
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult 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.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



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)

- (1) REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2015**
- (2) REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2015**
- (3) FINAL FINANCIAL ACCOUNTS FOR THE YEAR 2015 AND
FINANCIAL BUDGET PLAN FOR THE YEAR 2016**
- (4) 2015 ANNUAL REPORT**
- (5) PROFIT DISTRIBUTION PLAN FOR THE YEAR 2015**
- (6) RE-APPOINTMENT OF AUDITORS**
- (7) APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR**
- (8) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**
- (9) PROPOSED ISSUES OF TIER 2 CAPITAL BONDS AND FINANCIAL
BONDS SPECIALISED FOR SMALL AND MICRO ENTERPRISES**
- (10) PROPOSED ISSUE OF NEW H SHARES UNDER SPECIFIC MANDATE
AND CONSEQUENTIAL AMENDMENTS TO ARTICLES OF ASSOCIATION**
- (11) PROPOSED A SHARE OFFERING UNDER SPECIFIC MANDATE AND
CONSEQUENTIAL AMENDMENTS TO ARTICLES OF ASSOCIATION
AND**
- (12) NOTICES OF AGM AND CLASS MEETINGS**

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 on 29 June 2016 are set out on pages 88 to 97 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 Shares registrar of the Bank, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, 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) 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.

13 May 2016

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
APPENDIX I — PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION ..	36
APPENDIX II — THREE-YEAR DIVIDEND PLAN AFTER THE A SHARE OFFERING	40
APPENDIX III — PRICE STABILIZING PLAN FOR THE A SHARES WITHIN THREE YEARS AFTER THE A SHARE OFFERING	46
APPENDIX IV — PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION CONSEQUENTIAL TO THE A SHARE OFFERING	50
NOTICE OF AGM	88
NOTICE OF DOMESTIC SHAREHOLDERS' CLASS MEETING	92
NOTICE OF H SHAREHOLDERS' CLASS MEETING	95

DEFINITIONS

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

“2015 Annual Report”	the annual report of the Bank for the financial year ended 31 December 2015 that has been dispatched to the Shareholders
“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 29 June 2016 or any adjournment thereof
“Articles of Association”	the articles of association of the Bank
“A Share(s)”	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 are proposed to be listed on the Shanghai Stock Exchange
“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 board of Directors
“Bonds”	collectively, the Tier 2 Capital Bonds and the SME Financial Bonds
“CBRC”	China Banking Regulatory Commission
“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
“Chairman”	the chairman of the Board
“Director(s)”	the director(s) of the Bank
“Domestic Shareholders’ Class Meeting”	the class meeting of the holders of Domestic Shares to be convened and held on 29 June 2016 immediately after the conclusion of the AGM to be held on the same date at the same place or any adjournment thereof
“Domestic Shareholder(s)”	holder(s) of Domestic Shares
“Domestic Share(s)”	the ordinary share(s) in the capital of the Bank with a nominal value of RMB1.00 each, which are subscribed for or credited as paid up in Renminbi by PRC nationals and/or PRC corporate entities

DEFINITIONS

“H Shareholders’ Class Meeting”	the class meeting of the holders of H Shares to be convened and held on 29 June 2016 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
“H Share(s)”	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
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	10 May 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“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 exercise 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
“PBOC”	the People’s Bank of China
“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
“Prospectus”	the prospectus of the Bank dated 24 November 2015 in relation to the initial public offering of the H Shares on the Main Board of the Stock Exchange
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the Domestic Share(s) and/or the H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“SME Financial Bonds”	the financial bonds specialized for small and micro enterprises to be approved at the AGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tier 2 Capital Bonds”	the tier 2 capital bonds to be approved at the AGM

For the purpose of this circular, unless otherwise specified, conversion of RMB into HK\$ is based on the exchange rate of RMB0.80 = HK\$1.00.

LETTER FROM THE BOARD



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)

Executive Directors:

ZHANG Wei
CHEN Man
ZHAO Jie
WANG Jing
WANG Xiaoyu

Registered office:

No. 68 Keji Road
Jinzhou City
Liaoning Province
The PRC

Non-executive Directors:

LI Dongjun
ZHANG Caiguang
WU Zhengkui
GU Jie

Principal place of business

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

Independent non-executive Directors:

JIANG Daxing
DENG Xiaoyang
NIU Sihu
JIANG Jian
CHOON Yew Khee

13 May 2016

To the Shareholders,

Dear Sir/Madam,

- (1) REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2015**
- (2) REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2015**
- (3) FINAL FINANCIAL ACCOUNTS FOR THE YEAR 2015 AND
FINANCIAL BUDGET PLAN FOR THE YEAR 2016**
- (4) 2015 ANNUAL REPORT**
- (5) PROFIT DISTRIBUTION PLAN FOR THE YEAR 2015**
- (6) RE-APPOINTMENT OF AUDITORS**
- (7) APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR**
- (8) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**
- (9) PROPOSED ISSUES OF TIER 2 CAPITAL BONDS AND FINANCIAL
BONDS SPECIALISED FOR SMALL AND MICRO ENTERPRISES**

LETTER FROM THE BOARD

**(10) PROPOSED ISSUE OF NEW H SHARES UNDER SPECIFIC MANDATE
AND CONSEQUENTIAL AMENDMENTS TO ARTICLES OF ASSOCIATION
(11) PROPOSED A SHARE OFFERING UNDER SPECIFIC MANDATE AND
CONSEQUENTIAL AMENDMENTS TO ARTICLES OF ASSOCIATION
AND
(12) NOTICES 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:

ORDINARY RESOLUTIONS

- (1) Report of the Board for the year 2015;
- (2) Report of the board of supervisors for the year 2015;
- (3) Final financial accounts for the year 2015 and financial budget plan for the year 2016;
- (4) 2015 Annual Report;
- (5) Profit distribution plan for the year 2015;
- (6) Re-appointment of auditors;
- (7) Appointment of independent non-executive Director;
- (8) Appraisal report on Directors' performance of duties in 2015;
- (9) Report of use of proceeds from past fund raising activities;

SPECIAL RESOLUTIONS

- (10) Proposed amendments to the Articles of Association;
- (11) Proposed issue of Tier 2 Capital Bonds;
- (12) Proposed issue of SME Financial Bonds;
- (13) Proposed New H Share Issue under specific mandate;
- (14) Authorization to the Board to implement the New H Share Issue;

LETTER FROM THE BOARD

- (15) Proposed amendments to the Articles of Association consequential to the New H Share Issue;
- (16) Proposed A Share Offering under specific mandate;
- (17) Authorization to the Board to implement the A Share Offering;
- (18) Use of proceeds from the A Share Offering;
- (19) Distribution of the accumulated undistributed profits before the A Share Offering;
- (20) Three-year dividend plan after the A Share Offering;
- (21) Price stabilizing plan for the A Shares within three years after the A Share Offering;
- (22) Undertakings relating to the disclosure of information in the prospectus published in connection with the A Share Offering;
- (23) Dilution of immediate return and recovery of return on the A Share Offering;
- (24) Undertakings to be given for the purpose of the A Share Offering; and
- (25) Proposed amendments to Articles of Association consequential to the A Share Offering.

(1) REPORT OF THE BOARD FOR THE YEAR 2015

An ordinary resolution will be proposed at the AGM to approve the report of the Board for the year ended 31 December 2015, the text of which is set out in the 2015 Annual Report.

(2) REPORT OF THE BOARD OF SUPERVISORS FOR THE YEAR 2015

An ordinary resolution will be proposed at the AGM to approve the report of the board of supervisors for the year ended 31 December 2015, the text of which is set out in the 2015 Annual Report.

(3) FINAL FINANCIAL ACCOUNTS FOR THE YEAR 2015 AND FINANCIAL BUDGET PLAN FOR THE YEAR 2016

An ordinary resolution will be proposed at the AGM to approve the final financial accounts for the year ended 31 December 2015.

LETTER FROM THE BOARD

The total budget of operating expenses (net of taxes and surcharges as well as non-business expenditure) for the year 2016 will be expected to be controlled at approximately RMB3.3 billion.

(4) 2015 ANNUAL REPORT

An ordinary resolution will be proposed at the AGM to approve the 2015 Annual Report.

(5) PROFIT DISTRIBUTION PLAN FOR THE YEAR 2015

On 23 March 2016, the Board resolved to submit to the Shareholders for their consideration and approval a profit distribution plan for the year ended 31 December 2015 as follows:

The Board has proposed the payment of a cash dividend of RMB0.135 (tax inclusive) per Share for the year ended 31 December 2015 in aggregate amount of RMB780,518,117.34 (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 11 July 2016 by the Bank. Such dividend is expected to be paid to Shareholders on or around 22 July 2016.

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 Monday, 11 July 2016.

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 (關於國稅發[1993] 045號文件廢止後有關個人所得稅徵管問題的通知) (Guo Shui Han [2011] No. 348), the Bank shall withhold and pay the individual income tax for non-resident individual Shareholder.

LETTER FROM THE BOARD

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 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.

(6) RE-APPOINTMENT OF AUDITORS

The Board has proposed the re-appointment of KPMG as the international and domestic auditors of the Bank until the conclusion of the next annual general meeting to be held in 2017 to provide annual audit and interim external review for the year 2016 in respect of the financial statements of the Bank, to provide audit for the New H Share Issue and the A Share Offering, and to provide other professional services in accordance with regulatory requirements and needs arising from the Bank's actual business development.

LETTER FROM THE BOARD

(7) APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

Reference is made to the Bank's announcement dated 23 March 2016 in relation to, among other things, the proposed appointment of an independent non-executive Director. The nomination and remuneration committee of the Bank and the Board approved the proposed appointment of Mr. Lin Yanjun ("Mr. Lin") as an independent non-executive Director, subject to the approvals at the AGM and by the relevant regulatory authorities. The Bank will enter into a service contract with Mr. Lin for an initial term commencing from the date of approval by the relevant regulatory authorities till the end of the fourth session of the Board, which is expected to be in or around November 2017. Mr. Lin will be entitled to receive an annual director's fee of RMB 210,000, which is the same as other independent non-executive Directors of the Bank, on a pro rata basis, or such amount as further adjusted with reference to the remuneration policies as approved at the annual general meeting of the Bank.

The biographical details of Mr. Lin are set out below:

Mr. Lin Yanjun, aged 36, graduated from Peking University in June 2001, is currently a senior vice president and chief strategy officer of Jiufu Hujin Holdings Group Co., Ltd.** (玖富互金控股集团有限責任公司). From July 2001 to April 2015, Mr. Lin served successively as a manager at BOC International Holdings Limited, a manager at Cazenove (Asia) Limited, a manager at Bear Stearns Asia Limited, a director at Credit Suisse (Hong Kong) Limited, and a director at Barclays Capital Asia Limited.

Save as disclosed above, Mr. Lin did not hold any directorship in any other listed companies or hold any other position with the Bank in the past three years, nor has any relationship with any other Director, supervisor, senior management, substantial Shareholder or controlling Shareholder of the Bank. Furthermore, Mr. Lin is not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong. Save as disclosed herein, there is no other information relating to the proposed appointment of Mr. Lin that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules nor any matters which need to be brought to the attention of the Shareholders.

(8) APPRAISAL REPORT ON DIRECTORS' PERFORMANCE OF DUTIES IN 2015

In 2015, all Directors faithfully, diligently, and independently performed their duties, actively attended the general meetings, Board meetings and sub-committees, carefully studied the resolutions, fully expressed their opinions revolving the agenda of the meetings, 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 2015, which will be presented at the AGM.

** For identification purpose only.

LETTER FROM THE BOARD

(9) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In order to enhance the operation efficiency of the Bank and to strengthen the procedures for purchasing or disposing the shares and assets of the Bank, the Board proposes to amend the related provisions of the Articles of Association.

The proposed amendments are subject to obtaining the Shareholders' approval as a special resolution at the AGM. Such amendments will become effective upon approval by the Shareholders. Please refer to Appendix I to this circular for details of the proposed amendments to the Articles of Association.

(10) PROPOSED ISSUES OF THE BONDS

10.1 Proposed plan for the issues of the Bonds

The Board proposed to issue the Bonds without any share convertible features for meeting its medium term capital needs, after taking into consideration the following reasons:

- (i) **meeting the Bank's ongoing capital adequacy needs.** The Bank is subject to ongoing regulatory requirement on its capital base and, as disclosed on page 415 of the Prospectus, the Bank closely monitors its capital adequacy indicators to ensure ongoing compliance with the applicable capital adequacy requirements. In doing so, the Bank may seek to (i) raise equity capital through the issuance of new shares and/or (ii) issue tier 2 capital bond. As at 31 December 2015, the tier 1 capital adequacy ratio of the Bank was 8.97% (the regulatory requirement is 7.3%) and the Bank's capital adequacy ratio was 10.5% (regulatory requirement is 9.3%). Furthermore, as shown in the table in paragraph (iii) below, the Bank requires more capital to meet its targeted capital adequacy ratio in order to achieve its growth targets;
- (ii) **the continuing slowdown trend of China's macro-economic development.** As a commercial bank, the Bank's business operation has strong co-relation with the macro-economic conditions. The Bank noted that a further decline of various economic indicators of China announced by the National Bureau of Statistic of China in early 2016 (as shown in the table below) showed a continuing declined trend in the PRC's economic development:

	June 2015 (%)	July 2015 (%)	August 2015 (%)	September 2015 (%)	October 2015 (%)	November 2015 (%)	December 2015 (%)	January 2016 (%)	February 2016 (%)
Fixed assets investment cumulative (year-on-year, "YoY") ¹	11.4	11.2	10.9	10.3	10.2	10.2	10.0	10.1	10.2
Value added of industry cumulative YoY ²	6.3	6.3	6.3	6.2	6.1	6.1	6.1	5.8	5.4
Retail sales cumulative YoY ³	10.4	10.4	10.5	10.5	10.6	10.6	10.7	10.4	10.2

LETTER FROM THE BOARD

Source: the National Bureau of Statistic of China

Notes:

1. Fixed asset investment cumulative YoY, as an economic data, is often considered by economists as an important indicator of longer-term economic growth and potential productivity.
2. Value added of industry cumulative YoY shows the growth or decline of the value of products and services provided within the PRC in certain period.
3. Retail sales cumulative YoY shows the growth or decline of consumer demand for consumer goods within the PRC in certain period.

In addition, the National People's Congress announced the reduction of China's 2016 GDP target, which has been further reduced from 7% in 2015 to a range of 6.5% to 7% for 2016, being the first year of setting a GDP target below 7% for the past ten years;

In light of such continuing slowdown of China's economy, it is necessary for the Bank to plan ahead and consider various equity financing options available to the Bank in the medium to long term to maintain its capital adequacy ratio (in particular its tier 1 core capital adequacy ratio) as required by the CBRC;

- (iii) **the China's 13th Five-Year Plan.** The CPC Central Committee published "CPC Central Committee's Proposal for Formulating the 13th Five-Year Plan for China's Economic and Social Development" 《中共中央關於制定國民經濟和社會發展第十三個五年規劃的建議》 (the "**Proposal**") in late October 2015, being the last year of the 12th Five-Year Plan and the final draft of which announced by the National Development and Reform Commission on 5 March 2016 and finally approved by the National People's Congress on 16 March 2016. 2016 is the first year of the China's 13th Five-Year Plan. As a result, many PRC companies prepare a five-year plan by drawing lessons from the implementation of the past 12th Five-Year Plan and in anticipation of the formal adoption of the China's 13th Five-Year Plan at the outset of 2016. In February 2016, based on the Bank's annual operation results of 2015 and the relevant available data for the overall banking institutions in the PRC published by CBRC on 25 February 2016, including but not limited to total assets and total debts of all kind of banks in the PRC, the relevant indicators of the PRC banking industry, such as the data relating to total loans (including the loans under the classification of "pass", "special mention", "substandard", "doubtful" and "loss"), profit and capital sufficiency ratios, the senior management of the Bank started to prepare its internal five-year development outline (the "**Outline**") and submitted such Outline to the Board's discussion at the board meeting held on 23 March 2016. Such Outline sets out, amongst others, the Bank's medium and long term capital planning and requirement, and

LETTER FROM THE BOARD

was prepared in accordance with the principles and spirit of the Proposal. Set out below is the target growth goals for the Bank's assets and its needs for further capital in line with such growth targets:

Year	2016	2017	2018	2019	2020
Targeted total assets (RMB billion)	450	510	580	660	750
The Bank's targeted capital adequacy ratio	11.0%	11.5%	12.0%	12.0%	12.0%
Capital needed under such growth goal (RMB billion)	5.6	7.9	10.9	11.6	12.8

- (iv) **the lower market interest rate resulting in lower cost of funding obtained by way of bond issuance.** Based on public information available to the Bank (Source: China Central Depository & Clearing), yield for bonds issued by AA+ issuers with maturity period of five years (which is used as a pricing benchmark for financial bonds that the Bank intended to issue) had decreased from 4.06% as of 30 November 2015 to 3.57% as of 15 March 2016 while yield for subordinate bonds issued by AA+ issuers with maturity period of ten years (which is used as a pricing benchmark for tier 2 capital bonds that the Bank intended to issue) had decreased from 4.53% as of 30 November 2015 to 4.27% as of 15 March 2016;
- (v) **further favourable government policies**, such as the Plan for Promoting the Development of Inclusive Finance (2016-2020) (推進普惠金融發展規劃(2016—2020年)) announced by the State Council on 31 December 2015 which encourages banks to issue financial bonds to finance small and medium enterprises in China; and
- (vi) **the potentially longer time required for the Bank to obtain relevant approvals for the issue of tier 2 capital bonds in the aggregate principal amount of RMB 2.5 billion for a term of ten years disclosed on page 418 of the Prospectus.** The Bank still has not obtained the approval from PBOC, the only outstanding government approval as at the Latest Practicable Date, after more than three month's submission to PBOC for such bond issue.

