade, the capital market conditions and the stock price of the Bank after negotiation with the lead underwriter(s). There is no mandatory legal requirement under the relevant PRC rules and regulations as to the mechanism in determining the issue price of the New H Shares. In any event, the issue price of New H Shares will not represent a discount of 20% or more to the average closing price of the H Shares as quoted on the Stock Exchange over the last five trading days prior to the date of determining such issue price, and shall comply with the requirements of the relevant PRC and Hong Kong rules and market practice at relevant time (if any).

**(vii). Lock-up period**

The New H Shares will not be subject to any lock-up period.

**(viii). Use of proceeds**

The proceeds of the proposed New H Share Issue, after deducting relevant expenses, will all be used to replenish the core tier 1 capital of the Bank.

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## LETTER FROM THE BOARD

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(ix). **Accumulated profits**

Any accumulated profits of the Bank which remain undistributed immediately before the proposed New H Share Issue shall be for the benefit of all the Shareholders (including the subscriber(s) of the New H Shares) as a whole.

(x). **Underwriting**

The global coordinator(s) and bookrunner(s) will be determined by the two executive Directors (Mr. Zhang Wei and Mr. Wang Jing) within the authorisation delegated by the Board and shall procure the subscriber(s) for the New H Shares.

(xi). **Time of issuance**

Bank will select an appropriate time within the validity period of the resolutions to be passed at the AGM and the Class Meetings (where applicable) to implement the New H Share Issue. The New H Share Issue is subject to approval by CBRC, CSRC and the Stock Exchange. The Board and the persons delegated by the Board will determine the actual time of issuance with reference to the domestic and international capital market conditions, as well as the status of review of the Bank's application for the relevant approvals by the PRC and overseas administrative and/or regulatory authorities.

(xii). **Validity period of the resolutions**

The resolutions relating to the New H Share Issue will be valid for 12 months, commencing on the date of passing of the relevant special resolutions at the AGM and the Class Meetings (where applicable). The Board shall propose to the Shareholders' general meeting to consider and approve the extension of the validity period if the New H Share Issue is not completed within such 12-month validity period.

### 12.2 Reasons for and benefits of the New H Share Issue

Having considered, among other things, the following reasons for and benefits of the New H Share Issue, the Directors are of the view that the specific mandate to issue New H Shares is in the interests of the Bank and the Shareholders as a whole:

- a. **to improve the Bank's capital adequacy ratios and enhance its competitiveness.** Although the Bank's relevant capital adequacy ratios have met the regulatory requirements in the PRC, the capital adequacy level of the Bank is still relatively low when comparing to the average capital adequacy ratios of the PRC banking industry; and
- b. **to improve the Bank's capital structure.** Affected by the replenished additional tier 1 capital by the proceeds from issue of Offshore Preference Shares by the Bank in 2017, the Bank's core tier 1 capital ratio became lower. As the proceeds from the New H Share Issue will be used to replenish the core tier 1 capital, the Bank's capital structure will be improved towards a healthy and sustainable direction.

## LETTER FROM THE BOARD

### 12.3 Effects of the New H Share Issue on the shareholding structure of the Bank

For reference and illustration purposes only, assuming that a total of 1,000,000,000 New H Shares under the New H Share Issue are approved and all of the New H Shares are issued, and there are no changes to the issued share capital of the Bank prior to completion of the New H Share Issue, the shareholding structure of the Bank (i) as at the Latest Practicable Date; (ii) immediately after completion of the New H Share Issue but before completion of the A Share Offering; and (iii) immediately after completion of New H Share Issue and the A Share Offering is set out as follows:

	As at the Latest Practicable Date		Immediately after the completion of the New H Share Issue but before completion of the A Share Offering		Immediately after completion of the New H Share Issue and the A Share Offering	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
<b>Domestic Shares</b> <sup>(1)</sup>	<b>4,264,295,684</b>	<b>62.88</b>	<b>4,264,295,684</b>	<b>54.80</b>	—	—
<b>Non-public holders of A Shares</b> <sup>(1)</sup>	—	—	—	—	<b>349,027,926</b>	<b>3.60</b>
<b>Public Holders of H Shares and A Shares</b>	<b>2,517,320,000</b>	<b>37.12</b>	<b>3,517,320,000</b>	<b>45.20</b>	<b>9,359,587,758</b>	<b>96.40</b>
<i>H Shares</i> <sup>(2)</sup>						
- H Shares	2,517,320,000	37.12	2,517,320,000	32.35	2,517,320,000	25.93
- New H Shares	—	—	1,000,000,000	12.85	1,000,000,000	10.30
<i>A Shares</i>						
- A Shares to be converted from Domestic Shares and held by public	—	—	—	—	3,915,267,758	40.32
- New A Shares to be issued <sup>(2)</sup>	—	—	—	—	1,927,000,000	19.85
<b>Total</b>	<b><u>6,781,615,684</u></b>	<b><u>100.00</u></b>	<b><u>7,781,615,684</u></b>	<b><u>100.00</u></b>	<b><u>9,708,615,684</u></b>	<b><u>100.0</u></b>

Notes:

- (1) As disclosed in the Bank's interim report for the six month ended 30 June 2017, Directors, supervisors and chief executive of the Bank held a total of 349,027,926 Domestic Shares. To the best of the Directors' knowledge, save for Domestic Shares held by the Directors, the supervisors and the chief executive of the Bank, all other Domestic Shares in issue were held by the public as defined in Rule 8.24 of the Listing Rules as at the Latest Practicable Date. All Domestic Shares in issue will be converted into A Shares upon completion of the A Share Offering.
- (2) To the best of the Directors' knowledge, all new A Shares to be issued under the A Share Offering, all the H Shares in issue and all the New H Shares to be issued under the New H Share Issue will be held by public as defined in Rule 8.24 of the Listing Rules.

### 12.4 Application for listing

Application will be made to the Listing Committee of the Stock Exchange for the listing of and permission to deal in all the New H Shares on the Stock Exchange, as and when appropriate.

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## LETTER FROM THE BOARD

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### 12.5 Authorisation to the Board to Implement the New H Share Issue

The Board will seek the Shareholders' authorisation at the AGM and the Class Meetings respectively to authorise the Board and two executive Directors delegated by the Board and the senior management of the Bank delegated by any of them to deal with and complete all the matters in relation to the New H Share Issue with full authority for a term of 12 months following the passing of the relevant resolution(s) at the AGM and the Class Meetings. Such matters include but are not limited to:

- a. be responsible for determining the placee(s) and final issue price, the execution, implementation, modification, supplement and completion of subscription agreements with investors, and the execution, implementation, modification, supplement and completion of any supplemental agreement or other documents (if any) to the subscription agreements;
- b. be responsible for determining the actual size of issuance based on the condition at the time of issue;
- c. be responsible for determining the timing of issuance;
- d. deal with all the relevant approvals, registration, filing, sanction and permission to the relevant PRC and overseas regulatory authorities, institutions and stock exchanges, and obtain from the Stock Exchange the approval for listing of and permission to deal in all of the New H Shares to be issued and allotted pursuant to the New H Share Issue on the Main Board of the Stock Exchange;
- e. deal with matters relating to appointment and engagement of relevant intermediaries;
- f. approve and authorise the Bank's H Share Registrar, Computershare Hong Kong Investor Services Limited to, on behalf of the itself or any other person/institution delegated by it, place, allot and issue New H Shares, and register the placee(s) or HKSCC Nominees Limited as holder(s) of the New H Shares in the H Share register of members of the Bank in Hong Kong;
- g. implement the proposed amendments to the Articles of Association consequential to the New H Share Issue and deal with the relevant registration and filing procedures with the relevant industry and commerce administration authorities and other matters during the validity period of the resolutions relating to the New H Share Issue; and
- h. deal with any other matter relating to the issue of the New H Shares.

Upon the authorisation by the Shareholders at the AGM and the Class Meetings as mentioned above, the Board will delegate such authorisation to Mr. Zhang Wei (an executive Director and the chairman of the Board) and Mr. Wang Jing (an executive Director) or any senior management of the Bank designated by any of them, severally or jointly, to exercise the authorisation granted by the Shareholders to the Board as mentioned above.

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## LETTER FROM THE BOARD

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Depending on market conditions, the Board may or may not exercise the proposed specific mandate, if granted, to issue the New H Shares. If the Board proceeds with the New H Share Issue pursuant to the specific mandate, a separate announcement will be made.

### 12.6 Proposed consequential amendments to the Articles of Association

Upon completion of the proposed New H Share Issue, the number of H Shares in issue, the registered capital and the capital structure of the Bank will change and therefore consequential amendments to the Articles of Association are necessary. The Board will seek the Shareholders' authorisation at the AGM to authorise the Board to implement the proposed amendments to the Articles of Association consequential to the New H Share Issue and deal with the relevant registration and filing procedures with the relevant industry and commerce administration authorities and other matters during the validity period of the resolutions relating to the New H Share Issue. The amendments shall be subject to the approvals of the Shareholders at the AGM and the relevant authorities, and shall be effective since the completion of the New H Share Issue.

The amendments may involve the following existing articles of the Articles of Association:

Article 25 With the approval of the authority authorized by the State Council, the Bank may issue 6,781,615,684 ordinary shares. The shareholding structure of the Bank is: 6,781,615,684 ordinary shares, among which, 4,264,295,684 are domestic shares, accounting for 62.88% of the total shares of the Bank; 2,517,320,000 are H shares, accounting for 37.12% of the total shares of the Bank.

Article 28 The Bank's registered capital shall be RMB6,781,615,684.

### 12.7 Equity fund raising activities in the past 12 months

#### (i) Issue of Offshore Preference Shares

Pursuant to the approval of the Liaoning Bureau of the CBRC (Liao Yin Jian Fu [2017] No. 133) and the approval of the CSRC (Zheng Jian Xu Ke [2017] No. 1833), the Bank made a non-public issuance of US\$1.496 billion Offshore Preference Shares in the offshore market on 27 October 2017. The Offshore Preference Shares had a par value of RMB100 but were issued as fully paid-up capital in U.S. dollars so that the issuance price of the Offshore Preference Shares was US\$20 each. Such Offshore Preference Shares were listed on the Stock Exchange on 30 October 2017.

Stock Code of Offshore Preference Shares	Issuing Date	Issuing Price (US\$/share)	Initial Annual Dividend Rate (%)	Issue Volume (Share)	Total Issue Amount (US\$)	Listing Date	Approved Number of Offshore Preference Shares for Listing and Dealing (Share)
4615	27 October 2017	20	5.50	74,800,000	1,496,000,000	30 October 2017	74,800,000

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## LETTER FROM THE BOARD

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Based on the CNY Central Parity Rate published by the China Foreign Exchange Trading Centre on 27 October 2017, the gross proceeds from the issuance of the Offshore Preference Shares were approximately RMB9,944,360,800. Subject to applicable laws and regulations and the approvals by the relevant regulatory authorities such as the Liaoning Bureau of CBRC and the CSRC, the proceeds raised from the Offshore Preference Shares issuance, after deduction of the commissions and expenses relating to the issuance, have all been used to replenish the Bank's additional tier 1 capital as at the Latest Practicable Date.

### (ii) Issue of Tier 2 Capital Bonds

On 26 March 2018, with the approvals from the CBRC and the PBOC, the Bank issued Tier 2 Capital Bonds in an aggregate principal amount of RMB4 billion with a term of ten years at a fixed interest rate of 4.90% per annum, payable on an annual basis. Such bonds are redeemable in part or in full at the discretion of the Bank at the end of fifth year upon approval of the relevant regulatory authorities.

As at the Latest Practicable Date, the RMB4 billion proceeds from the issuance of such Tier 2 Capital Bonds, after deduction of the commissions and expenses relating to the issuance, have all been used to replenish the Bank's tier 2 capital.

Save as disclosed above, there has been no other fund raising activity involving the issue of equity securities of the Bank in the 12 months preceding the Latest Practicable Date.

### **(13) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

In accordance with the provisions of the Company Law of the PRC, the Constitution of the Communist Party of China (中國共產黨章程), the Interim Regulations on the Supervision and Administration of State-owned Assets of Enterprises (企業國有資產監督管理暫行條例), the Guidance of the General Office of the State Council on Strengthening the Protecting of the Financial Consumers' Rights (國務院辦公廳關於加強金融消費者權益保護工作的指導意見) and the Guidance of the General Office of the CBRC on Strengthening the Protecting of the Banking Consumer Rights and Addressing the Current Concerns of People (中國銀監會辦公廳關於加強銀行業消費者權益保護解決當前群眾關切問題的指導意見), the general requirements of the party construction and consumer rights protection should be included in the Articles of Association to promote the implementation of such matters. The Bank has proposed certain amendments to the current Articles of Association, details of which has been set out in Appendix I to this circular.

The proposed amendments to the Articles of Association will be subject to the approval of the Shareholders at the AGM by way of special resolution and will be effective upon approvals by the Shareholders and the relevant regulatory authorities.

### **(14) PROPOSED EXTENSION OF THE VALIDITY PERIOD OF THE A SHARE OFFERING AND THE RELEVANT AUTHORISATION MATTERS**

Reference is made to the Bank's announcement dated 23 March 2016, the circular dated 13 May 2016 and the poll results announcement dated 29 June 2016 in relation to, inter alia, the approval of the A Share Offering proposal and the authorisation granted to the Board and, with delegation by the

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## LETTER FROM THE BOARD

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Board, the Directors to deal with matters relating to the A Share Offering (collectively known as “**A Share Offering and the Relevant Authorisation Matters**”), as well as the announcement dated 22 March 2017, the circular dated 18 April 2017 and the poll results announcement dated 25 May 2017 in relation to, inter alia, the extension of the validity period of the A Share Offering and the relevant authorisation matters (“**Previous Extension of Validity Period**”).

The Previous Extension of Validity Period for 12 months from the day following the original expiry date (i.e. 29 June 2017) was considered and approved at the annual general meeting, the domestic share class meeting and the H share class meeting held respectively on 25 May 2017.

As at the Latest Practicable Date, the Bank is still in progress of the preparation of the A Share Offering. Before submitting application of the A Share Offering to the CSRC, the Bank will need to obtain approvals from relevant regulatory authorities and make preparation in accordance with relevant PRC laws, regulations and regulatory documents, including conducting necessary due diligence and financial auditing. The Bank obtained the approval from Liaoning Bureau of the CBRC regarding the A Share Offering in August 2016 and the compliance confirmation letter from Liaoning Provincial Government regarding, among others, the Bank’s historical development in September 2017. In addition, the Bank will need to apply for the approval in relation to its state-owned shareholding management plan, if necessary, pending completion of several transfers of the Domestic Shares by some state-owned Shareholders. The Bank has also engaged relevant professional parties to make preparation work for the A Share Offering, including the necessary due diligence, in accordance with relevant PRC laws, regulations and regulatory documents. The Bank will submit the application to the CSRC after the obtaining or renewal of the necessary governmental approvals and completing preparation of the relevant application documents. Based on current market practice, it may take half to two years for the Bank to obtain the approval from the CSRC for the A Share Offering after the Bank’s submission of application, which is beyond the Bank’s control. The Bank will publish relevant announcements and update the Shareholders from time to time based on the then latest status after its submission of the A share listing application to the CSRC. The relevant resolutions and authorisation in relation to the A Share Offering and the Relevant Authorisation Matters will expire on 29 June 2018. The Board is of the view that it is necessary and in the interests of the Bank and its Shareholders as a whole to extend the validity period of the A Share Offering and the Relevant Authorisation Matters.

The Board resolved to put forward the proposal to further extend the validity period of the A Share Offering and the Relevant Authorisation Matters by 12 months from the day following the previous expiry date (i.e. 29 June 2018) for consideration and approval at the AGM and the Class Meetings, which has no impact towards the normal progress of the A Share Offering. Other than the above further extension of the validity period of the A Share Offering and the Relevant Authorisation Matters, other details of the A Share Offering remain unchanged and will continue to be valid.

The above further extension of the validity period of the A Share Offering and the Relevant Authorisation Matters is subject to approval by the relevant Shareholders by way of special resolution at each of the AGM and the Class Meetings.

For the particulars of the A Share Offering and the Relevant Authorisation Matters, please refer to Appendix II to this circular.

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## LETTER FROM THE BOARD

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### (15) PROPOSED ISSUE OF TIER 2 CAPITAL BONDS

With the view to further replenish the Bank's tier 2 capital and meet the Bank's ongoing capital adequacy needs, the Board proposed to issue the Tier 2 Capital Bonds in the aggregate principal amount of not more than RMB6 billion. The proposed issue of the Tier 2 Capital Bonds is subject to obtaining Shareholders' approval as special resolutions at the AGM and necessary approvals from the CBRC and other relevant regulatory authorities.

Particulars of the proposed issues of the Tier 2 Capital Bonds are as follows:

Size	:	not more than RMB6 billion (inclusive)
Maturity	:	not more than 10 years (inclusive)
Interest rate	:	a fixed interest rate to be determined by the Bank and the principal underwriter(s) based on the prevailing market conditions at the time of the issue
Use of proceeds	:	to replenish the Bank's tier 2 capital
Target subscribers	:	members of the national inter-bank bond market of the PRC
Term of validity of the resolution	:	24 months, commencing on the date of passing of the relevant special resolution at the AGM
Whether listed on the Stock Exchange	:	will not be listed on the Stock Exchange

It will also be proposed at the AGM that the Board be authorised, for a period of 24 months, to implement the issue of the Tier 2 Capital Bonds (including but not limited to the determination of the bond type, offering time, offering method, offering period, interest rate, use of proceeds and other terms of the issue), to make necessary adjustments pursuant to the requirement of the relevant regulatory authorities, and to delegate the chairman of the Board or his designated persons to handle the relevant matters regarding the issues of the Tier 2 Capital Bonds, execute relevant documents, appoint relevant professional parties and take any other actions that he/she may deem necessary for the purposes of the issues of the Tier 2 Capital Bonds.

### (16) PROPOSED ISSUE OF PERPETUAL CAPITAL BONDS

With the view to enhance the Bank's overall competitiveness and risk resistance capacity, and explore new opportunities of issuance of bonds to replenish capital of banks as provided by the Notice of PBOC on the Issue of Bonds to Replenish Capital by Banking Institutions (2018 No. 3) (中國人民銀行關於銀行金融機構發行資本補充債券的公告(2018年第3號)), the Board proposed to issue the Perpetual Capital Bonds in the aggregate principal amount of not more than RMB4 billion. The proposed issue of the Perpetual Capital Bonds is subject to obtaining Shareholders' approval as special resolutions at the AGM and necessary approvals from the CBRC and other relevant regulatory authorities.