The reasons set above shall affect the operation of the Bank from different aspects and the purposes of the issue of the Bonds, the New H Shares and A Share Offering are to meet the medium and long term development of the Bank. For example, due to the slowdown of China's macro-economic development in early 2016 under a more volatile and complicated domestic and international economic environment, the PRC government generally will implement more proactive incentive plans, such as the speeding for the construction of infrastructure projects, under which the loans made by the PRC bank industry will increase and accordingly will increase the fund needs in the whole bank industry in the PRC. According to the statistics released by PBOC, loan amount in

LETTER FROM THE BOARD

January 2016 was RMB 2,510 billion, representing an increase of RMB 1,040 billion as compared with January 2015. As at the end of February 2016, the existing RMB loan amount in the PRC was RMB 97,190 billion, representing an increase of 14.7% as compared with February 2015. In addition, following the China's 13th Five-Year Plan, relevant PRC enterprises generally will enact their own development plans under the guidance of the China's 13th Five-Year Plan and accordingly the Bank needs to implement its medium and long term capital plan to achieve its development goals. Furthermore, as a PRC incorporated bank, the Bank needs to follow the governmental policies and the issue of financial bonds to finance the development of small and medium enterprises in China will facilitate the China's social and economic development. To further improve and enhance the financial support to small and micro enterprises by banks in China is of great strategic importance and is an important measure to facilitate the steady growth of China's economy and development of market, create jobs and promote innovation. Based on the reasons and circumstances stated above, the senior management of the Bank finally decided in early March 2016 to call a board meeting on 23 March 2016 and to seek its approval for the issue of the Bonds, as well as the New H Share Issue and the A Share Offering as mentioned below in this circular.

As disclosed herein, the Bank may need a longer time to obtain relevant approvals for the issue of the Bonds, as well as the New H Share Issue and the A Share Offering as mentioned below in this circular, and earlier capital planning is important for the Bank since it is in a heavily regulated institutional industry in the PRC and is subject to ongoing regulatory requirement on its capital base and risk resistance levels.

Based on the above, the Directors are in the view that the issue of the Bonds will help the Bank to achieve its future development goals and is in the interests of the Bank and the Shareholders as a whole.

The proposed issues of the Bonds will be conducted in compliance with the laws and regulations such as the Measures on Administration of Issuing and Trading Corporate Bonds, the Measures on Administration of Issuing Financial Bonds at National Inter-bank Bond Market and the Measures on Administration of Issuing of Subordinated Bonds by Commercial Banks, and are subject to obtaining Shareholders' approval as special resolutions at the AGM and necessary approvals from the relevant local bureau or sub-branch of CBRC and PBOC.

The Bank currently estimates that it may take up to nine to 18 months for the Bank to obtain all relevant regulatory approvals after obtaining the Shareholders' approval at the AGM. Once all necessary approvals are obtained, the Bank will have the authority and flexibility to issue the Bonds based on the then market conditions. Subject to market conditions and other relevant factors, it is anticipated that the actual time of issue and completion of the proposed issue of the Bonds, if materialized, would take place in the first quarter of 2017 at the earliest.

LETTER FROM THE BOARD

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

(A) PROPOSED ISSUE OF THE TIER 2 CAPITAL BONDS

1. Size⁽¹⁾ : not more than RMB4 billion (inclusive)
2. Maturity : not more than 10 years (inclusive)
3. 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
4. Use of proceeds : to replenish the Bank's tier two capital
5. Target subscribers : members of the national inter-bank bond market of the PRC
6. Term of validity of the resolution : 24 months, commencing from the date of passing of the relevant special resolution at the AGM

(B) PROPOSED ISSUE OF THE SME FINANCIAL BONDS

1. Size⁽²⁾ : not more than RMB10 billion (inclusive)
2. Maturity : not more than 5 years (inclusive)
3. 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
4. Use of proceeds : to support the small and micro enterprise loan business of the Bank
5. Target subscribers : members of the national inter-bank bond market of the PRC
6. Term of validity of the resolution : 24 months, commencing from the date of passing of the relevant special resolution at the AGM

Notes:

- (1) The size of the proposed issue of the Tier 2 Capital Bonds was determined based on the requirements of CBRC that the size of tier 2 capital bonds shall not exceed 30% of the net assets of a bank, and with reference to the net assets of the Bank as shown in its latest unaudited management account before board meeting in March 2016 after deducting the amount of tier 2 capital bonds that have been issued or applied for issue.
- (2) The size of the proposed issue of the SME Financial Bonds was determined based on guidance of the CSRC set out in the *Opinions of CBRC on the financial service for small and micro enterprises in 2015* (Yin Jian Fa [2015] No.8) (《中國證監會關於2015年小微企業金融服務工作的指導意見》(銀監發[2015]8號)) that the growth rate of the loans for small and micro enterprises are expected not to be lower than the average growth rate of all loans of a commercial bank, and with the reference to the loan amount of more than RMB41 billion granted by the Bank to small and micro enterprise as at 31 December 2015 and the expected increase of the loan amount to be granted by the Bank to small and micro enterprises in the following two years after its issuance.

LETTER FROM THE BOARD

The Bonds will be issued to members of the national inter-bank bond market of the PRC, and will be traded and circulated in the national inter-bank bond market according to relevant rules and regulations of the PRC. The Bonds will not be listed on the Stock Exchange.

10.2 Authorization to the Board to implement the issues of the Bonds

It will be proposed at the AGM that the Board be authorized to implement the issues of the 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 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 Bonds.

(11) PROPOSED NEW H SHARE ISSUE UNDER SPECIFIC MANDATE

11.1 Proposed plan for the New H Share Issue

The Board proposes to issue, pursuant to a specific mandate to be sought at the AGM, not more than 1,000,000,000 New H Shares, representing approximately 17.30% of the total existing issued share capital of the Bank before the issue, and approximately 14.75% of total enlarged issued share capital of the Bank after the issue; and representing approximately 65.91% of the existing issued H Shares of the Bank before the issue, and approximately 39.72% of the enlarged issued H Shares of the Bank after the issue (without taking into account of the issue of A Shares under 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 11.1 and 11.4) 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(s) 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:

(1) Class of Shares to be issued

Ordinary H 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.

LETTER FROM THE BOARD

(2) 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.

(3) Target placees

The New H Shares will be placed to not more than 10 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 and the connected persons of the Bank. The Directors currently expect that no shareholder will become substantial shareholder(s) of the Bank after such issue. The actual placee(s) is subject to the adjustment 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 intent or other similar agreements/arrangements in respect of the New H Share Issue. Once the placee(s) 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 placee(s), a brief generic description of them.

(4) 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.

(5) Size of issuance

As disclosed in 10.1 and 12.1(j), the earliest time for issues of the Bonds and A Share Offering would be in 2017, and as disclosed in 11.1(11), New H Share Issue may take place in late 2016 at the earliest. As illustrated in the table in paragraph (iii) in the section headed “10.1 Proposed Plan for the issues of the Bonds” above, considering the Bank’s development goals which may require the bank to increase its capital of more than RMB5 billion in 2016 to meet the on-going capital adequacy ratio requirement, the market price of the existing H Shares and the minimum issue price of New H Share, the Board finally proposed to issue not more than 1,000,000,000 New H Shares, representing approximately 17.30% of the total existing issued share capital of the Bank before the issue, and approximately 14.75% of total enlarged issued share capital of the Bank after the issue; and representing approximately 65.91% of the existing issued H Shares of the Bank before the issue, and approximately 39.72% of the enlarged issued H Shares of the Bank after the issue. The actual size of issuance will be determined by the two executive Directors (Mr. Zhang Wei and Mr. Wang Jing) or any senior management delegated by any of them as authorized 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 will not exceed 1,000,000,000 New H Shares.

LETTER FROM THE BOARD

(6) 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) and the senior managements 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). 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. The Directors also consider that it is appropriate and is in the best interests of the Bank and the Bank's shareholders as a whole that the issue price shall not be less than RMB4.54 (equivalent to HK\$5.68) per New H 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 2015, or such audited net asset value as stated in the latest audited financial statements of the Bank immediately before completion of the New H Share Issue.

The Board confirms that under this mandate, the issue price shall not less than RMB4.54 (equivalent to HK\$5.68 based on the exchange rate prescribed in this circular) per New H Share, representing a discount of approximately 6.27% to the closing price of HK\$6.06 per H Share as quoted on the Stock Exchange on the Latest Practicable Date and a discount of approximately 5.80% to the average closing price of HK\$6.03 per H Share as quoted on the Stock Exchange for the last five trading days up to and including the Latest Practicable Date.

(7) Lock-up period

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

(8) 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.

(9) 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.

(10) 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 authorization delegated by the Board and shall procure the subscriber(s) for the New H Shares.

LETTER FROM THE BOARD

(11) Time of issuance

The 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. It is intended the timing for the entering of the relevant subscription 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 it may take up to six months for the Bank to obtain relevant regulatory approvals after obtaining the Shareholders' approval at the AGM. Subject to market conditions and other relevant factors, completion of the proposed New H Share Issue, if materialized, may take place in late 2016 at the earliest. Therefore, the Bank will comply with the restriction under Rule 10.08 as the New H Share Issue will not be materialized within six months after listing of the Bank's H Shares.

(12) Validity period of the resolutions

The resolutions relating to the New H Share Issue will be valid for 12 months, commencing from the date of passing of the relevant special resolutions at the AGM and the Class Meetings (where applicable). The Board shall propose 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.

11.2 Reasons for and benefits of the New H Share Issue

The Board proposed to conduct the New H Share Issue after taking into consideration the following reasons:

- (i) **meeting the Bank's ongoing capital adequacy needs.** The Bank is subject to ongoing regulatory requirement on its capital base and, as disclosed on page 415 of the Prospectus, the Bank closely monitors its capital adequacy indicators to ensure ongoing compliance with the applicable capital adequacy requirements. In doing so, the Bank may seek to (i) raise equity capital through the issuance of new shares and/or (ii) issue tier 2 capital bond. As at 31 December 2015, the tier 1 capital adequacy ratio of the Bank was 8.97% (the regulatory requirement is 7.3%) and the Bank's capital adequacy ratio was 10.5% (regulatory requirement is 9.3%). Furthermore, as shown in the table in paragraph (iii) below, the Bank requires more capital to meet its targeted capital adequacy ratio in order to achieve its growth targets;

LETTER FROM THE BOARD

- (ii) **the continuing slowdown trend of China’s macro-economic development.** As a commercial bank, the Bank’s business operation has strong co-relation with the macro-economic conditions. The Bank noted that a further decline of various economic indicators of China announced by the National Bureau of Statistic of China in early 2016 (as shown in the table below) showed a continuing declined trend in the PRC’s economic development:

	June 2015 (%)	July 2015 (%)	August 2015 (%)	September 2015 (%)	October 2015 (%)	November 2015 (%)	December 2015 (%)	January 2016 (%)	February 2016 (%)
Fixed assets investment cumulative (year-on-year, “YoY”) ¹	11.4	11.2	10.9	10.3	10.2	10.2	10.0	10.1	10.2
Value added of industry cumulative YoY ²	6.3	6.3	6.3	6.2	6.1	6.1	6.1	5.8	5.4
Retail sales cumulative YoY ³	10.4	10.4	10.5	10.5	10.6	10.6	10.7	10.4	10.2

Source: the National Bureau of Statistic of China

Notes:

1. Fixed asset investment cumulative YoY, as an economic data, is often considered by economists as an important indicator of longer-term economic growth and potential productivity.
2. Value added of industry cumulative YoY shows the growth or decline of the value of products and services provided within the PRC in certain period.
3. Retail sales cumulative YoY shows the growth or decline of consumer demand for consumer goods within the PRC in certain period.

In addition, the National People’s Congress announced the reduction of China’s 2016 GDP target, which has been further reduced from 7% in 2015 to a range of 6.5% to 7% for 2016, being the first year of setting a GDP target below 7% for the past ten years;

In light of such continuing slowdown of China’s economy, it is necessary for the Bank to plan ahead and consider various equity financing options available to the Bank in the medium to long term to maintain its capital adequacy ratio (in particular its tier 1 core capital adequacy ratio) as required by the CBRC;

- (iii) **the China’s 13th Five-Year Plan.** The CPC Central Committee published the Proposal in late October 2015, being the last year of the 12th Five-Year Plan and the final draft of which announced by the National Development and Reform Commission on 5 March 2016 and finally approved by the National People’s Congress on 16 March 2016. 2016 is the first year of the China’s 13th Five-Year Plan. As a result, many PRC companies prepare a five-year plan by drawing lessons from the implementation of the past 12th Five-Year Plan and in

LETTER FROM THE BOARD

anticipation of the formal adoption of the China's 13th Five-Year Plan at the outset of 2016. In February 2016, based on the Bank's annual operation results of 2015 and the relevant available data for the overall banking institutions in the PRC published by CBRC on 25 February 2016, including but not limited to total assets and total debts of all kind of banks in the PRC, the relevant indicators of the PRC banking industry, such as the data relating to the total loans (including the loans under the classification of "pass", "special mention", "substandard", "doubtful" and "loss"), profit and capital sufficiency ratios, the senior management of the Bank started to prepare the Outline and submitted such Outline to the Board's discussion at the board meeting held on 23 March 2016. Such Outline sets out, amongst others, the Bank's medium and long term capital planning and requirement, and was prepared in accordance with the principles and spirit of the Proposal. Set out below is the target growth goals for the Bank's assets and its needs for further capital in line with such growth targets:

Year	2016	2017	2018	2019	2020
Targeted total assets (RMB billion)	450	510	580	660	750
The Bank's targeted capital adequacy ratio	11.0%	11.5%	12.0%	12.0%	12.0%
Capital needed under such growth goal (RMB billion)	5.6	7.9	10.9	11.6	12.8

- (iv) **the price of its H Shares and their trading volume since its H share listing.** The Bank also noted that the price of its H Shares and their trading volume had been increasing since its H share listing. Based on the public information available to the Bank, for the period from 7 December 2015, being the listing date of the Bank, to the end of February 2016, the highest share price of the Bank was HK\$5.80, representing an increase of approximately 24.5% as compared with HK\$4.66 per H Share, being the final offer price at the time of the initial public offering of the H Shares of the Bank. The Bank's H Shares traded during the same period recorded a highest trading volume of 109,415,000 shares and an average trading volume of approximately 5,223,000 shares per day. The Bank had taken into account the interest shown by certain potential investors and the positive movement in the Bank's share price when considering the New H Share Issue;
- (v) **the A Share Offering of the Bank may take up to one to two years or more to complete.** As mentioned above, to achieve the Bank targeted growth goals, the Bank needs to increase its capital of more than RMB5 billion in 2016 to meet its capital adequacy ratio and the A Share Offering will not happen in the year 2016; and
- (vi) **the uncertainties on whether and when the Bank can obtain the relevant approvals for issuance of the Bonds based on the Bank's past experience.** The Bank considers that the New H Share Issue, if materialized, may provide the Bank with an earlier access to equity funding to maintain the Bank's capital adequacy ratio to fund its growth, enhance its risk resistance capability and further expand its shareholder base.

LETTER FROM THE BOARD

Having considered, among other things, the foregoing reasons for and benefits of the New H Share Issue, the Directors propose to issue not more than 1,000,000,000 new H Shares and 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.

11.3 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.

11.4 Authorization to the Board to implement the New H Share Issue

The Board will seek the Shareholders' authorization at the AGM and the Class Meetings respectively to authorize the Board and two executive Directors delegated by the Board and any senior managements 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/or 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 time of issuance;
- (d) deal with all the relevant approvals, registration, filing, sanction and permission to the relevant PRC and overseas regulatory authorities, institutions and 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 authorize 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 of the New H Shares in the H Share register of members of the Bank in Hong Kong;

LETTER FROM THE BOARD

- (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 authorization by the Shareholders at the AGM and the Class Meetings as mentioned above, the Board will delegate such authorization to Mr. Zhang Wei (an executive Director and chairman of the Board) and Mr. Wang Jing (an executive Director), severally or jointly, to exercise the authorization granted by the Shareholders to the Board as mentioned above.

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.

11.5 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' authorization at the AGM to authorize the Board and the persons delegated by 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 approval of the AGM and the CBRC, 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 5,781,615,684 ordinary shares. The shareholding structure of the Bank is: 5,781,615,684 ordinary shares, among which, 4,264,295,684 are domestic shares, accounting for 73.76% of the total shares of the Bank; 1,517,320,000 are H shares, accounting for 26.24% of the total shares of the Bank.

Article 28

The Bank's registered capital shall be RMB 5,781,615,684.

LETTER FROM THE BOARD

(12) PROPOSED A SHARE OFFERING UNDER SPECIFIC MANDATE

12.1 Proposed plan for the A Share Offering

As disclosed in the Prospectus, one of the reasons that the Bank terminated its previous A-share application and applied for the H-share listing was that, before the application for H-share listing, the H-share listings of a several domestic city commercial banks had been completed (namely Huishang Bank Corporation Limited (stock code 3698), Harbin Bank Co., Ltd. (stock code 6138), Shengjing Bank Co., Ltd. (stock code 2066)), while based on the then PRC policies, it was difficult for city commercial banks and rural banks to obtain approval for A-share listing at that time. No city commercial bank was successfully listed in the PRC in the past eight years as at the latest practicable date for printing the Prospectus.

The Bank noted that soon after the H-share listing of the Bank, in late December 2015 and January 2016, the CSRC approved the A-share listing applications of several city commercial banks and rural commercial banks in the PRC. Accordingly, the Board proposes to apply for an initial public offering and listing of the Bank's A Shares in order to optimize the shareholder structure of the Bank, develop a domestic financing platform and enhance liquidity of Shares of the Bank. The total number of A Shares to be issued under the A Share Offering pursuant to a specific mandate to be sought at the AGM will be not more than 1,927,000,000 A Shares, representing approximately 33.33% of the total existing issued share capital of the Bank before the issue, and approximately 25.00% of total enlarged issued share capital of the Bank after the issue; and representing approximately 45.19% of the existing issued Domestic Shares of the Bank before the issue, and approximately 31.12% of the enlarged issued Domestic Shares of the Bank after the issue (without taking into account of the issue of the New H Shares).

The existing Domestic Shares will become listed A Shares upon completion of the A Share Offering, subject to the restriction of trading for a period of one to three years.

The proposed A Share Offering under specific mandate and other related matters below are conditional and subject to market conditions and obtaining Shareholders' approval as special resolutions at the AGM, Class Meetings (in respect of 12.1, 12.3, 12.5, 12.7 to 12.10 only) and necessary approvals from the CBRC, the CSRC and other relevant regulatory authorities.

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

LETTER FROM THE BOARD

(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 25% of the total enlarged issued share capital of the Bank after completion of the A Share Offering (without taking into account of the issue of the New H Shares).

The actual offering size will be determined by the Board as authorized 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).

(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 authorized by the CSRC.

LETTER FROM THE BOARD

(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 RMB4.54 (equivalent to HK\$5.68) 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 2015, 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 RMB4.54 (equivalent to HK\$5.68 based on the exchange rate prescribed in this circular) per A Share, representing a discount of approximately 6.27% to the closing price of HK\$6.06 per H Share as quoted on the Stock Exchange on the Latest Practicable Date and a discount of approximately 5.80% to the average closing price of HK\$6.03 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.

(j) Time of issuance

The 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 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.

LETTER FROM THE BOARD

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 June 2016, namely in the second quarter of 2017 to the second quarter of 2018 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, commencing from the date of passing of 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.

12.2 Reasons for and benefits of the A Share Offering

The Directors propose to issue not more than 1,927,000,000 A Shares based on the following reasons and consider that the A Share Offering will further optimize the shareholder structure of the Bank, develop a domestic financing platform and enhance liquidity of Shares of the Bank:

- (i) **meeting the Bank's ongoing capital adequacy needs.** The Bank is subject to ongoing regulatory requirement on its capital base and, as disclosed on page 415 of the Prospectus, the Bank closely monitors its capital adequacy indicators to ensure ongoing compliance with the applicable capital adequacy requirements. In doing so, the Bank may seek to (i) raise equity capital through the issuance of new shares and/or (ii) issue tier 2 capital bond. As at 31 December 2015, the tier 1 capital adequacy ratio of the Bank was 8.97% (the regulatory requirement is 7.3%) and the Bank's capital adequacy ratio was 10.5% (regulatory requirement is 9.3%). Furthermore, as shown in the table in paragraph (iii) below, the Bank requires more capital to meet its targeted capital adequacy ratio in order to achieve its growth targets;

LETTER FROM THE BOARD

- (ii) **the continuing slowdown trend of China’s macro-economic development.** As a commercial bank, the Bank’s business operation has strong co-relation with the macro-economic conditions. The Bank noted that a further decline of various economic indicators of China announced by the National Bureau of Statistic of China in early 2016 (as shown in the table below) showed a continuing declined trend in the PRC’s economic development:

	June 2015 (%)	July 2015 (%)	August 2015 (%)	September 2015 (%)	October 2015 (%)	November 2015 (%)	December 2015 (%)	January 2016 (%)	February 2016 (%)
Fixed assets investment cumulative (year-on-year, “YoY”) ¹	11.4	11.2	10.9	10.3	10.2	10.2	10.0	10.1	10.2
Value added of industry cumulative YoY ²	6.3	6.3	6.3	6.2	6.1	6.1	6.1	5.8	5.4
Retail sales cumulative YoY ³	10.4	10.4	10.5	10.5	10.6	10.6	10.7	10.4	10.2

Source: the National Bureau of Statistic of China

Notes:

1. Fixed asset investment cumulative YoY, as an economic data, is often considered by economists as an important indicator of longer-term economic growth and potential productivity.
2. Value added of industry cumulative YoY shows the growth or decline of the value of products and services provided within the PRC in certain period.
3. Retail sales cumulative YoY shows the growth or decline of consumer demand for consumer goods within the PRC in certain period.

In addition, the National People’s Congress announced the reduction of China’s 2016 GDP target, which has been further reduced to a range of 6.5% to 7% from 7% in 2015, being the first year of setting a GDP target below 7% for the past ten years;

In light of such continuing slowdown of China’s economy, it is necessary for the Bank to plan ahead and consider various equity financing options available to the Bank in the medium to long term to maintain its capital adequacy ratio (in particular its tier 1 core capital adequacy ratio) as required by the CBRC;

- (iii) **the China’s 13th Five-Year Plan.** The CPC Central Committee published the Proposal in late October 2015, being the last year of the 12th Five-Year Plan and the final draft of which announced by the National Development and Reform Commission on 5 March 2016 and finally approved by the National People’s Congress on 16 March 2016. 2016 is the first year of the China’s 13th Five-Year Plan. As a result, many PRC companies prepare a five-year plan by drawing lessons from the implementation of the past 12th Five-Year Plan and in anticipation of the formal adoption of the China’s 13th Five-Year Plan at the outset of 2016. In February 2016, based on the Bank’s annual operation result of 2015 and the relevant available data for the whole banking institutions in the PRC published by CBRC on 25 February 2016, including but not limited to total assets and total debts of all kind of banks

LETTER FROM THE BOARD

in the PRC, the relevant indicators of the PRC banking industry, such as the data relating to the total loans (including the loans under the classification of “pass”, “special mention”, “substandard”, “doubtful” and “loss”), profit and capital sufficiency ratios, the senior management of the Bank started to prepare the Outline and submitted such Outline to the Board’s discussion at the board meeting held on 23 March 2016. Such Outline sets out, amongst others, the Bank’s medium and long term capital planning and requirement, and was prepared in accordance with the principles and spirit of the Proposal. Set out below is the target growth goals for the Bank’s assets and its needs for further capital in line with such growth targets:

Year	2016	2017	2018	2019	2020
Targeted total assets (RMB billion)	450	510	580	660	750
The Bank’s targeted capital adequacy ratio	11.0%	11.5%	12.0%	12.0%	12.0%
Capital needed under such growth goal (RMB billion)	5.6	7.9	10.9	11.6	12.8

- (iv) **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.** Based on the requirements of the PRC Securities Law and market practice, for a PRC issuer, the A shares to be issued will account for 25% of the total share capital of such issuer; and
- (v) **recent market development.** Based on the then PRC policies at the time of the application for H-share listing of the Bank, it was difficult for city commercial banks and rural banks to obtain approval for A-share listing at that time. No city commercial bank was successfully listed in the PRC in the past eight years as at the latest practicable date for printing the Prospectus. The Bank noted that, soon after the initial public offering of the Bank, from late December 2015 to January 2016, the CSRC approved the A-share listing of six city commercial banks or rural commercial banks in the PRC, including Guiyang Bank Co., Ltd. (貴陽銀行股份有限公司), Hangzhou Bank Co., Ltd. (杭州銀行股份有限公司), Shanghai Bank Co., Ltd. (上海銀行股份有限公司), Wuxi Rural Commercial Bank Co., Ltd. (無錫農村商業銀行股份有限公司), etc. It appeared to the Bank that the PRC policies started to allow domestic city commercial banks and rural commercial banks to get listed in the A-share market again from the end of 2015.

Having considered, among other things, the foregoing reasons for and benefits of the A Share Offering, the Directors consider that the A Share Offering is in the interests of the Bank and the Shareholders as a whole.

LETTER FROM THE BOARD

12.3 Authorization to the Board to implement the A Share Offering

The Board will seek the Shareholders' authorization at the AGM and the Class Meetings respectively to authorize the Board to implement the A Share Offering, 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 authorize 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.

LETTER FROM THE BOARD

12.4 Use of the proceeds from the A Share Offering

In accordance with the *Company Law of the PRC*, the *Securities Law of the PRC*, and the *Administrative Measures for Initial Public Offering and Listing of Shares* (《首次公開發行股票並上市管理辦法》) issued by the CSRC, the proceeds to be raised from the A Share Offering, after deduction of relevant offering expenses, will be used to replenish the core tier 1 capital of the Bank to enhance its capital adequacy ratio.

12.5 Distribution of the accumulated undistributed profits before the A Share Offering

In accordance with the *Company Law of the PRC*, the *Securities Law of the PRC*, and the *Administrative Measures for Initial Public Offering and Listing of Shares* (《首次公開發行股票並上市管理辦法》) issued by the CSRC, the accumulated undistributed profits of the Bank before the A Share Offering should be shared by the old and new Shareholders after the A Share Offering in proportion to their respective shareholdings.

12.6 Three-year dividend plan after the A Share Offering

In order to further strengthen the awareness of rewarding Shareholders, improve the profit distribution system and offer continuous, stable and reasonable investment returns to Shareholders, the Bank has formulated the *Three-year Dividend Plan after the A Share Offering* based on the requirements of the *Company Law of the PRC*, the *Securities Law of the PRC*, the *Notice of the China Securities Regulatory Commission on Further Implementing Matters Relevant to the Cash Dividend Distribution by Listed Companies* (《中國證券監督管理委員會關於進一步落實上市公司現金分紅有關事項的通知》), and the *Guideline No. 3 on the Supervision and Administration of Listed Companies — Distribution of Cash Dividends of Listed Companies* (《上市公司監管指引第3號—上市公司現金分紅》), as well as the Articles of Association, and taking into full account its actual operations and the needs of future development. It will also be proposed at the AGM that the Board be authorized to adjust the plan based on any changes in laws, regulations, regulatory documents and related policies or the opinions of the regulatory authorities in, and out of, the PRC. Please refer to Appendix II to this circular for the full text of the *Three-year Dividend Plan after the A Share Offering*.

12.7 Price stabilizing plan for the A Shares within three years after the A Share Offering

Pursuant to the requirements of laws, administrative rules and regulations, departmental rules and regulations and regulatory documents, in particular, the *Opinions on Further Promoting the Reform of the System of Initial Public Offerings* (《關於進一步推進新股發行體制改革的意見》) issued by the CSRC, the Bank has formulated the *Price Stabilising Plan for the A Shares of Bank of Jinzhou Co., Ltd. within Three Years after the A Share Offering* in order to enhance the fiduciary duties of Shareholders and senior management of the Bank and protect the interests of minority Shareholders.

Under this plan, the Bank undertakes that if, within three years after the A Share Offering, the daily closing prices of the A Shares of the Bank for 20 consecutive trading days are lower than its latest audited net asset value per Share (if, after the date of the audit for the latest period, the net assets or the total number of Shares of the Bank have changed due to profit distribution, conversion of capital reserve into share capital, additional offering, and placing of shares, etc., the net asset per Share shall

LETTER FROM THE BOARD

be adjusted accordingly), the Bank will execute the *Price Stabilising Plan for the A Shares of Bank of Jinzhou Co., Ltd. within Three Years after the A Share Offering*. It will also be proposed at the AGM that the Board be authorized to formulate specific stabilisation plan according to applicable laws and regulations and perform the plan after completion of internal and external procedures as well as making public disclosures in accordance with the securities listing rules of the jurisdictions where the Shares of the Bank are listed. Please refer to Appendix III to this circular for the full text of the *Price Stabilising Plan for the A Shares of Bank of Jinzhou Co., Ltd. within Three Years after the A Share Offering*.

12.8 Undertakings relating to the disclosure of information in the prospectus published in connection with the A Share Offering

In accordance with the *Opinions on Further Promoting the Reform of the System of Initial Public Offerings* (《關於進一步推進新股發行體制改革的意見》) issued by the CSRC and other relevant laws and regulations, the Bank should give the following undertakings relating to the disclosure of information in the listing documents for initial public offering of A shares: the Bank shall, within five days after the competent department such as the CSRC or a people's court has made a final ruling thereon or a ruling thereon has become effective, initiate the procedures for share repurchase to repurchase all the new A Shares of the Bank under the public offering and listing for any false representation, misleading statement or material omission contained in the prospectus of the Bank which would have a material and substantial effect on the ability of the Bank to satisfy the conditions of offering under law. Details of the share repurchase scheme will be subject to the internal and external review and approval of the Bank under applicable laws, regulations, regulatory documents and the Articles of Association. The repurchase price shall not be lower than the issue price thereof plus interest on such shares for such periods from issue to such repurchase at the prevailing bank demand deposit interest rate. In case of any ex-rights or ex-dividend activities such as profit distribution, bonus shares, conversion of reserves to share capital after the offering and listing, such repurchase shall cover all the new A Shares and their underlying Shares under the public offering, and the above share issue price shall be adjusted for such ex-rights and ex-dividends activities.

In addition, pursuant to relevant provisions required by CSRC, the Bank shall also make the following undertaking in its public offering and listing documents: the Bank will compensate the investors fully and promptly for any losses in securities trading suffered by them due to any false representation, misleading statement or material omission in the prospectus of the Bank in accordance with law based on the final determination or the effective ruling handed down by the competent department such as the CSRC or a people's court. The Bank shall be liable under relevant laws, regulations, regulatory documents and the requirements of the regulatory authorities if it fails to observe the above undertakings. Should the relevant laws, regulations and regulatory documents (including the listing rules of the jurisdiction where the Shares of the Bank are listed) have other requirements in respect of the Bank's performance of the above undertakings, the Bank shall comply with such other requirements.

LETTER FROM THE BOARD

12.9 Dilution of immediate return and recovery of return on the A Share Offering

In accordance with the *Opinions of General Office of the State Council on Further Strengthening the Protection of Legitimate Rights and Interests of Small and Medium Investors in Capital Market* (Guo Ban Fa [2013] No. 110) (《國務院辦公廳關於進一步加強資本市場中小投資者合法權益保護工作的意見》(國辦發[2013]110號)) and other relevant laws and regulations, the Bank shall analyze the dilution of immediate return on the A Share Offering, and adopt relevant measures on recovery of return, which will be submitted to Shareholders for approval at the AGM.

12.10 Undertakings to be given for the purpose of the A Share Offering

In accordance with the *Opinions on Further Promoting the Reform of the System of Initial Public Offerings* (《關於進一步推進新股發行體制改革的意見》) issued by the CSRC and other relevant laws and regulations, the Bank should give the following undertakings relating to the listing of A Shares:

- (a) the Bank shall perform its duties and undertake its responsibilities in accordance with the restricting measures committed during the listing of A Shares;
- (b) in case that the Bank could not perform its duties and undertake its responsibilities, the Bank shall disclose the detailed reasons for not performing through the media appointed by the CSRC and shall compensate the investors fully and promptly for any losses in securities trading suffered by them due to the reliance on the commitments of the Bank based on the final determination or the effective ruling handed down by the competent department such as the CSRC or a people's court; and
- (c) the Bank shall follow the detailed restricting measures mentioned in the undertakings made during the listing of A Shares.

12.11 Proposed consequential amendments to the Articles of Association

The Bank proposes to make certain amendments to the Articles of Association to be applicable and valid after the listing of A Shares in accordance with the requirements of the relevant laws, regulations and regulatory documents. The Board will also seek the Shareholders' authorization at the AGM to authorize the Board and the Chairman delegated by the Board to implement the proposed amendments to the Articles of Association consequential to the A Share Offering. Assuming the proposed amendments to the Articles of Association set out in Appendix I are approved at the AGM. The proposed consequential amendments to the Articles of Association herein will become effective from the date when the A Shares to be issued under the A Share Offering are listed on the relevant stock exchange. Please refer to Appendix IV to this circular for details of the proposed amendments to the Articles of Association consequential to the A Share Offering.

LETTER FROM THE BOARD

(13) OTHER INFORMATION FOR THE NEW H SHARE ISSUE AND THE A SHARE OFFERING

13.1 Fund raising activities since listing of the Bank

Apart from the issue of a total of 1,517,320,000 Shares in the initial public offering of H Shares in December 2015 (including 1,320,000,000 H Shares at the time of listing of the Bank and 197,320,000 over-allotment H Shares), during the period from the date of listing of the H Shares on the Stock Exchange (i.e. 7 December 2015) to the Latest Practicable Date, no fund raising activities were conducted by the Bank.

13.2 Report on use of proceeds from past fund raising activities

The Bank issued a total of 1,517,320,000 Shares in the initial public offering of H Shares in December 2015 (including 1,320,000,000 H Shares at the time of listing of the Bank and 197,320,000 over-allotment H Shares), and the total proceeds raised were approximately HK\$7,071 million. The net proceeds after deducting the amount payable to the National Council for Social Security Fund were approximately RMB5,136 million. By reference to the relevant requirements of CSRC relating to the submission of a report of use of proceeds from past fund raising activities for approval at a general meeting before a further Shares issuance in the PRC, the Bank will propose an ordinary resolution for approval at the AGM on the use of proceeds from the initial public offering of H Shares. The Bank reports that all the funds raised from the initial public offering were used for supplementing the Bank's capital base in accordance with its plan on use of proceeds and in line with the disclosure in the Prospectus.

13.3 Public float

Prior to the listing of the Bank on the Stock Exchange, the Stock Exchange agreed to exercise its discretion pursuant to Rule 8.08(1)(d) of the Listing Rules to allow the Bank to maintain a minimum public float of 23.56% or such higher percentage after the exercise of the over-allotment option. After the partial exercise of the over-allotment option, the Bank's public float percentage has reached 26.24%, which is higher than the minimum requirements of 25% as prescribed in Rule 8.08(1)(a) of the Listing Rules. Since then, the Bank is required to maintain and has maintained a public float of at least 25%, which satisfies the requirement under Rule 8.08 of the Listing Rules. The Bank undertakes that it will continue to comply with the public float requirement under Rule 8.08(1) of the Listing Rules during the application process and after completion of the A Share Offering.

LETTER FROM THE BOARD

13.4 Effects of the New H Share Issue and the A Share Offering on the shareholding structure of the Bank

For reference and illustration purposes only, assuming that (i) a total of 1,000,000,000 New H Shares are to be issued under the New H Share Issue, (ii) a total of 1,927,000,000 A Shares are to be issued under the A Share Offering, (iii) all existing Domestic Shares will become listed A Shares upon completion of the A Share Offering, and (iv) there are no other changes to the issued share capital of the Bank, the shareholding structure of the Bank (a) as at the Latest Practicable Date, (b) immediately after completion of the New H Share Issue but before completion of the A Share Offering, (c) immediately after completion of the A Share Offering but before completion of the New H Share Issue, and (d) immediately after completion of the New H Share Issue and the A Share Offering are set out as follows:

	(a) as at the Latest Practicable Date		(b) immediately after completion of the New H Share Issue but before completion of the A Share Offering		(c) immediately after completion of the A Share Offering but before completion of the New H Share Issue		(d) immediately after completion of the New H Share Issue and the A Share Offering	
			Number of Shares		Number of Shares		Number of Shares	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
Domestic Shares⁽¹⁾	4,264,295,684	73.76	4,264,295,684	62.88	—	—	—	—
Non-public holders of A Shares								
- A Shares to be converted from Domestic Shares and held by Directors, supervisors and Chief executive of the Bank ⁽¹⁾	—	—	—	—	348,936,385	4.53	348,936,385	4.01
Public Shareholders of A Shares and H Shares	1,517,320,000	26.24	2,517,320,000	37.12	7,359,679,299	95.47	8,359,679,299	95.99
A Shares								
- A Shares to be converted from Domestic Shares and held by public Shareholders	—	—	—	—	3,915,359,299	50.79	3,915,359,299	44.96
- new A Shares to be issued ⁽²⁾	—	—	—	—	1,927,000,000	25.00	1,927,000,000	22.13
H Shares⁽²⁾								
- H Shares	1,517,320,000	26.24	1,517,320,000	22.37	1,517,320,000	19.68	1,517,320,000	17.42
- New H Shares to be issued	—	—	1,000,000,000	14.75	—	—	1,000,000,000	11.48
Total	<u>5,781,615,684</u>	<u>100</u>	<u>6,781,615,684</u>	<u>100</u>	<u>7,708,615,684</u>	<u>100</u>	<u>8,708,615,684</u>	<u>100</u>

Note:

- (1) As disclosed in the section headed “Directors’ Report” in the 2015 Annual Report, the Directors, the supervisors and the chief executive of the Bank held 348,936,385 Domestic Shares, directly or indirectly, as at December 31, 2015. 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 the 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.