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## LETTER FROM THE BOARD

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Particulars of the proposed issues of the Perpetual Capital Bonds are as follows:

Size	:	not more than RMB4 billion
Term	:	no fixed term
Interest rate	:	to be determined by the Bank and the principal underwriter(s) based on the prevailing market conditions at the time of the issue
Use of proceeds	:	to replenish the Bank's other tier 1 capital
Target subscribers	:	members of the national inter-bank bond market by way of placing or members of the bond issuance system of PBOC by way of tendering
Term of validity of the resolution	:	24 months, commencing on the date of passing of the relevant special resolution at the AGM
Whether listed on the Stock Exchange	:	will not be listed on the Stock Exchange

It will also be proposed at the AGM that the Board be authorised, for a period of 24 months, to implement the issues of the Perpetual Capital Bonds (including but not limited to the determination of the bond type, offering time, offering method, offering period, interest rate, use of proceeds and other terms of the issue), to make necessary adjustments pursuant to the requirement of the relevant regulatory authorities, and to delegate the chairman of the Board or his designated persons to handle the relevant matters regarding the issues of the Perpetual Capital Bonds, execute relevant documents, appoint relevant professional parties and take any other actions that he/she may deem necessary for the purposes of the issues of the Perpetual Capital Bonds.

### (17) GENERAL MANDATE TO ISSUE NEW SHARES

As at the Latest Practicable Date, the Bank had 4,264,295,684 Domestic Shares and 2,517,320,000 H Shares in issue, respectively. On 29 March 2018, the Board considered and approved to submit to the Shareholders for their consideration and approval a special resolution at the AGM in respect of the grant of a general mandate (the "**General Mandate**"), details of which are as follows:

- (1) the Board is unconditionally given approval to exercise, during the Relevant Period (as defined below), all powers of the Bank to separately or concurrently issue and deal with new Domestic Shares and new H Shares of the Bank which must not exceed 20% of the respective amounts of existing Domestic Shares and H Shares of the Bank as at the date of passing the relevant resolution;
- (2) pursuant to the approval under paragraph (1) above, the Board is authorised to enter into or make, during the Relevant Period, offers, agreements and/or options, under which the new Shares to be allotted and issued are required or may be required to be allotted and issued during or after the expiry of the Relevant Period, and the Board is authorised to issue and deal with the new Shares that are required or may be required to be allotted and issued under such offers, agreements and options;

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## LETTER FROM THE BOARD

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- (3) after the issuance of the new Shares pursuant to the General Mandate, the Board is authorised to deal with all matters relating to the increase in the registered capital of the Bank and to make such appropriate and necessary amendments to the Articles of Association relating to the share capital, shareholding structure and registered capital as well as other relevant matters as they think fit and necessary, to complete domestic and overseas statutory procedures for approval, registration and filing, and to take any other action and complete any formality required to effect the issuance of new Shares pursuant to this special resolution and the increase in the registered capital of the Bank. The Board is authorised to redelegate such authorisation to persons designated by the Board to sign, execute, modify, complete and submit all agreements, contracts and documents in relation to the allotment and issuance of and dealing with the new Shares under the General Mandate, unless otherwise stipulated by laws or regulations;
- (4) the Board is authorised to decide the methods of issuance, including but not limited to:
- (a) Class and size of Shares to be issued;
  - (b) Pricing mechanism and/or issuance price (including the margin of price);
  - (c) Time of issuance;
  - (d) Use of proceeds; and
  - (e) Other contents required under relevant laws and regulations.
- (5) “**Relevant Period**” means the period from the date of passing the relevant Shareholders’ resolution in respect of the General Mandate until the earliest of:
- (a) the conclusion of the next annual general meeting of the Bank;
  - (b) the expiration of the 12-month period from the date of passing the relevant Shareholders’ resolution; and
  - (c) the date on which the authorisation granted to the Board in the relevant Shareholders’ resolution is revoked or varied by a special resolution of the Shareholders in a general meeting.

If the resolution regarding the General Mandate has been passed at the AGM, the Bank may issue up to 852,859,136 Domestic Shares and 503,464,000 H Shares, which are 20% of the respective amounts of existing Domestic Shares and H Shares of the Bank as at the Latest Practicable Date.

The Directors believe that the General Mandate will allow financial flexibility for the Bank to raise additional funds for its future business development and expansion. Accordingly, the Directors consider that the approval of the grant of the General Mandate is in the interests of the Bank and the Shareholders as a whole.

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## LETTER FROM THE BOARD

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The Board will only exercise the General Mandate, if granted by the Shareholders, in accordance with the Company Law of the PRC and the Listing Rules and all applicable laws, rules and regulations of any other governmental or regulatory authorities and only if all necessary approvals from the CSRC and/or other relevant PRC governmental authorities are obtained. As at the Latest Practicable Date, no definitive plan had been formed by the Board as to when the General Mandate will be exercised, if granted by the Shareholders.

For avoidance of doubts, the Shares (including Domestic Shares and H Shares) and share capital mentioned in this resolution shall refer to the Ordinary Shares, excluding the preference shares.

### CLOSURE OF REGISTER OF MEMBERS

In order to determine the entitlement to attend and vote at the AGM and the Class Meetings, the register of members of the Bank will be closed Sunday, 29 April 2018 to Tuesday, 29 May 2018 (both days inclusive), during which period no transfer of Shares will be effected. The record date for entitlement to attend and vote at the AGM and the Class Meetings is Sunday, 29 April 2018. In order to be qualified to attend and vote at the AGM and the Class Meetings, all transfers accompanied by the relevant share certificates must be lodged with the H share registrar of the Bank, namely Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (in respect of H Shares), or to the Bank's registered office in the PRC at No. 68 Keji Road, Jinzhou City, Liaoning Province, the PRC (in respect of Domestic Shares) no later than 4:30 p.m. on Friday, 27 April 2018.

The proposed final dividend is subject to the passing of an ordinary resolution by the Shareholders at the AGM. In order to determine the entitlement to receive the final dividend, the register of members of the Bank will be closed from Sunday, 3 June 2018 to Friday, 8 June 2018 (both days inclusive), during which period no transfer of shares will be registered. The record date for entitlement to receive the final dividend is Friday, 8 June 2018. In order to be qualified for receiving the final dividend, all transfers accompanied by the relevant share certificates must be lodged with the H share registrar of the Bank, namely Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (in respect of H Shares), or to the Bank's registered office in the PRC at No. 68 Keji Road, Jinzhou City, Liaoning Province, the PRC (in respect of Domestic Shares) no later than 4:30 p.m. on Friday, 1 June 2018.

### NOTICES OF THE AGM AND CLASS MEETINGS

The AGM will be held at the meeting room of the Bank's registered office in the PRC at the meeting room of 34th Floor, No. 68 Keji Road, Jinzhou City, Liaoning Province, the PRC at 9:30 a.m. on Tuesday, 29 May 2018. The Domestic Shareholders' Class Meeting will be held immediately after the conclusion of the AGM at the same place, and the H Shareholders' Class Meeting will be held immediately after the conclusion of the Domestic Shareholders' Class Meeting at the same place. Notices of the AGM and the Class Meetings are set out on pages 41 to 53 of this circular.

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## LETTER FROM THE BOARD

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### REPLY SLIPS AND PROXY FORMS

If you are eligible and intend to attend the AGM and/or the Class Meetings, please complete and return the reply slip(s), in accordance with the instructions printed thereon as soon as possible and in any event no later than 20 days before the date appointed for holding such meeting(s) or any adjournment thereof.

Shareholders who intend to attend the AGM and/or the Class Meetings by proxy are required to complete and return the proxy form(s), in accordance with the instructions printed thereon as soon as possible and in any event not later than 24 hours before the time appointed for the holding of such meeting(s) or any adjournment thereof. Completion and return of the proxy form(s) will not preclude you from attending and voting in person at such meeting(s) or any adjournment thereof should you so wish.

### VOTING BY POLL AT THE AGM AND THE CLASS MEETINGS

Pursuant to Rule 13.39(4) of the Listing Rules, the resolutions to be proposed at the AGM and the Class Meetings as set out in the notices of the AGM and the Class Meetings set out at the end of this circular must be taken by poll. The chairman of the AGM and the Class Meetings will therefore demand a poll for every such resolution put to the vote at the AGM and the Class Meetings. On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorised representative shall have one vote for each Share of the Company registered in his or her name in the register of Shareholders. A Shareholder entitled to more than one vote need not use all his or her votes or cast all the votes he or she uses in the same way.

Jincheng International Logistics Group Co., Ltd.<sup>+</sup> (錦程國際物流集團股份有限公司) and Dalian Changxing Island Green-city Development Co., Ltd.<sup>+</sup> (大連長興島綠城發展有限公司), being the related parties under Jinlian Holding Group and Shareholders of the Bank, held an aggregate of 246,686,586 Domestic Shares representing approximately 3.64% of the total issued share capital of the Bank as at the Latest Practicable Date. Jinzhou Yixing, Fulaige Investment and Jinzhou Jinhua, being the Shareholders of the Bank, held 62,000,000, 30,000,000 and 10,000,000 Domestic Shares representing approximately 0.91%, 0.44% and 0.15% of the total issued share capital of the Bank as at the Latest Practicable Date, respectively. As the credit lines of the above mentioned Shareholders are to be extended by the Bank, such Shareholders have a material interest in the proposed ordinary resolution in relation to the application for the cap of credit extension related party transactions for the year 2018. Therefore, each of Jincheng International Logistics Group Co., Ltd.<sup>+</sup> (錦程國際物流集團股份有限公司), Dalian Changxing Island Green-city Development Co., Ltd.<sup>+</sup> (大連長興島綠城發展有限公司), Jinzhou Yixing, Fulaige Investment and Jinzhou Jinhua will abstain from voting on the such proposed ordinary resolution at the AGM.