LETTER FROM THE BOARD

- (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.

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 from Monday, 30 May 2016 to Wednesday, 29 June 2016 (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 Wednesday, 29 June 2016. In order to be qualified to attend and vote at the AGM and the Class Meetings, all transfers documents accompanied by the relevant share certificates must be lodged with the H Share registrar of the Bank, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, 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 May 2016.

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 Wednesday, 6 July 2016 to Monday, 11 July 2016 (both days inclusive), during which period no transfer of shares will be registered. The record date for entitlement to receive the final dividend is Monday, 11 July 2016. In order to be qualified for receiving the final dividend, all transfers documents accompanied by the relevant share certificates must be lodged with the H Share registrar of the Bank, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, 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 Tuesday, 5 July 2016.

NOTICES OF THE AGM AND CLASS MEETINGS

The AGM 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 29 June 2016. 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 88 to 97 of this circular.

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.

LETTER FROM THE BOARD

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 authorized representative shall have one vote for each Share 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.

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 Bank and its Shareholders. As such, the Board recommends the Shareholders to vote in favor of the resolutions set out in the notice 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

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 amended Articles of Association are now compared with the existing Articles of Association as follows to highlight the amendments. After adding new articles, the numbering of the articles will be re-numbered accordingly. The following amendments will become effective upon approval by the Shareholders.

Existing Articles	Amended Articles
<p>Article 17 The scope of business of the Bank, as registered in accordance with the laws, covers:</p> <p>(1) Absorbing public deposits;</p> <p>.....</p> <p>(14) Other businesses approved by the banking regulatory authority of the State Council.</p>	<p>Article 17 The scope of business of the Bank, as registered in accordance with the laws, covers:</p> <p>(1) Absorbing public deposits;</p> <p>.....</p> <p>(14) <u>Sales of fund;</u></p> <p>(15) Other businesses approved by the banking regulatory authority of the State Council.</p>
<p>New article</p>	<p>Article 67 Any unit and individual which and who purchase 5% or more of the total number of issued shares of the Bank should obtain a prior approval of the banking regulatory authority under the State Council and send a written notice to the Bank. If, in the absence of the prior approval of the banking regulatory authority under the State Council, the number of shares held by a shareholder equals to or in excess of 5% of the total number of issued shares of the Bank (“Excess Shares”), prior to obtaining the approval such shareholder holding the Excess Shares shall be subject to the necessary restrictions when exercising the shareholder’s rights as stipulated in Article 59 of the Articles of Association, including but not limited to the following: (1) No voting rights shall be attached to the Excess Shares when a vote is taken at the Shareholders’ general meeting (including the class shareholders’ general meeting); and (2)The rights to nominate directors and supervisors as stipulated in the Articles of Association shall not be attached to the Excess Shares.</p> <p>If a shareholder holding the Excess Shares fails to obtain the approval from the banking regulatory authority under the State Council, such shareholder must transfer such Excess Shares within the period prescribed by the banking regulatory authority under the State Council.</p> <p>Notwithstanding the foregoing provisions, shareholders holding the Excess Share shall not be subject to any restriction when exercising the shareholders rights as stipulated in (1) and (8) of Article 59.</p>

<p>Article 100 The general meeting of shareholders shall be held by the chairman of the Board of Directors. Where the chairman cannot perform his/her duties or fails to perform his/her duties, half of the directors or more shall jointly recommend one director to preside over the meeting.</p>	<p>Article 1010 The general meeting of shareholders shall be held by the chairman of the Board of Directors. Where the chairman cannot perform his/her duties or fails to perform his/her duties, <u>the deputy chairman shall preside over the meeting; where the deputy chairman cannot or fails to perform his/her duties,</u> half of the directors or more shall jointly recommend one director to preside over the meeting.</p>
<p>Article 163 The Board of Directors consists of fifteen (15) directors, including 1 chairman of Board of Directors, and the number of independent director shall be not less than one third (1/3) of all directors.</p> <p>It is not necessary for directors to hold shares of the Bank.</p> <p>The method and procedure for nominating the chairman of the Board of Directors are set out below:</p> <ol style="list-style-type: none"> (1) Shareholders who individually or jointly hold 10% or above shareholdings of the Bank can nominate the chairman of the Board of Directors and the candidate of the chairman of the Board of Directors shall be the directors of the Bank. (2) The qualification and conditions of the candidate for the chairman of the Board of Directors shall be reviewed by the nomination and compensation committee of the Board of the Directors and submit the candidate who meet the qualification for election at the meeting of the Board of Directors. 	<p>Article 1643 The Board of Directors consists of fifteen (15) directors, including 1 chairman <u>and 1 deputy chairman</u> of Board of Directors, and the number of independent director shall be not less than one third (1/3) of all directors.</p> <p>It is not necessary for directors to hold shares of the Bank.</p> <p>The method and procedure for nominating the chairman of the Board of Directors are set out below:</p> <ol style="list-style-type: none"> (1) Shareholders who individually or jointly hold 10% or above shareholdings of the Bank can nominate the chairman of the Board of Directors and the candidate of the chairman of the Board of Directors shall be the directors of the Bank. (2) The qualification and conditions of the candidate for the chairman of the Board of Directors shall be reviewed by the nomination and compensation committee of the Board of the Directors and submit the candidate who meet the qualification for election at the meeting of the Board of Directors.

<p>New article</p>	<p>Article 167 Any fixed assets acquisition and asset disposal of the Bank with an amount below RMB30 million shall be approved by the president with the authorization of the Board of Directors, while an amount is more than RMB30 million (exclusive) but below RMB1 billion, it shall be approved by the Board of Directors; if the amount is more than RMB1 billion (exclusive), it shall be approved by the shareholders' general meeting.</p> <p>Acquisition and disposal of assets carried out under this article shall comply with the Hong Kong Listing Rules.</p>
<p>Article 178 The Board of Directors shall have 1 chairman of Board of Directors. The chairman of Board of Directors shall be elected by more than half of all the directors on the board meeting, and have a term of office for three (3) years and may be re-elected.</p>	<p>Article 18078 The Board of Directors shall have 1 chairman of Board of Directors <u>and 1 deputy chairman of Board of Directors.</u> The chairman of Board of Directors <u>and the deputy chairman of Board of Directors</u> shall be elected by more than half of all the directors on the board meeting, and have a term of office for three (3) years and may be re-elected.</p>
<p>Article 181 The meeting of the Board of Directors of the Bank shall be convened and presided by the chairman of the Board of Directors. Where the chairman of Board of Directors is unable to perform duties or fails to perform duties, more than half of the directors shall elect one director to perform duties.</p>	<p>Article 1831 The meeting of the Board of Directors of the Bank shall be convened and presided by the chairman of the Board of Directors. Where the chairman of Board of Directors is unable to perform duties or fails to perform duties, <u>the deputy chairman of the Board of Directors shall convene and preside the meeting; where the deputy chairman of the Board of Directors is unable to perform his/her duties,</u> more than half of the directors shall elect one director to perform duties.</p>
<p>Article 212 The way and procedures for nomination of supervisions are as follows: (1) The shareholder supervisor candidates are nominated by the Board of Supervisor or the shareholders that individually or jointly hold more than</p>	<p>Article 2142 The way and procedures for nomination of supervisions are as follows: (1) The shareholder supervisor candidates are nominated by the Board of Supervisor or the shareholders that individually or jointly hold more than</p>

<p>three percent (3%) voting shares of the Bank while such nomination shall comply with the Articles of Association of the Bank and the number of such nomination shall not exceed the number of candidates to be elected. External supervisor candidates are nominated by the Board of Supervisor or the shareholders that individually or jointly hold more than one percent (1%) voting shares of the Company.</p> <p>.....</p>	<p>three percent (3%) voting shares of the Bank while such nomination shall comply with the Articles of Association of the Bank and the number of such nomination shall not exceed the number of candidates to be elected. External supervisor candidates are nominated by the Board of Supervisor or the shareholders that individually or jointly hold more than one percent (1%) voting shares of the CompanyBank.</p> <p>.....</p>
--	--

APPENDIX II THREE-YEAR DIVIDEND PLAN AFTER THE A SHARE OFFERING

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.

Three-year Dividend Return Plan After the Initial Public Offering and Listing of the A Shares of Bank of Jinzhou Co., Ltd.

According to the relevant requirements of the *Notice on Further Implementing Matters Relevant to the Cash Dividend Distribution by Listed Companies* (《關於進一步落實上市公司現金分紅有關事項的通知》) and the *Guideline No. 3 on Supervision and Administration of Listed Companies — Cash Dividends of Listed Companies* (上市公司監管指引第3號—上市公司現金分紅) issued by the CSRC, and the *Guidelines on Distribution of Cash Dividends by Companies Listed on the Shanghai Stock Exchange* (《上海證券交易所上市公司現金分紅指引》) issued by the Shanghai Stock Exchange, and in order to further increase Shareholders' return, optimize and implement the cash dividend policy, clarify the Bank's plan for providing reasonable investment returns to Shareholders, improve the transparency and operability of decision-making on profit distribution, and to facilitate supervision of the Bank's operations and profit distribution by Shareholders, the Board of the Bank has formulated the Three-year Dividend Return Plan After the Initial Public Offering and Listing of the A Shares of Bank of Jinzhou Co., Ltd. (the "Plan"), the detailed contents of which are set out as below:

I. PRINCIPLES FOR FORMULATION OF THE PLAN

According to the provisions of the *Company Law* (《公司法》) and the Articles of Association, all of Shares of the Bank are ordinary Shares. The Bank will distribute dividends to Shareholders in proportion to their shareholdings under the "pari passu" principle.

The Bank will implement a continuous and stable dividend distribution policy. The Bank shall emphasize on reasonable investment return to investors and ensure sustainable development of the Bank when distributing dividends.

The Bank shall prioritize the distribution of dividends in cash based on the principle of continuous profitability, regulatory requirements and its normal operation and long-term development.

II. FACTORS CONSIDERED IN DEVELOPING THE PROFIT DISTRIBUTION PLAN

In developing the dividend distribution policy, the Bank focuses on its existing operations and sustainable development at the current stage, conducts comprehensive analysis and takes into full consideration the following material factors:

(I) Safeguarding Shareholders' legal interests in a practical manner and implementing regulatory requirements

The Bank shall perform its social and legal responsibilities, safeguard Shareholders' legal interests in a practical manner and provide reasonable investment returns to investors.

APPENDIX II THREE-YEAR DIVIDEND PLAN AFTER THE A SHARE OFFERING

The Bank shall implement the regulatory requirements of the CSRC on profit distribution and cash dividend policy for listed companies. The Guideline No. 3 on Supervision and Administration of Listed Companies — Cash Dividends of Listed Companies issued by the CSRC provides specific requirements on further improving profit distribution decision-making process, perfecting cash distribution system, enhancing transparency in cash dividend distribution, and maintaining the consistency, reasonableness and stability of cash dividend policy.

(II) Actual business development of the Bank

The Bank maintains satisfactory operating results and strong profitability. Upon the Bank's initial public offering and listing of its A Shares, the Bank will formulate a continuous and stable dividend distribution policy based on its actual operations of the current year.

(III) Development stage of the Bank

The Bank is currently in a fast-growing stage, during which each of its business lines maintains a good development momentum with huge development potentials. Therefore, the Bank needs sufficient capital to guarantee its future development. Taking into full consideration the impact of various factors, the Bank will formulate a dividend distribution policy that is able to meet the requirements of its normal operation and sustainable development.

(IV) Demands and wishes of Shareholders

The Bank's dividend distribution policy, which attaches high importance to providing reasonable investment returns to investors while considering the expectation of investors for the rapid development of the Bank on an ongoing basis, will fully take into consideration the demands and wishes of the Shareholders. The specific dividend distribution plan, including the ratio of cash dividend and whether distributing dividends in form of shares, will be determined, considered and approved at a shareholders' general meeting according to the actual operations of the Bank of the relevant year and the future development of its normal operation.

(V) Cost of social capital and external financing environment

The Bank may currently increase its capital scale by means of issuing ordinary shares, debts instruments and profit retention. Among them, profit retention is one of the important means of the Bank to increase its capital funds. When formulating a dividend policy, the Bank will take into consideration various factors comprehensively, including the reasonable capital structure, capital cost and external financing environment of the Bank.

(VI) Cash flow

The cash flow of the Bank from operating activities is mainly impacted by various factors, including the macro-economic development, monetary policy and scale of deposits and loans of China. While taking into consideration the impact of its financing and investment activities on cash flow and ensuring its normal operation, the Bank will make appropriate adjustments to the cash dividend policy according to its actual cash flow of the current year.

(VII) Capital requirements

The Bank is required to satisfy the regulatory requirements of the CBRC on capital adequacy ratio of commercial banks. The *Administrative Measures for the Capital of Commercial Banks (for Trial Implementation)* (《商業銀行資本管理辦法(試行)》) (the “Capital Administrative Measures”) issued by the CBRC with effect from January 1, 2013, further strengthened the capital restrictive mechanism and provided more stringent capital regulatory requirements for commercial banks. The Bank is required to take into full consideration its capital adequacy ratio when formulating the profit distribution policy. The Bank may implement a positive dividend distribution plan on the basis that its capital adequacy ratio meets regulatory requirements and its sustainable development. However, when its capital adequacy ratio decreases continuously, the Bank’s dividend policy shall take into full consideration various factors, including the banking regulatory requirements, requirements for meeting the demands of Shareholders for dividends, and the ability of the Bank to deal with operational and financial uncertainties.

III. SPECIFIC DIVIDEND RETURN PLAN**(I) Sequence of profit distribution**

When the Bank distributes after-tax profits of the current year, it shall allocate 10% of its profits to the statutory reserve. The Bank can no longer allocate to such statutory reserve when the accumulative amount of the statutory reserve of the Bank amounts to more than 50% of its registered capital. If the statutory reserve is insufficient to make up for the losses of the preceding years, the profits of the current year shall first be used to make up for such losses before any allocation is made to the statutory reserve.

The Bank shall make allocation to its general reserve, the proportion of which shall meet the requirements set out by the competent regulatory authorities. Otherwise, no subsequent allocation shall be made.

After an allocation is made out of the after-tax profits to the statutory reserve, the Bank may make allocations out of the after-tax profits to the discretionary reserve after a relevant resolution has been passed at a shareholders’ general meeting.

The after-tax profits of the Bank, after being used for making up losses and making allocations to the statutory and discretionary reserves, as well as the general reserve, may be distributed as dividends to the Shareholders in proportion to their shareholdings.

APPENDIX II THREE-YEAR DIVIDEND PLAN AFTER THE A SHARE OFFERING

(II) Form of profit distribution and its interval

The Bank may distribute profits in proportion to the shareholdings of Shareholders, and may make dividend distributions either in cash or in shares or a combination of both. If the Bank satisfies the conditions for cash dividends, it shall give priority to make profit distribution in the form of cash dividends. The Bank shall, in principle, distribute profits once a year. Where conditions allow, an interim dividend distribution may be made.

(III) Conditions and ratio of cash dividend distribution

In general, no cash dividend shall be paid to Shareholders for any year if the Bank's capital adequacy ratio is lower than the minimum standard required by the regulatory authorities of the PRC. On the premises of ensuring that the capital adequacy ratio meets the regulatory requirements, the Bank may pay cash dividends if its profits realized in each year, after making up any losses and transfer to statutory reserves and general reserve according to law, remain positive and distributable. Any profit to be distributed by the Bank in cash each year shall not be less than 20% of the distributable profits realized in that year. The specific ratio of cash dividend distribution each year will be determined by the Bank in accordance with the requirements of the relevant laws and regulations, regulatory documents and the Articles of Association, and based on the Bank's business operation, and will be considered and approved at shareholders' general meetings of the Bank.

The Board of the Bank shall take into full account various factors such as features of the industries in which the Bank operates, the Bank's stage of development, its own business model and profitability, and whether there is significant capital expenditure arrangement, to distinguish the following situations and put forward differentiated policies of cash dividend policy in accordance with the procedures as required by the Articles of Association:

- (1) If the Bank is at the mature stage of development and has no significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 80% when the profit distribution is made;
- (2) If the Bank is at the mature stage of development and has significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 40% when the profit distribution is made;
- (3) If the Bank is at the growing stage and has significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 20% when the profit distribution is made.

If it is difficult to distinguish the Bank's stage of development and the Bank has significant capital expenditure arrangement, the profit distribution may be dealt with pursuant to the preceding provisions.

Where the operating income of the Bank grows rapidly and the Board considers that the share price of the Bank does not reflect its market capitalization, the Bank may propose and execute a share dividend distribution proposal in addition to payment of the cash dividend distribution above.

APPENDIX II THREE-YEAR DIVIDEND PLAN AFTER THE A SHARE OFFERING

IV. DECISION-MAKING AND SUPERVISION MECHANISM OF THE RETURN PLAN

When determining a profit distribution plan, the Board of the Bank shall consider, among other things, the timing, conditions and minimum ratio for cash dividend distribution, the conditions for adjustments and its requirements of the procedures for decision-making. The independent Directors shall give specific opinions in respect thereof. The independent Directors may seek the opinions of the minority Shareholders, devise a dividend distribution proposal accordingly and submit the same directly to the Board for consideration. Prior to the consideration of the plan by the Shareholders at a general meeting, the Bank shall communicate and exchange ideas through multiple channels with Shareholders (in particular, the minority Shareholders), consider the opinions and requests of the minority Shareholders and give timely responses to the issues that concern them. The board of supervisors of the Bank shall supervise the formulation and decision-making by the Board of the profit distribution plan of the Bank.

Where the Bank has satisfied conditions for cash dividend distribution but has not prepared any cash dividend plan, or the profit distributed by the Bank in cash is less than 20% of the distributable profits realized for that year, the Board shall set out the specific reasons for not distributing cash dividends, the exact purpose for the retained profits and the estimated investment return, and submit to the shareholders' general meeting for consideration after the independent Directors have expressed their opinions, and make disclosure in the designated media by the Bank. The Bank shall provide access to online voting platforms for Shareholders' voting purpose.

A profit distribution proposal shall be disclosed in the annual report for the year. If the Bank generated profits during the reporting period but the Board of the Bank has not made any cash profit distribution proposal, the reasons thereof and the use of proceeds retained by the Bank not used for distribution shall be explained in detail in its periodic reports and independent Directors shall give an independent opinion in this regard.

V. IMPLEMENTATION OF PROFIT DISTRIBUTION PLAN

After a resolution is adopted by the Bank's shareholders' general meeting in respect of the profit distribution plan, the Board must complete the dividend (or Share) distribution within two months after the shareholders' general meeting.

VI. FORMULATION PERIOD AND ADJUSTMENT MECHANISM OF THE RETURN PLAN

1. The Bank shall formulate the plan for Shareholders' return based on the profit distribution policy set out in the Articles of Association, and shall ensure that the plan of Shareholders' return is prepared every three years to plan for the dividend distribution policy of the next three years. When formulating the plan of Shareholders' return, the Board of the Bank shall fully listen to and take advices and suggestions from Shareholders (especially the minority Shareholders), independent Directors, and external Supervisors through various channels. The dividend distribution policy and the plan of Shareholders' return for three years as made by the Board of the Bank shall not be implemented until they are approved by a shareholders' general meeting upon submission.

APPENDIX II THREE-YEAR DIVIDEND PLAN AFTER THE A SHARE OFFERING

2. If the production and operation of the Bank are materially affected as a result of war, natural disasters and other events of force majeure, or any change in its external operating environment, or any significant changes in its own operating conditions, the Bank may adjust its profit distribution policy. When the Bank makes such adjustment, the Board shall prepare a written report on special topics containing detailed discussion and verification of the reasons for adjustment, which, after being considered by the independent Directors, shall be submitted to the shareholders' general meeting for approval by Shareholders representing over 2/3 voting rights at such meeting. The Bank shall provide access to online voting platforms for Shareholders' voting purpose. In considering such adjustments at a shareholders' general meeting, the opinions of minority Shareholders shall be sufficiently considered.

VII. Matters which are not covered under this Plan shall be implemented in accordance with the relevant laws and regulations, regulatory documents and the Articles of Association.

The Plan shall be interpreted by the Board and become effective from the date of the A Share Offering upon approval at a shareholders' general meeting of the Bank.

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.

**Price Stabilising Plan for A Shares within Three years
after the Initial Public Offering and Listing of the A Shares of
Bank of Jinzhou Co., Ltd.**

According to the requirements of the *Company Law of the People's Republic of China* (《中華人民共和國公司法》), the *Securities Law of the People's Republic of China* (《中華人民共和國證券法》), the *Opinions of the CSRC on Further Promoting the IPO System Reform* (中國證監會關於進一步推進新股發行體制改革的意見) and other relevant laws and regulations, and the listing rules of the places in which shares of is listed, this plan is hereby formulated to strengthen the fiduciary duties of Bank of Jinzhou Co., Ltd. (the “Bank”) and its Directors and senior management and to protect the interests of minority Shareholders.

I. CONDITIONS FOR INITIATING THE STABILISATION MEASURES

If for 20 consecutive trading days within three years after the initial public offering and listing of the RMB ordinary shares (the “A Share”) of the Bank (the “Public Offering”) the closing prices of the Bank’s A Shares are lower than the Bank’s latest audited net asset per share (if, after the date of the audit for the latest period, the net assets or total number of the Bank’s Shares have/has changed due to profit distribution, conversion of capital reserve into share capital, additional offering and placing of shares, the net asset per share shall be adjusted accordingly, same as below) and this is not due to any event of force majeure, the Bank and related parties will actively take the measures mentioned below to stabilise the price of the Bank’s Shares pursuant to specific stabilisation plan as considered and approved through internal review and approval procedures of the Bank according to law.

II. SPECIFIC STABILISATION MEASURES

(I) Stabilisation measures of the Bank

1. If for 20 consecutive trading days the closing prices of the Bank’s A Shares are lower than the Bank’s latest audited net asset per share, this will trigger the Bank’s obligation of stabilizing the prices of its Shares. The Board shall formulate and announce the stabilisation plan of the Bank within 10 trading days from the date on which such obligation is triggered. The stabilisation plan of the Bank includes but not limited to the plan on the Bank’s repurchase of its Shares or other plans that meet the requirements of relevant laws and regulations and other regulatory documents (including the listing rules of the places in which Shares of the Bank are listed). The specific plan shall go through internal approval procedures of the Bank and applicable external approval procedures pursuant to requirements of applicable laws and regulations, regulatory documents and the Articles of Association of the Bank.

2. If the Bank adopts the plan for repurchase of its Shares, the share repurchase proposal shall include but not limited to contents such as the number of shares to be repurchased, the price range and source of capital of the repurchase and the impact of such repurchase on the share price and operation of the Bank. The Bank shall implement the share repurchase plan after it has completed its internal approval procedures as required by applicable laws and regulations, regulatory documents and the Articles of Association of the Bank; and has performed other relevant procedures and obtained necessary approvals as required by relevant laws and regulations and other regulatory documents as set out in the repurchase proposal. The Bank shall repurchase its Shares on stock exchanges through centralized competitive bidding, offer and/or other legal methods. The total amount of capitals to be used by the Bank for repurchase of its Shares shall not be less than 5% of the net profits attributable to Shareholders of the Bank for the previous year or more than the net proceeds raised from the Public Offering of Shares of the Bank.
3. If the Bank adopts other stabilisation plans that meet the requirements of relevant laws and regulations and other regulatory documents (including the listing rules of the places in which the Shares of the Bank are listed), such plans shall be implemented after the Bank has performed the relevant approval and/or filing procedures as required by applicable laws and regulations and regulatory documents (including the listing rules of the places in which the Shares of the Bank are listed) and the Articles of Association of the Bank.
4. During the course of implementing the stabilisation plan, if the closing prices of the Bank's A Shares are higher than the Bank's latest audited net asset per share for 10 consecutive trading days, the Bank may terminate implementation of the stabilisation plan. If after the Bank's termination of the stabilisation plan the closing prices of the Bank's Shares are once again lower than the Bank's latest audited net asset per share for 20 consecutive trading days within 12 months from the date of triggering the obligation of stabilisation, the Bank shall continue to implement such stabilisation plan.

(II) Additional acquisition of Shares by Directors (excluding independent Directors and any Directors not entitled to remunerations of the Bank, same as below) and senior management

1. If the closing prices of the Bank's A Shares are lower than the Bank's latest audited net asset per share for 20 consecutive trading days, and the Board of the Bank fails to make an announcement on the above stabilisation plan as scheduled or fails to obtain the approval for the said stabilisation plan from the competent authorities or departments, this will triggers the obligation of the Directors and the senior management of the Bank to acquire additional Shares of the Bank. Subject to compliance with the relevant laws, regulations and regulatory documents (including the listing rules of the places in which the Shares of the Bank are listed), Directors and senior management of the Bank shall, within 10 trading days after the obligation to acquire additional shares is triggered, notify the Bank in writing of their specific plans for acquiring additional Shares of the Bank, including but not limited to information such as the range of quantity, the price range and the completion time of the intended acquisition of additional Shares, and a related announcement shall be made by the Bank.

2. The monetary funds used by Directors and senior management of the Bank for acquiring additional Shares of the Bank shall not be less than 20% of the total remunerations (after-tax) received by such Directors and senior management from the Bank for the previous year.
3. During the course of implementing the above-mentioned plan for acquiring additional Shares, if the closing prices of the Bank's A Shares are higher than the Bank's latest audited net asset per share for 10 consecutive trading days, such Directors and senior management may terminate the plan for acquiring additional Shares. If after termination of such plan the closing prices of the Bank's Shares are once again lower than the Bank's latest audited net asset per share for 20 consecutive trading days within 12 months from the date on which the obligation to acquire additional shares is triggered, such Directors and senior management shall continue to implement the said plan for acquiring additional Shares.
4. Directors and senior management shall not sell any Shares acquired by them within six months after completion of the plan of additional acquisition, and after the additional acquisition by such Directors and senior management the shareholding distribution of the Bank shall meet the listing conditions, and the additional acquisition shall be conducted in accordance with the requirements of relevant laws and regulations and regulatory documents.

(III) Restrictive measures on failure to fulfill obligations to acquire additional shares or repurchase shares

1. If the Bank fails to formulate a stabilisation plan and make an announcement thereon within 10 trading days from the date on which the obligation of stabilisation is triggered as mentioned in the stabilisation plan, or fails to implement the plan as announced, the Bank will, within 5 trading days, automatically freeze monetary funds that are equivalent to 10% of the net profits attributable to Shareholders of the Bank for the previous year and use the fund to perform the aforesaid undertakings of stabilisation. If investors suffer losses due to failure of the Bank to perform its obligation of stabilisation, the Bank will compensate investors for their losses according to law.
2. If Directors and senior management of the Bank fail to put forward a specific plan for additional acquisition within 10 trading days from the date of triggering the obligation to acquire additional shares, or fails to implement such plan as disclosed, the Bank shall, from the month when such Directors and senior management fail to perform the agreed obligations, deduct 20% of the monthly remuneration together with cash bonus (if any) of the relevant parties concerned, until the accumulated amount of deductions reach 20% of the total amount of remuneration (after-tax) received from the Bank in the fiscal year preceding to the year when the obligation to acquire additional shares shall be performed, and such deductions shall be retained for the benefit of the Bank. If the Bank and investors suffer losses due to the failure of Directors and senior management to perform their obligations to acquire additional shares, such Directors and senior management shall compensate the Bank and investors for such losses according to law.

(IV) When performing the above-mentioned obligations, the Bank, Directors and senior management shall fulfill relevant information disclosure obligations in accordance with the listing rules of the places where Shares of the Bank are listed and other applicable regulatory requirements, and shall also meet the relevant requirements on regulation of commercial banks.

III. MISCELLANEOUS

- (I) During the effective period of this plan, newly appointed Directors and senior management of the Bank shall carry out the obligations of Directors and senior management as required by this plan, and shall perform other undertakings and obligations made by Directors and senior management for the Public Offering of Shares of the Bank based on the same standards. For Directors and senior management of the Bank propose to appoint, they should provide written consent agreeing to carry out the aforesaid undertakings and obligations prior to receiving nomination.
- (II) This plan will automatically become effective for a term of three years upon completion of the initial public offering and listing of the A Shares of the Bank, subject to consideration and approval by Shareholders at a shareholders' general meeting of the Bank.
- (III) When implementing this plan, if otherwise provided by the relevant laws and regulations and regulatory documents (including the listing rules of the places in which Shares of the Bank are listed), the Bank shall abide by such provisions.
- (IV) If this plan is required to be amended in accordance with the relevant new rules issued by regulatory authorities such as the CSRC and the Shanghai Stock Exchange during its effective period, the Board shall be authorized by a shareholders' general meeting of the Bank to amend this plan accordingly.

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

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 amended Articles of Association are now compared with the existing Articles of Association (assuming the amendments set out in Appendix I are approved at the AGM) as follows to highlight the amendments. After adding new articles, the numbering of the articles will be re-numbered accordingly. The following amendments will become effective from the date when the A shares to be issued under the A Share Offering are listed on the relevant stock exchange.

Existing Articles	Amended Articles
<p>Article 2 For the purposes of maintaining the legitimate rights and interests of the Bank, its shareholders and creditors, and of standardizing the organization and behaviour of the Bank, the Articles of Association is hereby formulated in combination with the actual circumstance of the Bank and according to the Company Law, the Securities Law of the People’s Republic of China (hereinafter referred to as the “Securities Law”), the Law of the People’s Republic of China on Commercial Banks (hereinafter referred to as the “Commercial Banking Law”), the Prerequisite Clauses for Articles of Association of Companies to Be Listed Overseas, the Special Provisions of the State Council on the Offering and Listing of Shares Overseas by Joint Stock Limited Companies (the “Special Provisions”) and other relevant laws, administrative regulations, departmental rules and relevant regulations by securities regulatory authorities of the jurisdiction where the Bank’s shares are listed.</p>	<p>Article 2 For the purposes of maintaining the legitimate rights and interests of the Bank, its shareholders and creditors, and of standardizing the organization and behaviour of the Bank, the Articles of Association is hereby formulated in combination with the actual circumstance of the Bank and according to the Company Law, the Securities Law of the People’s Republic of China (hereinafter referred to as the “Securities Law”), the Law of the People’s Republic of China on Commercial Banks (hereinafter referred to as the “Commercial Banking Law”), the Prerequisite Clauses for Articles of Association of Companies to Be Listed Overseas, the Special Provisions of the State Council on the Offering and Listing of Shares Overseas by Joint Stock Limited Companies (the “Special Provisions”), <u>Guideline for Articles of Association of Listed Companies</u> and other relevant laws, administrative regulations, departmental rules and relevant regulations by securities regulatory authorities of the jurisdiction where the Bank’s shares are listed.</p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 10 Upon approval by the shareholders’ general meeting of the Bank and by the banking regulatory authority under the State Council, the Articles of Association of the Bank shall come into force from the day when the foreign shares issued by the Bank for overseas listing are listed on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Stock Exchange of Hong Kong”).</p> <p>.....</p>	<p>Article 10 Upon approval by the shareholders’ general meeting of the Bank and by the banking regulatory authority under the State Council, the Articles of Association of the Bank shall come into force from the day when the foreign<u>domestic listed</u> domestic shares (A Shares) shares issued by the Bank for overseas listing are listed on <u>the Shanghai Stock Exchange of Hong Kong Limited</u> (hereinafter referred to as the “Stock Exchange of Hong Kong”).</p>
<p>Article 19 The issuance of shares shall comply with the principle of openness, fairness and impartiality, and each share of the same category shall have equal rights.</p> <p>Shares of the same category issued at the same time shall be issued on the same conditions and at the same price;</p> <p>All entities and individuals shall pay the same price for each share of the same category they subscribe for.</p>	<p>Article 19 The issuance of shares shall comply with the principle of openness, fairness and impartiality, and each share of the same category shall have equal rights.</p> <p>Shares of the same category issued at the same time shall be issued on the same conditions and at the same price;</p> <p>All entities and individuals shall pay the same price for each share of the same category they subscribe for.</p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

Article 22 Shares issued by the Bank to domestic investors for subscription in Renminbi shall be referred to as domestic shares. Shares issued by the Bank to overseas investors for subscription in foreign currency or shares acquired by overseas investors from domestic shareholders shall be referred to as foreign shares. Foreign shares which are listed outside the PRC shall be referred to as foreign shares listed overseas.

.....

Overseas listed foreign shares (H shares) issued by the Bank and listed in Hong Kong shall refer to shares listed in the Stock Exchange of Hong Kong upon approval, the par value of stock of which is indicated by Renminbi and the subscription and transaction of which is made by Hong Kong dollars.

Subject to the permission of relevant laws, administrative regulations and departmental rules and the approval of the securities regulatory authority of the State Council, shareholders of the domestic shares may list shares held by them on overseas market for transactions. The listing of such shares for transactions on overseas securities exchanges shall also abide by the regulatory procedures, regulations and requirements of the overseas securities market but no approval is required from category shareholders' meeting.

Article 22 Shares issued by the Bank to domestic investors for subscription in Renminbi shall be referred to as domestic shares. Shares issued by the Bank to overseas investors for subscription in foreign currency or shares acquired by overseas investors from domestic shareholders shall be referred to as foreign shares. **Domestic shares listed domestically shall be referred to as domestic listed domestic shares;** Foreign shares which are listed outside the PRC shall be referred to as foreign shares listed overseas.

.....

Overseas listed foreign shares (H shares) issued by the Bank and listed in Hong Kong shall refer to shares listed in the Stock Exchange of Hong Kong upon approval, the par value of stock of which is indicated by Renminbi and the subscription and transaction of which is made by Hong Kong dollars.