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## LETTER FROM THE BOARD

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### RECOMMENDATION

The Board considers that all resolutions set out in the notices of the AGM and the Class Meetings for Shareholders' consideration and approval are in the best interests of the Company and its Shareholders. As such, the Board recommends the Shareholders to vote in favor of the resolutions set out in the notices of the AGM and the Class Meetings which are to be proposed at the AGM and the Class Meetings.

By order of the Board  
**Bank of Jinzhou Co., Ltd.\***  
**Zhang Wei**  
*Chairman*

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**APPENDIX I****PROPOSED AMENDMENTS TO THE  
ARTICLES OF ASSOCIATION**

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*The English version of this appendix is an unofficial translation of its Chinese version, for reference purpose only. In case of any discrepancies, the Chinese version shall prevail.*

The proposed amendments to the Articles of Association are compared against the existing Articles of Association for ease of reference. After addition of the new articles, the articles will be re-numbered accordingly. The following amendments will become effective upon approvals by the Shareholders and relevant regulatory authorities.

<b>Before Amendment</b>	<b>After Amendment</b>
New Article	<u>Article 7 Pursuant to the requirements of the Constitution of the Communist Party of China, the Bank established an organization for the Communist Party. The Party Committee acts as the leadership core and the political core, steering the direction, controlling the overall situation and ensuring the implementation. The Bank has established working organizations for the Party with sufficient people for Party duties, securing work expenditure for the Party.</u>
New Article	<u>Article 47 The Bank’s Party Committee acts as the leadership core and the political core, steering the direction, controlling the overall situation and ensuring the implementation. The number of positions of the Bank’s secretary, deputy secretary and members of the Party Committee and the Disciplinary Committee is set according to the approval from senior Party organizations.</u>
New Article	<u>Article 48 Qualified members of the Party Committee may join the Board, the Board of supervisors and the senior management by statutory procedures. Qualified Party members in the Board, the Board of supervisors and the senior management may join the Party Committees according to the relevant requirements and procedures.</u>

Before Amendment	After Amendment
New Article	<p><u>Article 49 Party Committee of the Bank performs the following duties and responsibilities pursuant to the rules of the Party such as the Constitution of the Communist Party of China:</u></p> <p><u>(I) guarantee supervision of the consistent implementation of the Party’s direction and policies at the Bank and implementation of the major strategic policies of the Party Central Committee and the State Council and any major deployment in relation to the superior Party organizations;</u></p> <p><u>(II) give advices and recommendations on appointment and removal of major personnel;</u></p> <p><u>(III) study and discuss on, and advise and give recommendation on the reform and stable development of, and important matters on operation and management of the Bank, as well as the major issues involving the vital interest of staffs; support performance of duties by the general meetings, the Board of Directors, the Board of supervisors and the senior management in accordance with the procedures stipulated in the Articles of Associations; support the workers congress to roll out their work;</u></p> <p><u>(IV) take the main responsibility for the comprehensive strengthening of Party discipline, directing ideological and political work, united front work, cultivation of spiritual civilization, cultivation of corporate culture, as well as work of groups such as labour unions and communist youth league;</u></p> <p><u>(V) strengthen construction of grassroots Party organizations and team building, giving full play of the role as a bastion of the Party branch while demonstrating as the vanguard and exemplary role of Party members, and leading the reform and development of the Bank through active commitment of the cadres and staffs;</u></p> <p><u>(VI) other relevant important issues within the scope of duties of the Party Committees.</u></p>

Before Amendment	After Amendment
<p>Article 165 The Board of Directors shall exercise the following functions and powers:</p> <ol style="list-style-type: none"> <li>(1) convene the shareholders' general meeting and to report to the shareholders' general meeting;</li> <li>(2) implement the resolutions of the shareholders' general meeting;</li> <li>(3) decide the development plan of the Bank;</li> <li>(4) decide the operation plan, investment plan, and major assets disposal plan of the Bank;</li> <li>(5) formulate the annual financial budget plan and final account plan of the Bank;</li> <li>(6) formulate the profit distribution plan and loss make-up plan of the Bank;</li> <li>(7) formulate the plans for the increase or decrease of the registered capitals, the issuance of bonds or other securities and the listing of the Bank;</li> <li>(8) make the plans for major acquisitions of the Bank, the acquisitions of the stock of the Bank or merger, division, dissolution and form change of the Bank;</li> <li>(9) regularly evaluate and improve the Bank's corporate governance;</li> <li>(10) within the authorised range of the shareholders' general meeting, decide the Bank's external investment, acquisition and selling of assets, pledged assets, external guarantee matters, associated/connected transactions and other matters;</li> <li>(11) determine arrangement plans for the Bank's internal management agencies, branches and capacity, and the number of management personnel;</li> <li>(12) according to the nomination of the chairman of Board of Directors, engage or dismiss the president and secretary of the Board of the Bank; upon the nomination of the president, engage or dismiss the vice president, assistant president, financial director and other senior management personnel;</li> <li>(13) decide the remuneration matters and disciplinary matters of senior management personnel;</li> <li>(14) formulate the basic management system, validate work rules for the president;</li> <li>(15) formulate the amendment plan for the Articles of Association;</li> <li>(16) manage the information disclosure matters of the Bank;</li> <li>(17) propose on the engagement or replacement of the accounting firm that audits the Bank to the shareholders' general meeting;</li> <li>(18) listen to the work report of the president of the Bank and check the work of the president;</li> <li>(19) verify the Bank's compliance with the Corporate Governance Code specified in Listing Rules of Hong Kong Stock Exchange and the information disclosed in the Corporate Governance Report;</li> <li>(20) other functions and powers conferred by laws, administrative regulations, departmental rules or the Articles of Association.</li> </ol>	<p>Article <del>165</del><b>169</b> The Board of Directors shall exercise the following functions and powers:</p> <ol style="list-style-type: none"> <li>(1) convene the shareholders' general meeting and to report to the shareholders' general meeting;</li> <li>(2) implement the resolutions of the shareholders' general meeting;</li> <li>(3) decide the development plan of the Bank;</li> <li>(4) decide the operation plan, investment plan, and major assets disposal plan of the Bank;</li> <li>(5) formulate the annual financial budget plan and final account plan of the Bank;</li> <li>(6) formulate the profit distribution plan and loss make-up plan of the Bank;</li> <li>(7) formulate the plans for the increase or decrease of the registered capitals, the issuance of bonds or other securities and the listing of the Bank;</li> <li>(8) make the plans for major acquisitions of the Bank, the acquisitions of the stock of the Bank or merger, division, dissolution and form change of the Bank;</li> <li>(9) regularly evaluate and improve the Bank's corporate governance;</li> <li>(10) within the authorised range of the shareholders' general meeting, decide the Bank's external investment, acquisition and selling of assets, pledged assets, external guarantee matters, associated/connected transactions and other matters;</li> <li>(11) determine arrangement plans for the Bank's internal management agencies, branches and capacity, and the number of management personnel;</li> <li>(12) according to the nomination of the chairman of Board of Directors, engage or dismiss the president and secretary of the Board of the Bank; upon the nomination of the president, engage or dismiss the vice president, assistant president, financial director and other senior management personnel;</li> <li>(13) decide the remuneration matters and disciplinary matters of senior management personnel;</li> <li>(14) formulate the basic management system, validate work rules for the president;</li> <li>(15) formulate the amendment plan for the Articles of Association;</li> <li>(16) manage the information disclosure matters of the Bank;</li> <li>(17) propose on the engagement or replacement of the accounting firm that audits the Bank to the shareholders' general meeting;</li> <li>(18) listen to the work report of the president of the Bank and check the work of the president;</li> <li>(19) verify the Bank's compliance with the Corporate Governance Code specified in Listing Rules of Hong Kong Stock Exchange and the information disclosed in the Corporate Governance Report;</li> <li>(20) other functions and powers conferred by laws, administrative regulations, departmental rules or the Articles of Association.</li> </ol> <p><b><u>The Board shall consider the opinions of the Party Committee before making decisions on the major issues of the Bank.</u></b></p>

Before Amendment	After Amendment
<p>Article 184 In order to fully perform duties, the Board of Directors sets up Strategy Committee, Risk Management Committee, Related-party Transaction Control Committee, Audit Committee and Nomination and Remuneration Committee. The number of people for the special committees of the Board is not less than three (3) and the chiefs of the Related-party Transaction Control Committee, Audit Committee and the Nomination and Remuneration Committee shall be acted as by independent Directors. Directors nominated by the controlling shareholders of the Bank shall not become members of the Related-party Transaction Control Committee and the Nomination and Remuneration Committee.</p>	<p>Article <del>184</del><b>188</b> In order to fully perform duties, the Board of Directors sets up Strategy Committee, Risk Management Committee, Related-party Transaction Control Committee, Audit Committee, Nomination and Remuneration Committee, <u>and Consumers' Rights Protection Committee</u>. The number of people for the special committees of the Board is not less than three (3) and the chiefs of the Related-party Transaction Control Committee, Audit Committee and the Nomination and Remuneration Committee shall be acted as by independent Directors. Directors nominated by the controlling shareholders of the Bank shall not become members of the Related-party Transaction Control Committee and the Nomination and Remuneration Committee.</p>