~~Subject to the permission of relevant laws, administrative regulations and departmental rules and the approval of the securities regulatory authority of the State Council, shareholders of the domestic shares may list shares held by them on overseas market for transactions. The listing of such shares for transactions on overseas securities exchanges shall also abide by the regulatory procedures, regulations and requirements of the overseas securities market but no approval is required from category shareholders' meeting.~~

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 23 Domestic shares issued by the Bank shall be collectively deposited China Securities Depository & Clearing Co., Ltd. Foreign shares listed overseas issued by the Bank may be kept by trustee escrow companies in accordance with laws and requirements of securities registration and depository of the place where the Bank's shares are listed, or may also be held by shareholders in their own name.</p>	<p>Article 23 <u>Domestic listed</u> domestic shares issued by the Bank shall be collectively deposited China Securities Depository & Clearing Co., Ltd. Foreign shares listed overseas issued by the Bank may be kept by trustee escrow companies in accordance with laws and requirements of securities registration and depository of the place where the Bank's shares are listed, or may also be held by shareholders in their own name.</p>
<p>Article 25 With the approval of the authority authorized by the State Council, the Bank may issue 5,781,615,684 ordinary shares. The shareholding structure of the Bank is: 5,781,615,684 ordinary shares, among which, 4,264,295,684 are domestic shares, accounting for 73.76% of the total shares of the Bank; 1,517,320,000 are H shares, accounting for 26.24% of the total shares of the Bank.</p>	<p>Article 25 With the approval of the authority authorized by the State Council, the Bank may issue 5,781,615,684[●] ordinary shares. The shareholding structure of the Bank is: 5,781,615,684[●] ordinary shares, among which, 4,264,295,684[●] are domesticA shares, accounting for 73.76[●]% of the total shares of the Bank; 1,517,320,000[●] are H shares, accounting for 26.24[●]% of the total shares of the Bank.</p>
<p>Article 26 After the Bank's plan of issuing of overseas listed foreign shares and domestic shares being approved by the securities regulatory authority of the State Council, the Board of the Bank may make implementation arrangements for such plan by means of separate issuance.</p> <p>The Bank's plan of separate issuance of overseas listed foreign shares and domestic shares pursuant to the preceding paragraph may be implemented respectively within fifteen (15) months from the date of approval by the securities regulatory authority of the State Council.</p>	<p>Article 26 After the Bank's plan of issuing of overseas listed foreign shares and domestic shares<u>domestic listed domestic shares</u> being approved by the securities regulatory authority of the State Council, the Board of the Bank may make implementation arrangements for such plan by means of separate issuance.</p> <p>The Bank's plan of separate issuance of overseas listed foreign shares and domestic shares<u>domestic listed domestic shares</u> pursuant to the preceding paragraph may be implemented respectively within fifteen (15) months from the date of approval by the securities regulatory authority of the State Council.</p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 27 Where the Bank issues overseas listed foreign shares and domestic shares respectively within the total number of shares defined in the issuance plan, the respective shares shall be subscribed for in full at one time. If they cannot be subscribed for in full at one time under special circumstances, these shares may be issued in several stages subject to the approval of the securities regulatory authority of the State Council.</p>	<p>Article 27 Where the Bank issues overseas listed foreign shares and domestic shares <u>domestic listed domestic shares</u> respectively within the total number of shares defined in the issuance plan, the respective shares shall be subscribed for in full at one time. If they cannot be subscribed for in full at one time under special circumstances, these shares may be issued in several stages subject to the approval of the securities regulatory authority of the State Council.</p>
<p>Article 28 The Bank’s registered capital shall be RMB5,781,615,684.</p>	<p>Article 28 The Bank’s registered capital shall be RMB5,781,615,684[●].</p>
<p>Article 38 Unless otherwise provided by the laws, administrative regulations, departmental rules, laws of the locality where the Bank’s shares are listed and relevant requirements of the Stock Exchange of Hong Kong, the shares of the Bank may be transferred freely without any lien being attached.</p>	<p>Article 38 Unless otherwise provided by the laws, administrative regulations, departmental rules, and the laws <u>the relevant requirements of the securities regulatory authorities or the stock exchange</u> where the Bank’s shares are listed and relevant requirements of the Stock Exchange of Hong Kong, the shares of the Bank may be transferred freely without any lien being attached.</p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>New article</p>	<p><u>Article 42</u> <u>If the directors, supervisors, senior management and shareholders holding more than 5% of the shares of the Bank sell any share within six months from the date of purchase or repurchase of any share within six months from the date of disposal, any gains so realised shall be forfeited by the Board in favour of the Bank. However, securities firms holding more than 5% of the shares as a result of the performance of their underwriting obligation shall not be subject to the six month restriction.</u></p> <p><u>If the Board of the Bank does not abide by the provisions as stipulated in the preceding paragraph, the shareholders may request the Board to act within 30 days. If the Board of the Bank fails to act within such period, the shareholders may institute a proceeding before the People’s Court in his/her own name for the benefit of the Bank.</u></p> <p><u>If the Board of the Bank does not abide by the provision above, the responsible Directors shall assume related responsibilities as stipulated by the laws.</u></p>
<p>Article 43 The Bank (including branches of the Bank) or its subsidiaries shall not, by any means including bestowal, underwriting, guarantee, compensation or loans and at any time, provide any kind of financial assistance to a person who is acquiring or is proposing to acquire shares of the Bank. The aforesaid acquirer of shares of the Bank includes a person who directly or indirectly assumes any obligations due to the acquisition of shares of the Bank.</p> <p>.....</p> <p>This provision does not apply to the circumstances stated in Article 45 of the Articles of Association.</p>	<p>Article 443 The Bank (including branches of the Bank) or its subsidiaries shall not, by any means including bestowal, underwriting, guarantee, compensation or loans and at any time, provide any kind of financial assistance to a person who is acquiring or is proposing to acquire shares of the Bank. The aforesaid acquirer of shares of the Bank includes a person who directly or indirectly assumes any obligations due to the acquisition of shares of the Bank.</p> <p>.....</p> <p>This provision does not apply to the circumstances stated in Article 45 of the Articles of Association.</p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 45 The following activities shall not be deemed to be activities as prohibited under Article 43 of the Articles of Association:</p> <p>.....</p>	<p>Article 4645 The following activities shall not be deemed to be activities as prohibited under Article 443 of the Articles of Association:</p> <p>.....</p>
<p>Article 48 The Bank shall keep a register of shareholders which shall contain the following particulars:</p> <p>.....</p> <p>The register of shareholders shall be the sufficient evidence of the holding of the Bank’s shares by a shareholder, unless there is evidence to the contrary.</p>	<p>Article 4948 The Bank shall keep a register of shareholders <u>according to the evidence provided by the share registrars,</u> which shall contain the following particulars:</p> <p>.....</p> <p>The register of shareholders shall be the sufficient evidence of the holding of the Bank’s shares by a shareholder, unless there is evidence to the contrary. <u>A shareholder shall enjoy the relevant rights and assume the relevant obligations in accordance with the class of shares he/she/it holds. Shareholders holding the same class of shares shall be entitled to the same rights and assume the same obligations.</u></p>
<p>Article 53 When the Bank intends to convene a shareholders’ general meeting, distribute dividends, liquidate or engage in other activities that involve determination of shareholdings, the Board shall decide on a date for the determination of rights attaching to shares in the Bank. Shareholders whose names appear in the register of shareholders at the end of the record date are shareholders of the Bank.</p>	<p>Article 5453 When the Bank intends to convene a shareholders’ general meeting, distribute dividends, liquidate or engage in other activities that involve determination of shareholdings, the Board shall decide on a date for the <u>registration</u>determination of rights attaching to shares in the Bank. Shareholders whose names appear in the register of shareholders at the end of the record date are shareholders of the Bank.</p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 59 The ordinary shareholders of the Bank shall be entitled to the following rights:</p> <p>.....</p> <p>(II) the rights to attend in person or appoint a proxy to attend shareholders’ general meetings and to exercise the corresponding voting rights;</p> <p>.....</p> <p>(8) minutes of shareholders’ general meeting (for inspection only).</p> <p>The documents referred to in items (1) to (8) other than item (2) shall be maintained at the Hong Kong address of the Bank in accordance with the Hong Kong Listing Rules and available for inspection free of charge by both the public shareholders and the H Shareholders.</p> <p>.....</p>	<p>Article 6059 The ordinary shareholders of the Bank shall be entitled to the following rights:</p> <p>.....</p> <p>(II) the rights to <u>legally request, convene, preside,</u> attend in person or appoint a proxy to attend shareholders’ general meetings and to exercise the corresponding voting rights;</p> <p>.....</p> <p>(8) minutes of shareholders’ general meeting (for inspection only).</p> <p>The documents referred to in items (1) to (8) other than item (2) shall be maintained at the Hong Kong address of the Bank in accordance with the Hong Kong Listing Rules and available for inspection free of charge by both the public shareholders and the H Shareholders. <u>Shareholders of the Bank may also inspect the resolutions of the Board of Directors, resolutions of the Board of Supervisors and counterfoil of debentures of the Bank.</u></p> <p>.....</p>
<p>Article 62 Shareholders demanding inspection of the relevant information aforesaid in the Article 59 of the Articles of Association or copies of the materials shall provide to the Bank the written documents certifying the class and number of shares of the Bank they hold. Upon verification of the shareholder’s identity, the Bank shall provide such information at the shareholder’s request.</p> <p>.....</p>	<p>Article 6362 Shareholders demanding inspection of the relevant information aforesaid in the Article 5960 of the Articles of Association or copies of the materials shall provide to the Bank the written documents certifying the class and number of shares of the Bank they hold. Upon verification of the shareholder’s identity, the Bank shall provide such information at the shareholder’s request.</p> <p>.....</p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

Article 67 Any unit or individual which or who purchases 5% or more of the total number of the issued shares of the Bank shall have the prior approval of the banking regulatory authority of the State Council and deliver written notice to the Bank. If, in the absence of the prior approval of the banking regulatory authority of the State Council, the number of shares held by a shareholder is equal to or in excess of 5% or more of the total number of the issued shares of the Bank (the “Excess Shares”), prior to the approval, such shareholder holding the Excess Shares shall be subject to the necessary restrictions when exercising the shareholders’ rights in respect of the Excess Shares as stipulated in Article 59 of the Articles of Association, including but not limited to: (1) no voting rights shall be conferred on such excess shares when voting in the shareholders’ general meeting of our Bank (including voting by class shareholders); (2) the right to nominate candidates for Directors and supervisors as set out in our Articles of Association shall not be conferred on such excess shares.

.....

Notwithstanding the aforementioned, the shareholders of the Excess Shares shall not be subject to any other restrictions when exercising the shareholders’ rights pursuant to item (1) and (8) of Article 59 of the Articles of Association.

Article 6768 Any unit or individual which or who purchases 5% or more of the total number of the issued shares of the Bank shall have the prior approval of the banking regulatory authority of the State Council and deliver written notice to the Bank. If, in the absence of the prior approval of the banking regulatory authority of the State Council, the number of shares held by a shareholder is equal to or in excess of 5% or more of the total number of the issued shares of the Bank (the “Excess Shares”), prior to the approval, such shareholder holding the Excess Shares shall be subject to the necessary restrictions when exercising the shareholders’ rights in respect of the Excess Shares as stipulated in Article ~~59~~**60** of the Articles of Association, including but not limited to: (1) no voting rights shall be conferred on such excess shares when voting in the shareholders’ general meeting of our Bank (including voting by class shareholders); (2) the right to nominate candidates for Directors and supervisors as set out in our Articles of Association shall not be conferred on such excess shares.

.....

Notwithstanding the aforementioned, the shareholders of the Excess Shares shall not be subject to any other restrictions when exercising the shareholders’ rights pursuant to item (1) and (8) of Article ~~59~~**60** of the Articles of Association.

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>New article</p>	<p><u>Article 74</u> The following conduct of security provision for external parties by the Bank shall be subject to review and approval at shareholders’ general meeting:</p> <p>(1) <u>any security provided after the total amount of security for external parties by the Bank and its subsidiaries has reached or exceeded 50% of the Bank’s latest audited net assets;</u></p> <p>(2) <u>any security provided after the total amount of security for external parties by the Bank has reached or exceeded 30% of the Bank’s latest audited total assets;</u></p> <p>(3) <u>a security provided in favour of an external party with an asset liability ratio exceeding 70%;</u></p> <p>(4) <u>a single security the amount of which exceeds 10% of the Bank’s latest audited net assets;</u></p> <p>(5) <u>a security provided in favour of a shareholder, an actual controller and its related party.</u></p>
<p>Article 73 Without the prior approval of the shareholders’ general meeting, the Bank shall not conclude any contract with any person other than a director, president or other senior management personnel of the Bank for the delegation of the whole business management or part of the important business management of the Bank to that person.</p>	<p>Article 7475 <u>Except for special circumstances such as the Bank is in a crisis,</u> without the prior approval of the shareholders’ general meeting <u>by special resolution,</u> the Bank shall not conclude any contract with any person other than a director, president or other senior management personnel of the Bank for the delegation of the whole business management or part of the important business management of the Bank to that person.</p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 76 The location for the Bank to convene a shareholders’ general meeting shall be the Bank’s domicile or other places specified in the notice of the shareholders’ general meeting.</p> <p>The shareholders’ general meeting will set up an assembly room and be held in the form of live meeting. The Bank may also provide network or other means for the convenience of shareholders to attend the general meeting according to the relevant provisions.</p>	<p>Article 7678 The location for the Bank to convene a shareholders’ general meeting shall be the Bank’s domicile or other places specified in the notice of the shareholders’ general meeting.</p> <p>The shareholders’ general meeting will set up an assembly room and be held in the form of live meeting. The Bank may also provide network or other means for the convenience of shareholders to attend the general meeting according to the relevant provisions.</p>
<p>Article 81</p> <p>The shareholders that convene the meeting shall, when sending out a notice on meeting and circulating an announcement on the resolution of the shareholders’ general meeting, submit the relevant certification materials to the securities regulatory authority of the State Council at the locality of the Bank and the Stock Exchange where the Bank’s stocks are listed for trading.</p>	<p>Article-8183</p> <p>The shareholders that convene the meeting shall, when sending out a notice on meeting and circulating an announcement on the resolution of the shareholders’ general meeting, submit the relevant certification materials to the securities regulatory authority of the State Council at the locality of the Bank, <u>the banking regulatory authority of the State Council</u> and the Stock Exchange where the Bank’s stocks are listed for trading.</p>
<p>Article 85 Where the Bank convenes a shareholders’ general meeting, the board of directors, the board of supervisors and the shareholders that solely or collectively hold 3% or more of the Bank’s shares may put forward a proposal to the Bank.</p> <p>.....</p> <p>The shareholders’ general meeting shall not vote on or make a resolution for any proposal that is not listed in the notice on the general meeting of shareholders or that is inconsistent with Article 83 of the Articles of Association.</p>	<p>Article 8587 Where the Bank convenes a shareholders’ general meeting, the board of directors, the board of supervisors and the shareholders that solely or collectively hold 3% or more of the Bank’s shares may put forward a proposal to the Bank.</p> <p>.....</p> <p>The shareholders’ general meeting shall not vote on or make a resolution for any proposal that is not listed in the notice on the general meeting of shareholders or that is inconsistent with Article 863 of the Articles of Association.</p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 88 A notice of the shareholders’ general meeting shall comply with the following requirements:</p> <p>.....</p> <p>(10) list the name and the phone number of the permanent contact person of the meeting.</p>	<p>Article 8890 A notice of the shareholders’ general meeting shall comply with the following requirements:</p> <p>.....</p> <p>(10) list the name and the phone number of the permanent contact person of the meeting;</p> <p><u>(11) must specify the voting time and procedure online or by other means on the notice if attendance at a shareholders’ general meeting happens online or by other means.</u></p>
<p>Article 94 Any shareholder entitled to attend and vote at the shareholders’ general meeting shall be entitled to appoint one or more other persons (who may not be shareholders) as his/her proxy to attend and vote on his/her behalf. The shareholder proxy can exercise the following rights according to the entrustment of the shareholder:</p> <p>.....</p>	<p><u>Article 9496 All shareholders of ordinary shares whose names appeared in the share register on the record day (including holders of Preference Shares with voting rights restored) and their proxies are entitled to attend the shareholders’ general meeting and exercise their voting rights pursuant to laws, regulations and the Articles of Association.</u></p> <p>Any shareholder entitled to attend and vote at the shareholders’ general meeting shall be entitled to appoint one or more other persons (who may not be shareholders) as his/her proxy to attend and vote on his/her behalf. The shareholder proxy can exercise the following rights according to the entrustment of the shareholder:</p> <p>.....</p>
<p>Article 96 A shareholder shall attend the meeting upon the strength of his/her ID card or other valid certificates or proof or stock account certificate that can prove his/her identity; a proxy who attends the meeting entrusted by a shareholder shall show his/her valid ID card and the letter of attorney issued by the shareholder.</p> <p>.....</p>	<p>Article 968 A shareholder shall attend the meeting upon the strength of his/her ID card or other valid certificates or proof or stock account certificatecard that can prove his/her identity; a proxy who attends the meeting entrusted by a shareholder shall show his/her valid ID card and the letter of attorney issued by the shareholder.</p> <p>.....</p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>New article</p>	<p><u>Article 102 The attendance records of the meeting shall be prepared by the Bank.</u></p> <p><u>The records shall include the names (or company names) of participants, the ID card numbers, resident addresses, numbers of voting shares held or represented, and names (or company names) of appointers.</u></p>
<p>New article</p>	<p><u>Article 103 The convenor and the legal advisers retained by the Bank shall jointly verify the legal eligibility of the shareholders based on the register of shareholders provided by the securities registration and clearing authority, and shall register the names of the shareholders together with the number of shares with voting rights that they hold. The registration for a meeting shall be closed before the chairman of the meeting announces the number of shareholders and proxies present at the on-site meeting and the total number of their voting shares.</u></p>
<p>Article 102 The Bank shall formulate the rules of procedures for the shareholders’ general meeting, which shall provide detailed provisions for the convening and voting procedures. The rules of procedures for the shareholders’ general meeting shall be made as an appendix to the Articles of Association, prepared by the Board of Directors and approved by the shareholders’ general meeting.</p> <p>.....</p>	<p>Article 1026 The Bank shall formulate the rules of procedures for the shareholders’ general meeting, which shall provide detailed provisions for the convening and voting procedures, <u>including notice, registration, consideration and approval of proposals, voting, vote counting, announcement of voting results, type of resolutions of the meeting, minutes of the meeting and its signature, announcement, and the principle for the shareholders’ general meeting authorizing power to the Board. The authorization shall be clear and specific.</u></p> <p>The rules of procedures for the shareholders’ general meeting shall be made as an appendix to the Articles of Association, prepared by the Board of Directors and approved by the shareholders’ general meeting.</p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 103 At an annual shareholders' general meeting, the Board of Directors and the Board of Supervisors shall report their respective work of the previous year to the general meeting of shareholders.</p>	<p>Article 1073 At an annual shareholders' general meeting, the Board of Directors and the Board of Supervisors shall report their respective work of the previous year to the general meeting of shareholders. <u>Each independent director shall also make his work report.</u></p>
<p>New article</p>	<p>Article 109 <u>The presider of the meeting shall, prior to voting, announce the number of shareholders and proxies present at the meeting as well as the total number of voting shares they hold, which shall be those as indicated in the meeting's register.</u></p>
<p>New article</p>	<p>Article 110 <u>Minutes of a shareholders' general meeting shall be kept by the secretary to the Board of Directors. The minutes shall set out:</u></p> <ol style="list-style-type: none"> <u>(1) the date, venue, agenda, and the convener of the meeting;</u> <u>(2) the name of the presider of the meeting, and the directors, supervisors, secretary to the Board of Directors, manager and other senior management attending or present at the meeting;</u> <u>(3) the number of shareholders and proxies present at the meeting, the total number of voting shares held by them and the percentage of such shares against the total number of shares of the Bank;</u> <u>(4) the process of consideration, highlights of the speeches and voting result in respect of each proposal;</u> <u>(5) the inquiries and suggestions of shareholders and the responses or explanations made by the directors or supervisors;</u>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

	<p><u>(6) the names of the lawyer, vote counter and scrutinizer;</u></p> <p><u>(7) other issues that shall be recorded in the minutes in accordance with the provisions of the Articles of Association.</u></p>
<p>New article</p>	<p><u>Article 111 The convener shall make sure that the contents of minutes of the meeting are true, accurate and complete. Directors, supervisors, the secretary to the Board of Directors, the convener or his/her representative and the chairman of the meeting shall sign on the minutes of the meeting. The minutes of the meeting shall be stored and maintained with the register for signing of attending shareholders and the proxy form of their proxies and valid information on voting via internet and other manners in the premises of the Bank, and the maintaining period shall not be less than ten years.</u></p>
<p>New article</p>	<p><u>Article 112 The convener shall ensure that the shareholders' general meeting proceeds continuously until resolutions have been resulted. When special reasons such as force majeure have led to the termination of or failing to make resolution in the meeting, necessary measures shall be taken to resume the shareholders' general meeting, or to end the meeting directly with a timely announcement. The convener shall also report to the banking regulatory of where the Bank is located and the stock exchange(s) on which the Bank's shares are listed.</u></p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

Article 108 The shareholders (including proxies) shall exercise their voting rights according to the number of voting shares that they hold at the shareholders' general meeting, each share shall carry one voting right.