Before Amendment	After Amendment
New Article	<p><u>Article 194 The Consumers’ Rights Protection Committee of the Board of Directors is mainly responsible for the followings:</u></p> <ol style="list-style-type: none"> <li data-bbox="826 517 1399 842">(1) <u>formulate the strategies for, policies on and goals of consumers’ rights protection of the Bank and include consumers’ rights protection into corporate governance and business development strategies, and direct the senior management on enhancement, in terms of overall planning, of cultivation of corporate culture in respect of consumers’ rights protection;</u></li> <li data-bbox="826 891 1399 1249">(2) <u>supervise the senior management on efficient performance and implementation of work relating to consumers’ rights protection, listen, on a regular basis, to special reports by the senior management on the working progress of consumers’ rights protection of the Bank, consider and approve such special reports, submit to the Board such special reports, and disclose information as required;</u></li> <li data-bbox="826 1299 1399 1473">(3) <u>responsible for supervising the work of consumers’ rights protection of the Bank and evaluating the comprehensiveness, timeliness and efficiency of the work, and the performance of the senior management ;</u></li> <li data-bbox="826 1523 1399 1697">(4) <u>consider resolutions on consumers’ rights protection proposed to be submitted to the Board for review, and advise the Board in this respect according to the overall strategies of the Bank;</u></li> <li data-bbox="826 1747 1399 1872">(5) <u>other duties and powers as stipulated by the laws and regulations, the Articles of Associations of the Bank, and as authorized by the Board.</u></li> </ol>

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## APPENDIX II      PARTICULARS OF THE A SHARE OFFERING AND THE RELEVANT AUTHORISATION MATTERS

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*The English version of this appendix is an unofficial translation of its Chinese version, for reference purpose only. In case of any discrepancies, the Chinese version shall prevail.*

### 1. Proposed plan for the A Share Offering

Details of the proposed A Share Offering are as follows:

(a) *Class of Shares to be issued*

domestic listed RMB ordinary Shares (A Shares)

(b) *Nominal value per share*

RMB1.00

(c) *Proposed stock exchange for the listing*

Shanghai Stock Exchange

(d) *Offering size*

The total number of A Shares to be issued will be not more than 1,927,000,000 A Shares, representing approximately 22.13% of the total enlarged issued share capital of the Bank after completion of the A Share Offering (without taking into account of the issuance and conversion of the Offshore Preference Shares).

The actual offering size will be determined by the Board as authorised by the Shareholders based on capital requirements of the Bank, communications with the regulatory authorities and the prevailing market conditions at the time of the offering.

(e) *Target subscribers*

Target subscribers will be qualified individuals and institutional investors (excluding those in respect of which subscription has been prohibited under relevant laws and regulations). The Directors currently expect that no shareholder will become the substantial shareholders of the Bank after such issue.

If any of the above target subscribers of the A Share Offering is a connected person of the Bank, the Bank will take all reasonable measures to comply with the relevant listing rule requirements of the jurisdictions at which the A Shares are listed and comply with the requirements of the Listing Rules (where applicable).

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**APPENDIX II          PARTICULARS OF THE A SHARE OFFERING AND THE  
RELEVANT AUTHORISATION MATTERS**

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(f) *Strategic placing*

The Bank may carry out strategic placings at the time of the A Share Offering, as required, to investors who satisfy the requirements under applicable laws and regulations and the development strategy of the Bank based on the needs for business cooperation and scale of financing. The specific placing ratio will be determined according to the requirements of laws and regulations and subject to market conditions at the time of such placing.

(g) *Method of offering*

The offering will be conducted through a combination of placing to participants in the price consultation process through price consultation and online subscription pricing method, or through any other methods of offering as authorised by the CSRC.

(h) *Pricing methodology*

Taking into account the conditions in the capital markets and the Bank at the time of the A Share Offering, the issue price of the A Shares will be fixed through making enquiries with offline investors or fixed directly through negotiations between the lead underwriter(s) and the Bank, or by any other legally practicable methods in accordance with pricing methods specified in the Measures on the Administration of Securities Offering and Underwriting or such other methods specified by relevant authorities of the PRC. In any event, the issue price of the A Shares will not represent a discount of 20% or more to the average closing price of the H Shares as quoted on the Stock Exchange over the last five trading days prior to the date of determining such issue price. The Directors also consider that it is appropriate and is in the best interest of the Bank and the Banks's shareholders as a whole that the issue price shall not be less than RMB6.33 (equivalent to HK\$7.12) per A Share, being the audited net asset value per Share as stated in the audited financial statements of the Bank for the year ended 31 December 2016, or such audited net asset value as stated in the latest audited financial statements of the Bank immediately before completion of the A Share Offering.

The Board confirms that under this mandate, the issue price shall not be less than RMB6.33 (equivalent to HK\$7.12 based on the exchange rate prescribed in this circular) per A Share, representing a discount of approximately 20.27% to the closing price of HK\$8.93 per H Share as quoted on the Stock Exchange on the Latest Practicable Date and a discount of approximately 20.89% to the average closing price of HK\$9.00 per H Share as quoted on the Stock Exchange for the last five trading days up to and including the Latest Practicable Date.

(i) *Form of underwriting*

The offering will be underwritten by the underwriter(s) on a standby commitment basis.

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## APPENDIX II      PARTICULARS OF THE A SHARE OFFERING AND THE RELEVANT AUTHORISATION MATTERS

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(j) *Time of issuance*

The Bank will select an appropriate time within the validity period of the resolutions to be passed at the annual general meeting and the class meetings (where applicable) to implement the A Share Offering. The A Share Offering is subject to approval by CBRC and CSRC. The Board and the persons delegated by the Board will determine the actual time of issuance with reference to the domestic and international capital market conditions, as well as the status of review of the Bank's application for the relevant approvals by the PRC and overseas administrative and/or regulatory authorities. It is intended the timing for the implementation of the A Share Offering agreement(s) will comply with the relevant restrictions under the Listing Rules which apply to the initial public offer of the H Shares as stated in the prospectus.

The Bank currently estimates that the completion of the proposed A Share Offering, if materialized, may take place up to one to two years or more after obtaining the Shareholders' approval at the AGM to be held in May 2017, namely in the second quarter of 2018 to the second quarter of 2019 or beyond. Therefore, the Bank will comply with the restriction under Rule 10.08 as the A Share Offering will not be materialized within six months after listing of the Bank's H Shares.

(k) *Conversion into a joint stock company with limited liability with domestic and overseas listed shares*

Since H Shares of the Bank are listed on the Main Board of the Stock Exchange and the Bank intends to apply for the listing of A Shares on the Shanghai Stock Exchange, the Bank will make an application to convert into a joint stock company with limited liability with domestic and overseas listed shares.

(l) *Valid period of the resolutions*

The resolutions relating to the A Share Offering will be valid for 12 months from the day following the original expiry date (i.e. 29 June 2017) subject to passing the relevant special resolutions at the AGM and the Class Meetings (where applicable). The Board will consider proposing at the future Shareholders' general meeting to consider and approve the extension of the validity period of the resolutions relating to the A Share Offering if the A Share Offering is not completed within the 12-month validity period.

## 2. **Reasons for and benefits of the A Share Offering**

Considering the Bank's ongoing capital adequacy needs, the continuing slowdown trend of China's macro-economic development, the China's 13th Five-Year Plan, the percentage of shares to be issued to the public for A Share Offering in accordance with requirements of the relevant PRC laws and market practice and the market development, the Directors are of the view that the A Share Offering will further optimize the shareholder structure of the Bank, develop a domestic financing platform and enhance liquidity of the Shares of the Bank.

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## APPENDIX II      PARTICULARS OF THE A SHARE OFFERING AND THE RELEVANT AUTHORISATION MATTERS

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### 3. Authorisation to the Board to implement the A Share Offering

The Board will seek the Shareholders' authorisation at the AGM and the Class Meetings respectively to authorise the Board to implement the A Share Offering for a validity period of 12 months from the day following the original expiry date (i.e. 29 June 2017), including but not limited to:

- (a) in accordance with the relevant regulatory requirements of the securities regulatory authorities of the PRC and outside the PRC and considering the conditions in the capital market, to be fully responsible for the improvement and implementation of the plan, including but not limited to, determining the number of shares to be offered, the issue price, the commitments of the Bank, the strategic placing, the specific offering date, offering methods, the allocation ratio of the fund and other matters relating to the implementation of the plan; to adjust the plan for the A Share Offering, unless required to be voted on the general meetings by relevant laws, regulations, regulatory documents and Articles of Association, in accordance with the circumstances arising from the actual implementation of the plan for the A Share Offering, the market conditions, policy adjustments and the views of regulatory authorities;
- (b) in accordance with the plan for the A Share Offering, to apply for vetting, registration, filing, approval and consent by relevant government agencies and regulatory authorities in, and out of, the PRC; to sign, execute, modify, complete and deliver any agreements, contracts or the necessary documents relating to the A Share Offering; to determine the fund raising account; to publish the statements and commitments relating to the A Share Offering and act appropriately;
- (c) to draft, modify, sign, deliver, publish, disclose, execute, suspend, and terminate any agreements, contracts, announcements, circulars or other necessary documents (including but not limited to letter of intent, prospectus, recommendation and guarantee agreement, underwriting agreement, listing agreement and intermediary service agreement) relating to the A Share Offering; to engage the sponsor, underwriter, legal counsel, accountant, receiving bank and other intermediaries relating to the A Share Offering; to determine and pay for the expenses relating to the A Share Offering;
- (d) to revise the relevant provisions of the Articles of Association and other governance documents relating to the A Share Offering in accordance with the actual issuance, and to handle the registration of the relevant changes with the industry and commerce authorities;
- (e) in accordance with the actual issuance, to handle the approval, filing and registration of the relevant changes with CBRC and the industry and commerce authorities;
- (f) to handle other matters which the Board consider as necessary, proper or appropriate matters for the A Share Offering; and
- (g) to authorise other director or relevant person to, acting individually or in concert, to handle specific matters relating to the implementation the plan for A Share Offering.

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**APPENDIX III      PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES  
FOR BOARD OF DIRECTORS' MEETINGS**

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*The English version of this appendix is an unofficial translation of its Chinese version, for reference purpose only. In case of any discrepancies, the Chinese version shall prevail.*

The proposed amendments to the Rules of Procedures for the Board of Directors' Meetings are now compared with the existing version for ease of reference. The following amendments will become effective upon approval by the Shareholders at the AGM.

<b>Before amendment</b>	<b>After amendment</b>
<p>Article 5</p> <p>.....</p> <p>(20) other functions and powers conferred by laws, administrative regulations, departmental rules, rules (including the Listing Rules) or the Articles of Association.</p> <p>The resolutions of the Board of Directors must be passed upon the approval of more than half of all the directors, and the major external investment, the major asset disposal plans and other major matters that shall be submitted to the Board of Directors for deliberation in Item (6), (7), (8), (12) and (15) of the above paragraph must be passed upon the approval of more than two thirds (2/3) of directors.</p> <p>.....</p>	<p>Article 5</p> <p>.....</p> <p>(20) other functions and powers conferred by laws, administrative regulations, departmental rules, rules (including the Listing Rules) or the Articles of Association.</p> <p><b><u>The Board of Directors shall listen to the opinions of the Party Committee before making decisions on major issues of the Bank.</u></b></p> <p>The resolutions of the Board of Directors must be passed upon the approval of more than half of all the directors, and the major external investment, the major asset disposal plans and other major matters that shall be submitted to the Board of Directors for deliberation in Item (6), (7), (8), (12) and (15) of the above paragraph must be passed upon the approval of more than two thirds (2/3) of directors.</p> <p>.....</p>

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**APPENDIX III      PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES  
FOR BOARD OF DIRECTORS' MEETINGS**

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Before amendment	After amendment
<p>Article 6 The Board of Directors can set up special committees such as Strategy Committee, Risk Management Committee, Related-party Transaction Control Committee, Audit Committee and Nomination and Remuneration Committee according to the requirements of the law, regulations and rules, and may also set up other special committees as needed. The number of people for the special committees of the Board of Directors is not less than three (3) and the chiefs of the Related-party Transaction Control Committee, Audit Committee and the Nomination and Remuneration Committee shall be acted by independent directors. Directors nominated by the controlling shareholders of the Bank shall not become members of the Related-party Transaction Control Committee and the Nomination and Remuneration Committee. The rules of procedures for the meetings and work procedures of each of the special committees of the Board of Directors shall be established by the Board of Directors.</p>	<p>Article 6 The Board of Directors can set up special committees such as Strategy Committee, Risk Management Committee, Related-party Transaction Control Committee, Audit Committee and Nomination <u>and</u>, Remuneration Committee <u>and Consumer Rights Protection Committee</u> according to the requirements of the law, regulations and rules, and may also set up other special committees as needed. The number of people for the special committees of the Board of Directors is not less than three (3) and the chiefs of the Related-party Transaction Control Committee, Audit Committee and the Nomination and Remuneration Committee shall be acted by independent directors. Directors nominated by the controlling shareholders of the Bank shall not become members of the Related-party Transaction Control Committee and the Nomination and Remuneration Committee. The rules of procedures for the meetings and work procedures of each of the special committees of the Board of Directors shall be established by the Board of Directors.</p>

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**APPENDIX IV      PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES FOR RELATED TRANSACTIONS**

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*The English version of this appendix is an unofficial translation of its Chinese version, for reference purpose only. In case of any discrepancies, the Chinese version shall prevail.*

The proposed amendments to the Administrative Measures for the Related Transactions are now compared with the existing version for ease of reference. The following amendments will become effective upon approval by the Shareholders at the AGM.

Before amendment	After amendment
<p>Article 9</p> <p>.....</p> <p>Moreover, the related transactions of the Bank may be classified as one-off related transaction and continuing related transactions according to the requirements of the Listing Rules. One-off related transaction refers to a related transaction which can be completed in one time; continuing related transactions refer to the related transactions where a particular transaction may be conducted continuously within a certain period of time. For continuing related transactions, pursuant to the requirements of the Listing Rules, the Bank must set an annual cap on transactions. The above annual cap must be: (1) shown in currency value; (2) determined with reference to the published data of the Bank’s historical transactions and data. If the Bank has never conducted these transactions, it shall set an annual cap according to reasonable assumptions. The annual cap is monitored by the Finance Department of the Bank. If a situation that the annual cap may be exceeded arises, the secretary of the Board of Directors shall be notified in time. The secretary of the Board of Directors is responsible for reporting the annual cap and the transactions exceeding the annual cap to the Board of Directors for approval (if the relevant transactions shall be approved by independent shareholders, obtaining the approval of independent shareholders). After approval, a relevant announcement will be published in accordance with the applicable requirements of the Listing Rules.</p>	<p>Article 9</p> <p>.....</p> <p>Moreover, the related transactions of the Bank may be classified as one-off related transaction and continuing related transactions according to the requirements of the Listing Rules. One-off related transaction refers to a related transaction which can be completed in one time; continuing related transactions refer to the related transactions where a particular transaction may be conducted continuously within a certain period of time. For continuing related transactions, pursuant to the requirements of the Listing Rules, the Bank must set an annual cap on transactions. The above annual cap must be: (1) shown in currency value; (2) determined with reference to the published data of the Bank’s historical transactions and data. If the Bank has never conducted these transactions, it shall set an annual cap according to reasonable assumptions. The annual cap is monitored by the <del>Finance Department</del><b>Unified Credit Management Department</b> of the Bank. If a situation that the annual cap may be exceeded arises, the secretary of the Board of Directors shall be notified in time. The secretary of the Board of Directors is responsible for reporting the annual cap and the transactions exceeding the annual cap to the Board of Directors for approval (if the relevant transactions shall be approved by independent shareholders, obtaining the approval of independent shareholders). After approval, a relevant announcement will be published in accordance with the applicable requirements of the Listing Rules.</p>

**APPENDIX IV      PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES FOR RELATED TRANSACTIONS**

Before amendment	After amendment
<p>Article 13</p> <p>.....</p> <p>The Finance Management Department of the headquarters is responsible for primary data collection management of related transactions. The Finance Management Department shall collect the contracts of related transactions entered into by the headquarters, branches and each of the subsidiaries, calculate the data of related transaction according to the contracts and specific profit and loss accounts, and ensure the consistency, accuracy and completeness of the data of related transactions. Each of the relevant departments of the headquarters, the Finance Departments of each branch, the Finance Departments of each subsidiary shall collect the data of related transactions from the Bank, branches and companies, and report the data of related transactions to Finance Management Department of the headquarters every month. The Finance Management Department of the headquarters shall combine and sort out the data of related transactions of the Bank and each subsidiary collected every month, then send to the secretary of the Board of the Directors for reporting to the related-party transactions control committee for approval.</p>	<p>Article 13</p> <p>.....</p> <p>The <del>Finance Management Department</del><b>Unified Credit Management Department</b> of the headquarters is responsible for primary data collection management of related transactions. The <del>Finance Management Department</del><b>Unified Credit Management Department</b> shall collect the contracts of related transactions entered into by the headquarters, branches and each of the subsidiaries, calculate the data of related transaction according to the contracts and specific profit and loss accounts, and ensure the consistency, accuracy and completeness of the data of related transactions. Each of the relevant departments of the headquarters, the <del>Finance Department</del> <b>relevant departments</b> of each branch, the <del>Finance Department</del> <b>relevant departments</b> of each subsidiary shall collect the data of related transactions from the Bank, branches and companies, and report the data of related transactions to <del>Finance Management Department</del><b>Unified Credit Management Department</b> of the headquarters every month. The <del>Finance Management Department of the headquarters</del> <b>Unified Credit Management Department</b> shall combine and sort out the data of related transactions of the Bank and each subsidiary collected every month, then send to the secretary of the Board of the Directors for reporting to the related-party transactions control committee for approval.</p>

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**APPENDIX IV      PROPOSED AMENDMENTS TO THE ADMINISTRATIVE MEASURES FOR RELATED TRANSACTIONS**

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Before amendment	After amendment
<p>Article 24 In order to commence normal bank operation activities with related parties, the Bank allows the credit business of related parties to adopt annual credit extension system. The approval authority and reporting system of credit extension are executed based on the requirements of the above accumulated amount. Upon the approval from the supreme authority of the corresponding level, separate approval for single transaction business is no longer necessary. The business is internally reported to the related-party transactions control committee after 10 days.</p>	<p>Article 24 In order to commence normal bank operation activities with related parties, the Bank allows the credit business of related parties to adopt annual credit extension system. The approval authority and reporting system of credit extension are executed based on the requirements of the above accumulated amount. <del>Upon the approval from the supreme authority of the corresponding level, separate approval for single transaction business is no longer necessary.</del> <b><u>The Bank adopts centralized credit extension for extension of credit to a related party or a group customer that includes a related party, within the extent of the total amount of credit extension approved by the related-party transactions control committee, the Board of Directors or general meetings, a single related transaction conducted with a related party is no longer required to be submitted to the related-party transactions control committee, the Board of Directors or general meetings for approval according to the approval procedures for related transactions, only the approval for the authorized limit in the general credit extension process is required.</u></b> The business is internally reported to the related-party transactions control committee after 10 days.</p>