The Bank has no voting right for the shares it holds, and such part of shares shall not be included in the total amount of voting shares of the shareholders that attend the shareholders' general meeting.

When any shareholder is not allowed to exercise any voting right or is restricted to cast either affirmative or negative vote, then the vote of the shareholder or its proxy in violation of the aforesaid rules or restrictions shall not be included in the voting result.

The Board of Directors, independent directors and shareholders conforming to the relevant prescribed requirements can solicit shareholders' voting rights.

Article 10816 The shareholders (including proxies) shall exercise their voting rights according to the number of voting shares that they hold at the shareholders' general meeting, each share shall carry one voting right.

The Bank has no voting right for the shares it holds, and such part of shares shall not be included in the total amount of voting shares of the shareholders that attend the shareholders' general meeting.

When the shareholders' general meeting considers matters that could materially affect the interest of medium and small investors, the votes by medium and small investors shall be counted separately, and the results of such separate vote counting shall be disclosed promptly.

When any shareholder is not allowed to exercise any voting right or is restricted to cast either affirmative or negative vote, then the vote of the shareholder or its proxy in violation of the aforesaid rules or restrictions shall not be included in the voting result.

The Board of Directors, independent directors and shareholders conforming to the relevant prescribed requirements can solicit shareholders' voting rights **in public.** **Sufficient disclosure of information such as the specific voting preference shall be made to the shareholders from whom voting rights are being solicited. No consideration or other form of de facto consideration shall be involved in the solicitation of voting rights from shareholders. The Bank shall not impose any limitation related to minimum shareholdings on the solicitation of voting rights.**

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

Article 109 In case the shareholders' general meeting examines matters relating to related/connected transactions, the associated shareholder shall withdraw from the voting, its voting shares shall not be included in the total amount of valid voting shares. The resolution announcement of the shareholders' general meeting shall be given full disclosure of non-related shareholders' vote.

While the shareholders' general meeting examines related/connected transactions matters, the related shareholders shall withdraw from the voting; where the meeting requires the related shareholders to give explanations, the related shareholders bear the duty and obligation to make truthful explanation in the meeting.

The meeting presider shall announce at the beginning of the meeting where there are matters that related shareholders shall withdraw from voting.

Related shareholder can withdraw by himself/herself, or any other shareholder attending the shareholders' general meeting can put forward withdrawing requests.

Article 10817 In case the shareholders' general meeting examines matters relating to related/connected transactions, the associated shareholder shall withdraw from the voting, its voting shares shall not be included in the total amount of valid voting shares. The resolution announcement of the shareholders' general meeting shall be given full disclosure of non-related/connected shareholders' vote.

While the shareholders' general meeting examines related/connected transactions matters, the related/connected shareholders shall withdraw from the voting; where the meeting requires the related/connected shareholders to give explanations, the related/connected shareholders bear the duty and obligation to make truthful explanation in the meeting.

The meeting presider shall announce at the beginning of the meeting where there are matters that related/connected shareholders shall withdraw from voting.

Related/connected shareholder can withdraw by himself/herself, or any other shareholder attending the shareholders' general meeting can put forward withdrawing requests.

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 114 Votes of the shareholders’ general meeting shall be taken by raising hands for resolutions, unless relevant regulations of the securities regulatory authority of the locality where the shares of the Bank are listed require voting by poll, or the following persons require voting by ballot before or after voting by raising hands:</p> <ol style="list-style-type: none"> (1) The meeting presider; (2) At least two (2) shareholders having voting rights or proxies of shareholders having voting rights; (3) One or several shareholders (including their proxies) holding individually or jointly ten percent (10%) or more of the voting shares at the meeting. 	<p>Article 11322 <u>Votes of the shareholders’ general meeting shall be taken by poll except where presider of the meeting, in good faith, decides to allow a resolution which relates to a procedural or administrative matter to be voted on by a show of hands.</u></p> <p>Votes of the shareholders’ general meeting shall be taken by raising hands for resolutions, unless relevant regulations of the securities regulatory authority of the locality where the shares of the Bank are listed require voting by poll, or the following persons require voting by ballot before or after voting by raising hands:</p> <ol style="list-style-type: none"> (1) The meeting presider; (2) At least two (2) shareholders having voting rights or proxies of shareholders having voting rights; (3) One or several shareholders (including their proxies) holding individually or jointly ten percent (10%) or more of the voting shares at the meeting.
--	---

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Unless the securities regulatory authority of the locality where the shares of the Bank are listed requires otherwise or somebody proposes voting by ballot, the presider of the meeting shall declare whether the proposal has been adopted according to the results of the vote by raising hands, and shall record the content in the minutes of the meeting, which shall serve as final evidence without having to state the number or proportion of the votes for or against the resolution adopted at the meeting.</p> <p>The request for voting by ballot may be withdrawn by the person who made it.</p>	<p>Unless the securities regulatory authority of the locality where the shares of the Bank are listed requires otherwise or somebody proposes voting by ballot, the presider of the meeting shall declare whether the proposal has been adopted according to the results of the vote by raising hands, and shall record the content in the minutes of the meeting, which shall serve as final evidence without having to state the number or proportion of the votes for or against the resolution adopted at the meeting.</p> <p>The request for voting by ballot may be withdrawn by the person who made it.</p>
<p>Article 120 The shareholders attending the shareholders' general meeting shall deliver one of the following kinds of opinions on the proposals put forward for voting: consent, objection or abstention.</p> <p>.....</p>	<p>Article 12028 The shareholders attending the shareholders' general meeting shall deliver one of the following kinds of opinions on the proposals put forward for voting: consent, objection or abstention, <u>except for the securities registration and settlement institutions which, being the nominal holders of shares subject to Shanghai-Hong Kong Stock Connect, shall make declaration according to the intentions of actual holders.</u></p> <p>.....</p>
<p>Article 130 Where the Bank proposes to change or abrogate the rights of classified shareholders, the proposal shall be implemented only after it has been approved by a special resolution of the shareholders' general meeting and by the shareholders' meetings convened separately by affected classified shareholders according to Article 131 to Article 135 of the Articles of Association.</p>	<p>Article 13830 Where the Bank proposes to change or abrogate the rights of classified shareholders, the proposal shall be implemented only after it has been approved by a special resolution of the shareholders' general meeting and by the shareholders' meetings convened separately by affected classified shareholders according to Article 13404 to Article 14435 of the Articles of Association.</p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 132 Affected classified shareholders, regardless of whether they originally have voting rights in the shareholders' general meeting, have the voting rights on the classified shareholders' meeting for issues stated in (2) to (8) and (11) to (12) of Article 131, except for the interested.</p> <p>The interested shareholders mentioned in the preceding paragraph are defined as follows:</p> <p>(1) when the Bank issues a buy-back offer to all shareholders equally pro rata or buys back its own shares by open transaction at stock exchange according to Article 34, Section II, Chapter III of the Articles of Association. The interested shareholders refer to the controlling shareholders defined in Article 71, Chapter V of the Articles of Association;</p> <p>.....</p>	<p>Article 14032 Affected classified shareholders, regardless of whether they originally have voting rights in the shareholders' general meeting, have the voting rights on the classified shareholders' meeting for issues stated in (2) to (8) and (11) to (12) of Article 1391, except for the interested.</p> <p>The interested shareholders mentioned in the preceding paragraph are defined as follows:</p> <p>(1) when the Bank issues a buy-back offer to all shareholders equally pro rata or buys back its own shares by open transaction at stock exchange according to Article 34, Section II, Chapter III of the Articles of Association. The interested shareholders refer to the controlling shareholders defined in Article 721, Chapter V of the Articles of Association;</p> <p>.....</p>
<p>Article 133 The resolutions of classified shareholders' meeting shall be passed by more than two-thirds (2/3) of voting shares of shareholders who attend classified shareholders' meeting and have the voting rights according to Article 132.</p> <p>.....</p>	<p>Article 14133 The resolutions of classified shareholders' meeting shall be passed by more than two-thirds (2/3) of voting shares of shareholders who attend classified shareholders' meeting and have the voting rights according to Article 14032.</p> <p>.....</p>
<p>Article 136 In addition to other classified shareholders, shareholders of domestic shares and shareholders of foreign shares listed overseas are regarded as shareholders under different categories.</p> <p>.....</p> <p>(3) shares of the Bank held by its promoters are converted into overseas listed shares upon approval by the securities regulatory authority of the State Council or the securities approval authority authorised by the State Council.</p>	<p>Article 14436 In addition to other classified shareholders, shareholders of domestic shares and shareholders of foreign shares listed overseas are regarded as shareholders under different categories.</p> <p>.....</p> <p>(3) shares of the Bank held by its promoters are converted into overseas listed shares upon approval by the securities regulatory authority of the State Council or the securities approval authority authorised by the State Council.</p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 152 Except the persons that shall not serve as directors of the Bank, the following persons shall not serve as independent directors of the Bank:</p> <ol style="list-style-type: none"> (1) the persons who hold more than 1% of the shares of the Bank or take office in the companies of the shareholders; (2) persons taking office in the Bank, or in the enterprises which are held the controlling shares by the Bank or actually controlled by the Bank; (3) persons who have ever taken office in the Bank, or in the enterprises which are held the controlling shares by the Bank or actually controlled by the Bank within three (3) years prior to taking office; (4) persons taking office in enterprises which fail to return the money borrowed from the Bank; (5) persons taking office in institutions that has legal, accounting, auditing, management consulting and other business contacts or interest relations with the Bank; (6) any other person who can be controlled or significantly affected through a variety of ways by the Bank; (7) close relatives of above-mentioned persons (close relatives mentioned in this article mean husband and wife, parents, children, paternal grandparents, maternal grandparents, brothers and sisters. For the persons taking office in the Bank or the subsidiary companies of the Bank, close relatives also include the spouses of wife's parents, daughter-in-law and son-in-law, and brothers and sisters, and the brothers and sisters of spouses, etc.); 	<p>Article 16052 Except the persons that shall not serve as directors of the Bank, the following persons shall not serve as independent directors of the Bank:</p> <ol style="list-style-type: none"> (1) the persons who hold more than 1% of the shares of the Bank, <u>are one of the top ten individual shareholders of the Bank,</u> or take office in the companies of the shareholders; <u>(2) any employee who, directly or indirectly, holds 5% or more of the issued shares in the Bank or is one of the five largest shareholders of the Bank, or its immediate relatives;</u> <u>(32)</u> persons taking office in the Bank, or in the enterprises which are held the controlling shares by the Bank or actually controlled by the Bank; <u>(43)</u> persons who have ever taken office in the Bank, or in the enterprises which are held the controlling shares by the Bank or actually controlled by the Bank within three (3) years prior to taking office; <u>(54)</u> persons taking office in enterprises which fail to return the money borrowed from the Bank; <u>(65)</u> persons taking office in institutions that has legal, accounting, auditing, management consulting and other business contacts or interest relations with the Bank; <u>(76)</u> any other person who can be controlled or significantly affected through a variety of ways by the Bank; <u>(87)</u> close relatives of above-mentioned persons (close relatives mentioned in this article mean husband and wife, parents,
---	---

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>(8) persons working in state organs;</p> <p>(9) other persons that shall not serve as independent directors stipulated by laws, administrative regulations, departmental rules or the securities regulatory body and the banking regulatory authority under the State Council, and Hong Kong Stock Exchange.</p>	<p>children, paternal grandparents, maternal grandparents, brothers and sisters. For the persons taking office in the Bank or the subsidiary companies of the Bank, close relatives also include the spouses of wife’s parents, daughter-in-law and son-in-law, and brothers and sisters, and the brothers and sisters of spouses, etc.);</p> <p><u>(9) persons who have the situation as mentioned in item (1), (2) and (3) hereof in recent one year and their close relatives;</u></p> <p>(108)persons working in state organs;</p> <p>(119)other persons that shall not serve as independent directors stipulated by laws, administrative regulations, departmental rules or the securities regulatory body and the banking regulatory authority under the State Council, and Hong Kong Stock Exchange.</p>
---	--

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 155 The way and procedures for nomination of independent directors:</p> <p>(1) the Board of Directors may nominate and the Nomination and Remuneration Committee may propose candidates qualified for independent directors to the Board of Directors;</p> <p>(2) The same shareholder may only nominate one independent director candidate, and is not allowed to nominate independent director and external supervisor at the same time;</p> <p>(3) The nominator of independent director shall obtain prior consent of the nominee before the nomination. The nominator shall fully understand the occupation, education, job title, detailed work experience, and all of the part-time work of the nominee, and comment on the qualifications and independence of the nominee to serve as independent director, and the nominee shall make a public statement that no relationship exists between him/her and the Bank which may affect the his/her independence and objective judgment;</p> <p>(4) The shareholders that individually or jointly hold more than 1% of the issued shares of the Bank are entitled to nominate independent director candidate to the shareholders' general meeting, and independent directors are elected by the shareholders' general meeting.</p>	<p>Article 16355 <u>The Nomination and Remuneration Committee under the Board of Directors or any shareholder who individually or in aggregate holds more than 1% of the issued shares of the Bank may nominate candidate(s) for independent director(s), and the shareholders who have already nominated the candidate(s) for director(s) shall not nominate the candidate(s) for independent director(s).</u></p> <p><u>The qualification of the candidates for directors shall be reviewed by the Nomination and Remuneration Committee of the Board of Directors with a focus on the independence, expertise, experience and capability. The names of qualified candidates shall be submitted to the Board of Directors for consideration. After approval by way of a Board resolution, written proposals shall be submitted to the shareholders' general meeting for election. The qualification of the candidates shall be verified by the banking regulatory authority of the State Council.</u></p> <p>The way and procedures for nomination of independent directors:</p> <p>(1) the Board of Directors may nominate and the Nomination and Remuneration Committee may propose candidates qualified for independent directors to the Board of Directors;</p> <p>(2) The same shareholder may only nominate one independent director candidate, and is not allowed to nominate independent director and external supervisor at the same time;</p>
--	--

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

	<p>(3) The nominator of independent director shall obtain prior consent of the nominee before the nomination. The nominator shall fully understand the occupation, education, job title, detailed work experience, and all of the part-time work of the nominee, and comment on the qualifications and independence of the nominee to serve as independent director, and the nominee shall make a public statement that no relationship exists between him/her and the Bank which may affect the his/her independence and objective judgment;</p> <p>(4) The shareholders that individually or jointly hold more than 1% of the issued shares of the Bank are entitled to nominate independent director candidate to the shareholders' general meeting, and independent directors are elected by the shareholders' general meeting.</p>
<p>Article 157 An independent director in one of the following circumstances shall be removed by the shareholders' general meeting proposed by the Board of Directors or supervisors:</p> <p>.....</p> <p>(4) other circumstances not suitable to serve as an independent director stipulated by the laws and regulations.</p>	<p>Article 16557 An independent director in one of the following circumstances shall be removed by the shareholders' general meeting proposed by the Board of Directors or supervisors:</p> <p>.....</p> <p>(4) other circumstances not suitable to serve as an independent director stipulated by the laws and regulations.</p> <p><u>Except for the aforesaid circumstances and save as otherwise provided by the Company Law in respect of the prohibition of serving as directors, independent directors shall not be unreasonably dismissed. In case of any early dismissal, the Bank shall disclose the same as a special disclosure, and if the dismissed independent director considers the grounds for his or her removal are improper, he or she may make a public statement.</u></p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 162 In order to ensure the effective functioning of independent directors, the Bank shall provide the necessary conditions for independent directors:</p> <p>(1) the Bank shall ensure that the independent directors are entitled to the same right of information as other directors;</p> <p>(2) the Bank shall provide independent directors with the necessary working conditions to perform their duties;</p> <p>.....</p>	<p>Article 17062 In order to ensure the effective functioning of independent directors, the Bank shall provide the necessary conditions for independent directors:</p> <p>(1) the Bank shall ensure that the independent directors are entitled to the same right of information as other directors. <u>With respect to any matter which requires the decision of the Board of Directors, the Bank shall give a notice to independent directors in advance within a statutory period, at the same time, the Bank shall provide sufficient information thereof. If independent directors deem the materials inadequate, they may request the Bank to provide supplementary information. When two or more independent directors deem the materials inadequate or uncertain, they may jointly request in writing the Board of Directors to postpone the meeting of the Board of Directors or postpone the consideration and discussion on the matter. The Board of Directors shall adopt the same. Any information provided by the Bank to independent directors of the Bank shall be kept by the Bank and the independent directors for at least five years;</u></p>
---	--