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## NOTICE OF AGM

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锦州银行股份有限公司

**Bank of Jinzhou Co., Ltd.\***

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

**(Stock Code: 0416)**

**(Stock Code of Preference Shares: 4615)**

### NOTICE OF 2017 ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 2017 annual general meeting (the “AGM”) of Bank of Jinzhou Co., Ltd. (the “Bank”) will be held at the meeting room of 34th Floor, No.68 Keji Road, Jinzhou City, Liaoning Province, the PRC at 9:30 a.m. on Tuesday, 29 May 2018 to consider and, if thought fit, to pass, with or without modifications, the following resolutions:

#### ORDINARY RESOLUTIONS

1. To receive, consider and approve the annual report of the Bank for the financial year ended 31 December 2017;
2. To receive, consider and approve the report of the board of directors of the Bank for the year ended 31 December 2017;
3. To receive, consider and approve the report of the board of supervisors of the Bank for the year ended 31 December 2017;
4. To receive, consider and approve the appraisal report on directors' performance of duties in 2017;
5. To receive, consider and approve the appraisal report on supervisors' performance of duties in 2017;
6. To receive, consider and approve the Bank's final financial accounts for the year ended 31 December 2017 and financial budget plan for the year ending 31 December 2018;
7. To consider and approve the Bank's profit distribution plan for the year ended 31 December 2017, namely the proposed distribution of a final dividend of RMB0.16 per share (tax inclusive) and RMB1,085,058,509.44 in aggregate (tax inclusive) for the year ended 31 December 2017;
8. To consider and approve the credit extension plan for related parties for the year 2018:
  - (1) Credit extension plan for Jinlian Holding Group Co., Ltd<sup>+</sup> (锦联控股集团集团有限公司) and other 12 related parties;

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## NOTICE OF AGM

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- (2) Credit extension plan for Jinzhou Yixing College Logistical Services Co., Ltd<sup>+</sup> (錦州逸興高校後勤服務有限公司);
  - (3) Credit extension plan for Beijing Fulaige Investment Co., Ltd<sup>+</sup> (北京浮萊格投資有限公司);
  - (4) Credit extension plan for Jinzhou Jinhua Co., Ltd<sup>+</sup> (錦州錦華股份有限公司);
9. To consider and approve the remuneration plan for directors of the Bank;
  10. To consider and approve the remuneration plan for supervisors of the Bank;
  11. To consider and approve the proposed amendments to the rules of procedures for board of directors' meetings;
  12. To consider and approve the proposed amendments to the administrative measures for related transactions;

### SPECIAL RESOLUTIONS

13. To consider and approve, item by item, the following items of the proposal on the issue of new H shares under specific mandate by the Bank:
  - (1) Class of shares and nominal value;
  - (2) Method of issuance;
  - (3) Target places and method of subscription;
  - (4) Size of issuance;
  - (5) Issue price and pricing mechanism;
  - (6) Lock-up period;
  - (7) Use of proceeds;
  - (8) Accumulated profits;
  - (9) Underwriting;
  - (10) Time of issuance;
  - (11) Validity period of the resolution;

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## NOTICE OF AGM

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14. To consider and approve the proposal on the authorisation to the board of directors and the persons authorised by the board of directors to implement the Bank's issue of new H shares;
15. To consider and approve the proposed amendments to the Bank's articles of association consequential to the Bank's issue of new H shares;
16. To consider and approve the proposed amendments to the articles of association of the Bank;
17. To consider and approve the extension of the validity period of the A Share Offering;
18. To consider and approve the extension of the authorisation to the board of directors to deal with matters in relation to the A Share Offering;
19. To consider and approve the issue of the tier 2 capital bonds;
20. To consider and approve the issue of the perpetual capital bonds; and
21. To consider and approve the general mandate to issue new shares.

By order of the Board  
**Bank of Jinzhou Co., Ltd.\***  
**Zhang Wei**  
*Chairman*

Jinzhou, the PRC, 13 April 2018

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## NOTICE OF AGM

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*Notes:*

1. The register of members of the Bank will be closed from Sunday, 29 April 2018 to Tuesday, 29 May 2018, both days inclusive, during which period no transfer of shares of the Bank (the “**Shares**”) will be effected. In order to be qualified to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the H share registrar of the Bank (in respect of H Shares), namely Computershare Hong Kong Investor Services Limited, or to the Bank’s registered office in the PRC (in respect of Domestic Shares), no later than 4:30 p.m. on Friday, 27 April 2018.
2. Shareholders of the Bank (the “**Shareholders**”) who are entitled to attend and vote at the AGM may appoint one or more proxies to attend and, in the event of a poll, vote on their behalves. A proxy need not be a Shareholder.
3. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his attorney duly authorised in writing. If the Shareholder is a legal person, that instrument must be executed either under its seal or under the hand of its director or other attorney duly authorised to sign the same.
4. In order to be valid, the proxy form must be deposited, for the holders of H Shares, to the H share registrar of the Bank, Computershare Hong Kong Investor Services Limited, or for the holders of Domestic Shares, to the Bank’s registered office in the PRC, not less than 24 hours before the time for holding the AGM (i.e. by Monday, 28 May 2018 at 9:30 a.m.). If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or other authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the AGM or any adjourned meetings should you so wish.
5. Shareholders shall produce their identity documents and supporting documents in respect of Shares held when attending the AGM. If corporate Shareholders appoints authorised representative to attend the AGM, the authorised representative shall produce his/her identity documents and a notarially certified copy of the relevant authorisation instrument signed by the board of directors or other authorised parties of the corporate Shareholders or other notarially certified documents allowed by the Bank. Proxies shall produce their identity documents and the proxy form signed by the Shareholders or their attorney when attending the AGM.
6. Shareholders who intend to attend the AGM should complete and return the reply slip in writing by hand or by post to the Bank’s H share registrar (for holders of H Shares) or the registered office of the Bank in the PRC (for holders of Domestic Shares) before Wednesday, 9 May 2018.
7. The AGM is expected to be held for less than half a day. Shareholders who intend to attend the AGM shall arrange and bear their own transportation and accommodation expenses.
8. The name and address of the Bank’s H share registrar are as follows:  
  
Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor,  
Hopewell Centre,  
183 Queen’s Road East,  
Wan Chai,  
Hong Kong  
  
Tel: 852-2862 8555  
Fax: 852-2865 0990
9. The registered office of the Bank in the PRC is as follows:  
  
No. 68 Keji Road  
in Zhou City  
Liaoning Province  
The PRC  
  
Contact person: Liu Liguo  
Tel: 86-0416-3220001

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## NOTICE OF AGM

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10. Where there are joint registered holders of any Share(s), any one of such joint holders may attend and vote at the AGM, either in person or by proxy, in respect of such Share(s) as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the AGM or any adjourned meeting thereof (as the case may be), the most senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Bank in respect of the joint holding.
11. The details of the aforesaid resolutions proposed for the consideration and approval of the AGM will be set out in the circular to be despatched by the Bank in due course.

*As at the date of this notice, the board of directors of the Bank comprises Mr. Zhang Wei, Mr. Huo Lingbo, Ms. Liu Hong, Mr. Wang Jing, Mr. Sun Jing and Ms. Wang Xiaoyu, as executive directors; Mr. Zhang Caiguang, Ms. Gu Jie, Mr. Wang Jinsong and Ms. Meng Xiao, as non-executive directors; Mr. Choon Yew Khee, Mr. Lin Yanjun, Mr. Chang Peng'ao, Ms. Peng Taoying and Ms. Tan Ying as independent non-executive directors.*

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

*+ For identification proposes only*

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## NOTICE OF DOMESTIC SHAREHOLDERS' CLASS MEETING

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锦州银行股份有限公司

**Bank of Jinzhou Co., Ltd.\***

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

**(Stock Code: 0416)**

**(Stock Code of Preference Shares: 4615)**

## NOTICE OF DOMESTIC SHAREHOLDERS' CLASS MEETING

**NOTICE IS HEREBY GIVEN** that the class meeting of the holders of domestic shares (the “**Domestic Shareholders’ Class Meeting**”) of Bank of Jinzhou Co., Ltd. (the “**Bank**”) will be held at the meeting room of 34th Floor, No.68 Keji Road, Jinzhou City, Liaoning Province, the PRC on Tuesday, 29 May 2018 immediately after the conclusion of the annual general meeting of the Bank held on the same date or any adjournment thereof to consider and, if thought fit, to pass, with or without modifications, the following resolutions:

### SPECIAL RESOLUTIONS

1. To consider and approve, item by item, the following items of the proposal on the issue of new H shares under specific mandate by the Bank:
  - (1) Class of shares and nominal value;
  - (2) Method of issuance;
  - (3) Target places and method of subscription;
  - (4) Size of issuance;
  - (5) Issue price and pricing mechanism;
  - (6) Lock-up period;
  - (7) Use of proceeds;
  - (8) Accumulated profits;
  - (9) Underwriting;
  - (10) Time of issuance;
  - (11) Validity period of the resolution;

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## NOTICE OF DOMESTIC SHAREHOLDERS' CLASS MEETING

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2. To consider and approve the proposal on the authorisation to the board of directors and the persons authorised by the board of directors to implement the Bank's issue of new H shares;
3. To consider and approve the extension of the validity period of the A Share Offering; and
4. To consider and approve the extension of the authorisation to the board of directors to deal with matters in relation to the A Share Offering.

By order of the Board  
**Bank of Jinzhou Co., Ltd.\***  
**Zhang Wei**  
*Chairman*

Jinzhou, the PRC, 13 April 2018

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## NOTICE OF DOMESTIC SHAREHOLDERS' CLASS MEETING

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*Notes:*

1. Holders of domestic shares (the “**Domestic Shareholders**”) whose names appear on the domestic share register of members of the Bank on Sunday, 29 April 2018 will be entitled to attend and vote at the Domestic Shareholders’ Class Meeting.
2. Domestic Shareholders who are entitled to attend and vote at the Domestic Shareholders’ Class Meeting may appoint one or more proxies to attend and, in the event of a poll, vote on their behalves.
3. The instrument appointing a proxy must be in writing under the hand of a Domestic Shareholder or his attorney duly authorized in writing. If the Domestic Shareholders is a legal person, that instrument must be executed either under its seal or under the hand of its director or other attorney duly authorized to sign the same.
4. In order to be valid, the proxy form must be deposited to the Bank’s registered office in the PRC, not less than 24 hours before the time for holding the Domestic Shareholders’ Class Meeting. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or other authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude Domestic Shareholders from attending and voting in person at the Domestic Shareholders’ Class Meeting or any adjourned meetings should you so wish.
5. Domestic Shareholders shall produce their identity documents and supporting documents in respect of the domestic shares held when attending the Domestic Shareholders’ Class Meeting. If corporate Domestic Shareholders appoints authorized representative to attend the Domestic Shareholders’ Class Meeting, the authorized representative shall produce his/her identity documents and a notarially certified copy of the relevant authorization instrument signed by the board of directors or other authorized parties of the corporate Shareholders or other notarially certified documents allowed by the Bank. Proxies shall produce their identity documents and the proxy form signed by the Domestic Shareholders or their attorney when attending the Domestic Shareholders’ Class Meeting.
6. Domestic Shareholders who intend to attend the Domestic Shareholders’ Class Meeting should complete and return the reply slip in writing by hand or by post to the registered office of the Bank in the PRC before Wednesday, 9 May 2018.
7. The Domestic Shareholders’ Class Meeting is expected to be held for less than half a day. Domestic Shareholders who intend to attend the Domestic Shareholders’ Class Meeting shall arrange and bear their own transportation and accommodation expenses.
8. The registered office of the Bank in the PRC is as follows:  
  
No. 68 Keji Road  
Jinzhou City  
Liaoning Province  
The PRC  
  
Contact person: Liu Liguo  
Tel: 86-0416-3220001
9. Where there are joint registered holders of any domestic share(s), any one of such joint holders may attend and vote at the Domestic Shareholders’ Class Meeting, either in person or by proxy, in respect of such domestic share(s) as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the Domestic Shareholders’ Class Meeting or any adjourned meeting thereof (as the case may be), the most senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Bank in respect of the joint holding.

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## NOTICE OF DOMESTIC SHAREHOLDERS' CLASS MEETING

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10. The details of the aforesaid resolutions proposed for the consideration and approval at the Domestic Shareholders' Class Meeting will be set out in the circular to be despatched by the Bank in due course.

*As at the date of this notice, the board of directors of the Bank comprises Mr. Zhang Wei, Mr. Huo Lingbo, Ms. Liu Hong, Mr. Wang Jing, Mr. Sun Jing and Ms. Wang Xiaoyu, as executive directors; Mr. Zhang Caiguang, Ms. Gu Jie, Mr. Wang Jinsong and Ms. Meng Xiao, as non-executive directors; Mr. Choon Yew Khee, Mr. Lin Yanjun, Mr. Chang Peng'ao, Ms. Peng Taoying and Ms. Tan Ying as independent non-executive directors.*

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

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## NOTICE OF H SHAREHOLDERS' CLASS MEETING

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锦州银行股份有限公司

**Bank of Jinzhou Co., Ltd.\***

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

**(Stock code: 0416)**

**(Stock Code of Preference Shares: 4615)**

## NOTICE OF H SHAREHOLDERS' CLASS MEETING

**NOTICE IS HEREBY GIVEN** that the class meeting of the holders of H shares (the “**H Shareholders’ Class Meeting**”) of Bank of Jinzhou Co., Ltd. (the “**Bank**”) will be held at the meeting room of 34th Floor, No.68 Keji Road, Jinzhou City, Liaoning Province, the PRC on Tuesday, 29 May 2018 immediately after the conclusion of the class meeting of the holders of domestic shares of the Bank held on the same date or any adjournment thereof to consider and, if thought fit, to pass, with or without modifications, the following resolutions:

### SPECIAL RESOLUTIONS

1. To consider and approve, item by item, the following items of the proposal on the issue of new H shares under specific mandate by the Bank:
  - (1) Class of shares and nominal value;
  - (2) Method of issuance;
  - (3) Target places and method of subscription;
  - (4) Size of issuance;
  - (5) Issue price and pricing mechanism;
  - (6) Lock-up period;
  - (7) Use of proceeds;
  - (8) Accumulated profits;
  - (9) Underwriting;
  - (10) Time of issuance;
  - (11) Validity period of the resolution;

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## NOTICE OF H SHAREHOLDERS' CLASS MEETING

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2. To consider and approve the proposal on the authorisation to the board of directors and the persons authorised by the board of directors to implement the Bank's issue of new H shares;
3. To consider and approve the extension of the validity period of the A Share Offering; and
4. To consider and approve the extension of the authorisation to the board of directors to deal with matters in relation to the A Share Offering.

By order of the Board  
**Bank of Jinzhou Co., Ltd.\***  
**Zhang Wei**  
*Chairman*

Jinzhou, the PRC, 13 April 2018

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## NOTICE OF H SHAREHOLDERS' CLASS MEETING

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*Notes:*

1. The H share register of members of the Bank will be closed from Sunday, 29 April 2018 to Tuesday, 29 May 2018, both days inclusive, during such period no transfer of H shares of the Bank (the “**H Shares**”) will be effected. In order to be qualified to attend and vote at the H Shareholders’ Class Meeting, all H Shares transfers documents accompanied by the relevant H share certificates must be lodged with the H share registrar of the Bank, Computershare Hong Kong Investor Services Limited, no later than 4:30 p.m. on Friday, 27 April 2018.
2. Holders of H Shares (the “**H Shareholders**”) who are entitled to attend and vote at the H Shareholders’ Class Meeting may appoint one or more proxies to attend and, in the event of a poll, vote on their behalves. A proxy needs not be a Shareholder.
3. The instrument appointing a proxy must be in writing under the hand of an H Shareholder or his attorney duly authorized in writing. If the H Shareholder is a legal person, that instrument must be executed either under its seal or under the hand of its director or other attorney duly authorized to sign the same.
4. In order to be valid, the proxy form must be deposited to the H share registrar of the Bank, Computershare Hong Kong Investor Services Limited, not less than 24 hours before the time for holding the H Shareholders’ Class Meeting. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or other authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude H Shareholders from attending and voting in person at the H Shareholders’ Class Meeting or any adjourned meetings should you so wish.
5. H Shareholders shall produce their identity documents and supporting documents in respect of Shares held when attending the H Shareholders’ Class Meeting. If corporate H Shareholders appoint authorized representative to attend the H Shareholders’ Class Meeting, the authorized representative shall produce his/her identity documents and a notarially certified copy of the relevant authorization instrument signed by the board of directors or other authorized parties of the corporate H Shareholders or other notarially certified documents allowed by the Bank. Proxies shall produce their identity documents and the proxy form signed by the H Shareholders or their attorney when attending the H Shareholders’ Class Meeting.
6. H Shareholders who intend to attend the H Shareholders’ Class Meeting should complete and return the reply slip in writing by hand or by post to the Bank’s H share registrar, Computershare Hong Kong Investor Services Limited, on or before Wednesday, 9 May 2018.
7. The H Shareholders’ Class Meeting is expected to be held for less than half a day. H Shareholders who intend to attend the H Shareholders’ Class Meeting shall arrange and bear their own transportation and accommodation expenses.
8. The name and address of the Bank’s H share registrar are as follows:

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor,  
Hopewell Centre,  
183 Queen’s Road East,  
Wan Chai,  
Hong Kong

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

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## NOTICE OF H SHAREHOLDERS' CLASS MEETING

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9. Where there are joint registered holders of any H Share(s), any one of such joint holders may attend and vote at the H Shareholders' Class Meeting, either in person or by proxy, in respect of such H Share(s) as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the H Shareholders' Class Meeting or any adjourned meeting thereof (as the case may be), the most senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Bank in respect of the joint holding.
10. The details of the aforesaid resolutions proposed for the consideration and approval at the H Shareholders' Class Meeting will be set out in the circular to be despatched by the Bank in due course.

*As at the date of this notice, the board of directors of the Bank comprises Mr. Zhang Wei, Mr. Huo Lingbo, Ms. Liu Hong, Mr. Wang Jing, Mr. Sun Jing and Ms. Wang Xiaoyu, as executive directors; Mr. Zhang Caiguang, Ms. Gu Jie, Mr. Wang Jinsong and Ms. Meng Xiao, as non-executive directors; Mr. Choon Yew Khee, Mr. Lin Yanjun, Mr. Chang Peng'ao, Ms. Peng Taoying and Ms. Tan Ying as independent non-executive directors.*

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