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

	<p>(2) the Bank shall provide independent directors with the necessary working conditions to perform their duties; <u>the secretary of the Board of Directors of the Bank shall actively provide assistance to the independent directors to perform their duties, such as briefings or providing materials. If any independent opinion given, resolution proposed or written statement provided by the independent directors is required to be published in an announcement, the secretary of the Board of Directors shall promptly handle the formality of making such announcement with the stock exchange;</u></p> <p>.....</p>
<p>Article 165 The Board of Directors shall exercise the following functions and powers:</p> <p>.....</p> <p>(20) other functions and powers conferred by laws, administrative regulations, departmental rules or the Articles of Association.</p>	<p>Article 17365 The Board of Directors shall exercise the following functions and powers:</p> <p>.....</p> <p>(20) other functions and powers conferred by laws, administrative regulations, departmental rules or the Articles of Association.</p> <p><u>Any matters beyond the mandate of the shareholders' general meeting shall be submitted to the shareholders' general meeting for consideration.</u></p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 174 The board meeting shall be held upon the attendance of more than half of directors. 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) in Article 165 of the Articles of Association and the provisions of the internal systems of the Bank must be passed upon the approval of more than two thirds (2/3) of directors.</p> <p>.....</p>	<p>Article 18274 The board meeting shall be held upon the attendance of more than half of directors. 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) in Article 17365 of the Articles of Association and the provisions of the internal systems of the Bank must be passed upon the approval of more than two thirds (2/3) of directors.</p> <p>.....</p>
<p>Article 178 The Board of Directors shall make meeting minutes for all decisions of matters discussed at the meeting, and the attending directors and the recorder shall sign on the meeting minutes. The attending directors shall have the rights to require making explanatory notes on their speech at the meeting.</p>	<p>Article 18678 The Board of Directors shall make meeting minutes for all decisions of matters discussed at the meeting, and the attending directors and the recorder shall sign on the meeting minutes. The attending directors shall have the rights to require making explanatory notes on their speech at the meeting. <u>The minutes of the Board of Directors’ meetings shall be kept as the Bank’s record for not less than 10 years. The minutes of the Board of Directors meeting shall include the following information:</u></p> <ol style="list-style-type: none"> <u>(1) date, place and name of convener of the meeting;</u> <u>(2) name of the director who attends the meeting or who is entrusted by another director to attend the meeting (proxy);</u> <u>(3) agenda of the meeting;</u> <u>(4) major points of discussion between directors;</u>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

	(5) <u>the method and results of voting for each resolution (number of votes in favor, against or abstaining should be stated in the voting results).</u>
Article 201 The faithful obligations stipulated in the Article 139 and the diligence obligations stipulated in the Item (4), (6), (9) of Article 141 of the Articles of Association shall also apply to senior management personnel.	Article 209¹ The faithful obligations stipulated in the Article 148 ³⁹ and the diligence obligations stipulated in the Item (4), (6), (9) of Article 149 ⁴ of the Articles of Association shall also apply to senior management personnel.
Article 225 External supervisors shall meet the conditions of the banking regulatory authority under the State Council. The election procedures for external supervisors refer to the provisions about the election procedures for independent directors in Article 155 of the Articles of Association. 	Article 233²⁵ External supervisors shall meet the conditions of the banking regulatory authority under the State Council. The election procedures for external supervisors refer to the provisions about the election procedures for independent directors in Article 163 ⁵⁵ of the Articles of Association.
Article 247 Minutes shall be taken to record the decisions of matters discussed at the meeting. Supervisors attending the meetings shall sign the meeting minutes. 	Article 255⁴⁷ Minutes shall be taken to record the decisions of matters discussed at the meeting. Supervisors attending the meetings shall sign the meeting minutes. <u>The minutes of Board of Supervisors' meetings shall be kept as the Bank's record for at least 10 years.</u>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 266 Except for circumstances prescribed in Article 70 of Chapter V of the Articles of Association, a director, supervisor, president and other senior management personnel of the Bank may be relieved of liability for specific breaches of his/her duty by the informed consent of shareholders given at a shareholders' general meeting.</p>	<p>Article 27466 Except for circumstances prescribed in Article 710 of Chapter V of the Articles of Association, a director, supervisor, president and other senior management personnel of the Bank may be relieved of liability for specific breaches of his/her duty by the informed consent of shareholders given at a shareholders' general meeting.</p>
<p>Article 268 Before the date on which the question of entering into the relevant contract, transaction or arrangement is first taken into consideration on behalf of the Bank, a director, supervisor, president and other senior management personnel of the Bank gives to the Board of Directors a general notice in writing stating that, due to the contents specified in the notice, he/she is interested in such contract, transaction or arrangement of the Bank, the director, supervisor, president and other senior management personnel shall be deemed as the completion of disclosures specified in the Article 267 of the Articles of Association within the scope of the declarations of such notice.</p>	<p>Article 2768 Before the date on which the question of entering into the relevant contract, transaction or arrangement is first taken into consideration on behalf of the Bank, a director, supervisor, president and other senior management personnel of the Bank gives to the Board of Directors a general notice in writing stating that, due to the contents specified in the notice, he/she is interested in such contract, transaction or arrangement of the Bank, the director, supervisor, president and other senior management personnel shall be deemed as the completion of disclosures specified in the Article 27567 of the Articles of Association within the scope of the declarations of such notice.</p>
<p>Article 271 If a loan made by the Bank in breach of the above provision, the receiver of the loan shall repay it immediately regardless of the terms of the loan.</p> <p>The security provided by the Bank which is not in compliance with the provisions in the first paragraph of Article 270 of this Articles of Association, such security shall not be enforced, except for the following circumstances:</p> <p>.....</p>	<p>Article 2791 If a loan made by the Bank in breach of the above provision, the receiver of the loan shall repay it immediately regardless of the terms of the loan.</p> <p>The security provided by the Bank which is not in compliance with the provisions in the first paragraph of Article 2780 of this Articles of Association, such security shall not be enforced, except for the following circumstances:</p> <p>.....</p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 276 The contract for remunerations entered into between the Bank and its directors or supervisors should provide that in the event of a takeover of the Bank, the directors and supervisors shall, subject to the prior approval of the shareholders in shareholders’ general meeting, have the right to receive compensation or other payment for loss of the position or retirement. A takeover of the Bank as referred to above means:</p> <p>.....</p> <p>(2) An offer made by any person with a view to rendering the offeror a “controlling shareholder” as well as the meaning of Article 71 of Chapter V of the Articles of Association.</p> <p>.....</p>	<p>Article 28476 The contract for remunerations entered into between the Bank and its directors or supervisors should provide that in the event of a takeover of the Bank, the directors and supervisors shall, subject to the prior approval of the shareholders in shareholders’ general meeting, have the right to receive compensation or other payment for loss of the position or retirement. A takeover of the Bank as referred to above means:</p> <p>.....</p> <p>(2) An offer made by any person with a view to rendering the offeror a “controlling shareholder” as well as the meaning of Article 72+ of Chapter V of the Articles of Association.</p> <p>.....</p>
<p>Article 279 The Bank shall announce the financial report for two (2) times in each fiscal year, i.e.: to prepare an interim financial report within sixty (60) days from the end of the first six (6) months of each fiscal year and to prepare a financial report within one hundred and twenty (120) days upon expiration of each fiscal year and submit it for examination and verification in accordance with the law. If the relevant supervisory authorities in which the shares of the Bank are listed have other provisions, the Bank shall follow such provisions.</p> <p>.....</p>	<p>Article 28779 <u>The Bank shall submit its annual financial and accounting report to the securities regulatory and supervisory authorities of the State Council and the stock exchanges of where the Bank’s shares are listed within 4 months after the end of each accounting year; submit its interim financial and accounting reports to the securities regulatory and supervisory authorities of the State Council and the stock exchanges of where the Bank’s shares are listed within 2 months after the end of the first 6 months of each accounting year; and submit its quarterly financial and accounting report to the securities regulatory and supervisory authorities of the State Council and the stock exchanges of where the Bank’s shares are listed within 1 month after the end of the first 3 months and the end of the first 9 months, of each accounting year.</u> announce the financial report for two (2) times in each fiscal year, i.e.: to prepare an interim financial report within sixty (60) days from the end of the first six (6) months of each fiscal year and to prepare a financial report within one hundred and twenty (120) days upon expiration of each fiscal year and submit it for examination and verification in accordance with the law. If the relevant supervisory authorities in which the shares of the Bank are listed have other provisions, the Bank shall follow such provisions.</p> <p>.....</p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 284 The profits after income tax paid by the Bank shall be distributed in the following order:</p> <p>.....</p> <p>No further contribution may be required when the accumulated amount of the statutory reserve funds of the Bank reaches 50% of its registered capital. The shareholders' general meeting shall decide on whether to set aside discretionary reserve funds after setting aside statutory reserve funds and general reserves. The Bank shall not distribute profits to shareholders before making up losses and setting aside statutory reserve funds and general reserves.</p> <p>.....</p>	<p>Article 29284 The profits after income tax paid by the Bank shall be distributed in the following order:</p> <p>.....</p> <p>No further contribution may be required when the accumulated amount of the statutory reserve funds of the Bank reaches 50% of its registered capital. <u>If the Bank's statutory reserve fund is not sufficient to make up the losses of the previous years, the profit of the current year shall first be used to cover losses prior to the extraction of statutory reserve in accordance with the preceding clause.</u> The shareholders' general meeting shall decide on whether to set aside discretionary reserve funds after setting aside statutory reserve funds and general reserves. The Bank shall not distribute profits to shareholders before making up losses and setting aside statutory reserve funds and general reserves.</p> <p>.....</p>
<p>New article</p>	<p><u>Article 295 The profit distribution policy of the Bank is as follows:</u></p> <p><u>(I) Basic principles of profit distribution:</u></p> <p><u>The Bank will implement a sustainable and stable dividend distribution policy. The Bank shall emphasize reasonable investment returns to investors and take its sustainable development into account when distributing dividends. The Bank shall give priority to distribution of dividends in cash subject to compliance with the principle of continuous profitability, regulatory requirements and its normal operation and long-term development.</u></p>

APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING

	<p><u>(II) Particulars of the profit distribution policy are as follows:</u></p> <p><u>1. Form of profit distribution: The Bank shall distribute profits to shareholders in proportion to their respective shareholdings, and may make dividend distributions in cash, stock or a combination of both. The Bank shall give priority to cash dividends for profits distribution when there exists the conditions to do so. The Bank shall, in principle, make profits distributions once a year. Where conditions allow, the Bank may distribute interim profit dividends.</u></p> <p><u>2. Specific conditions and ratio of cash dividend distribution of the Bank: In general, no cash dividend shall be paid to shareholders for any year if the Bank's capital adequacy ratio is lower than the minimum standard required by the regulatory authorities of the PRC. On the premise of ensuring that the capital adequacy ratio meets the regulatory requirements, the Bank may pay cash dividends if its profits realized in each year, after making up any losses and transfer to statutory reserves and general reserve, remain positive and distributable. Any profit to be distributed by the Bank in cash each year shall be no less than 20% of the distributable profits realized by it for that year. The specific ratio of cash dividend distribution each year will be determined by the Bank in accordance with the requirements of the relevant laws, regulations, regulatory documents and the Articles of Association, and based on its business operation when such cash dividend distribution is made, and will be considered and approved at shareholders' general meetings of the Bank.</u></p>
--	--

APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING

	<p><u>3. Conditions for distribution of share dividends by the Bank: Where the operating income of the Bank grows rapidly and the Board considers that the share price of the Bank does not reflect its market capitalization, the Bank may propose and execute a share dividend distribution proposal in addition to payment of the cash dividend distribution above.</u></p> <p><u>4. The Board of the Bank shall take into full account various factors, such as features of the industries where the Bank operates, the stage of its development, its own business model, profitability and whether there are significant capital expenditure arrangements, to distinguish between the following situations and put forward differentiated cash dividend policies in accordance with the procedures as required by the Articles of Association:</u></p> <p><u>(1) If the Bank is at the mature stage of development and has no significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 80% when the profit distribution is made;</u></p> <p><u>(2) If the Bank is at the mature stage of development and has significant capital expenditure arrangements, the proportion of cash dividends in the profit distribution shall be at least 40% when the profit distribution is made;</u></p> <p><u>(3) If the Bank is at the growing stage and has significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution shall be at least 20% when the profit distribution is made;</u></p>
--	---

APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING

	<p><u>If it is difficult to distinguish the Bank's stage of development and the Bank has significant capital expenditure arrangement, the profit distribution may be dealt with pursuant to the preceding provisions.</u></p> <p><u>(III) Decision-making procedures for profit distribution:</u></p> <p><u>1. When determining a profit distribution plan, the Board of the Bank shall seriously study and discuss, among other factors, the timing, conditions and minimum ratio of cash dividend distribution, its conditions for adjustments and the requirements of the procedures for decision-making. The independent directors shall give specific opinions in respect thereof. The independent directors may collect the opinion of the minority shareholders, devise a dividend distribution proposal accordingly and submit the same directly to the Board for consideration. Prior to the consideration of the specific cash dividend distribution plan by the shareholders at a shareholders' general meeting, the Bank shall communicate and exchange ideas through multiple channels with shareholders (in particular, the minority shareholders), attentively obtain the opinions and requests of the minority shareholders and give timely response to the issues that concern them. The Board of Supervisors of the Bank shall supervise the formulation and decision-making by the Board of the profit distribution plan of the Bank.</u></p>
--	--

APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING

	<p><u>2. Where the Bank satisfies criteria for cash dividend distribution but has not prepared any cash dividend plan, or the profit distributed by the Bank in cash is less than 20% of the distributable profits realized by it for that year, the Board shall explain the specific reasons for not distributing cash dividends, the exact purpose for the retained profits and the estimated investment return, and submit such to the shareholders' general meeting for consideration after independent directors have given their opinions thereon, and disclose the same in the designated media by the Bank. The Bank shall provide access to online voting for shareholders for voting purpose.</u></p> <p><u>(IV) Explanation of the reasons for not making profit distribution in cash: A profit distribution plan shall be disclosed in the annual report for the year. If the Bank generated profits during the reporting period but the Board of the Bank has not made any cash profit distribution plan, the reasons therefor and the use of proceeds retained by the Bank not used for distribution shall be explained in detail in its periodic reports and the independent directors shall give an independent opinion in this regard.</u></p> <p><u>(V) Adjustments to the profit distribution policy: If the production and operation of the Bank are materially affected as a result of war, natural disasters and other force majeure, or any change in its external operating environment, or there are any significant changes in its own operating conditions, the Bank may adjust its profit distribution policy. When the Bank makes such adjustment, the Board shall prepare a written report on specific topics containing detailed discussion and verification of the reasons for adjustment, which, after being</u></p>
--	--

APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING

	<p><u>considered by the independent directors, shall be submitted to the shareholders' general meeting for approval by shareholders representing over 2/3 of the voting rights at such meeting. The Bank shall provide access to online voting for shareholders for voting purpose. In considering such adjustments at a shareholders' general meeting, the opinions of minority shareholders shall be sufficiently considered.</u></p> <p><u>(VI) If there is any shareholder illegally taking up the Bank's capital, the Bank shall deduct the cash dividends allocated to such shareholder to repay the amount of capital taken.</u></p> <p><u>(VII) The Bank shall disclose in detail the formulation and implementation of cash dividends distribution policy in its annual reports, and state whether the policy is in compliance with these Articles of Association or the resolutions passed at shareholders' general meeting, whether the benchmark and ratio of dividend distribution are definite and clear, whether independent directors perform their duties diligently and exercise their functions as required, whether the minority shareholders have the opportunities to fully express their opinions and appeals, and whether the legitimate rights and interests of the minority shareholders have been fully protected. Where the Bank revises or changes its cash dividend distribution policy, it shall explain in detail as to whether the revised or changed plans and procedures are in compliance with regulations and transparent.</u></p>
--	---

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 287 Dividends shall be distributed in the following forms:</p> <p>(1) Cash;</p> <p>(2) Shares.</p> <p>The profit distribution of the Bank attaches the emphasis on the reasonable return on the investment of investors. The Bank’s profit distribution policy should maintain a certain continuity and stability, and the Bank shall distribute dividends in the profitable year. The profits distributed by the Bank in the form of cash shall not be less than ten percent (10%) of the achieved profits available for distribution in each year.</p> <p>.....</p>	<p>Article 29687 Dividends shall be distributed in the following forms:</p> <p>(1) Cash;</p> <p>(2) Shares.</p> <p>The profit distribution of the Bank attaches the emphasis on the reasonable return on the investment of investors. The Bank’s profit distribution policy should maintain a certain continuity and stability, and the Bank shall distribute dividends in the profitable year. The profits distributed by the Bank in the form of cash shall not be less than ten percent (10%) of the achieved profits available for distribution in each year.</p> <p>.....</p>
<p>New article</p>	<p>Article 297 After the profit distribution plan has been resolved at the shareholders’ general meeting of the Bank, the Board of Directors of the Bank shall complete the dividend (or share) distribution within 2 months after the date of the shareholders’ general meeting.</p>
<p>Article 291 The Bank shall engage an independent accounting firm the relevant regulations of the State to audit the Bank’s annual financial statements and review the Bank’s other financial reports.</p> <p>.....</p>	<p>Article 301291 The Bank shall engage an independent accounting firm which has obtained “qualification of engagement in securities related businesses” and is in compliance with the relevant regulations of the State to audit the Bank’s annual financial statements and review the Bank’s other financial reports.</p> <p>.....</p>
<p>Article 292 The accounting firm engaged by the Bank shall hold the term of office from the conclusion of this annual shareholders’ general meeting to the conclusion of the next annual shareholders’ general meeting.</p>	<p>Article 302292 The accounting firm engaged by the Bank shall hold the term of office of one year from the conclusion of this annual shareholders’ general meeting to the conclusion of the next annual shareholders’ general meeting and may be re-appointed.</p>

**APPENDIX IV PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CONSEQUENTIAL TO THE A SHARE OFFERING**

<p>Article 298 In dismissing or discontinuing the engagement of an accounting firm, the Bank shall notify the accounting firm in advance and the accounting firm has the right to make representations to the shareholders’ general meeting. If an accounting firm resigns, it shall clarify to the shareholders at a shareholders’ general meeting whether or not there is any improper affair.</p> <p>.....</p>	<p>Article 30298 In dismissing or discontinuing the engagement of an accounting firm, the Bank shall notify the accounting firm <u>15 days</u> in advance and the accounting firm has the right to make representations to the shareholders’ general meeting. If an accounting firm resigns, it shall clarify to the shareholders at a shareholders’ general meeting whether or not there is any improper affair.</p> <p>.....</p>
<p>Article 312 In circumstances in Item (1) of Article 311 of the Articles of Association, the Bank may continue to exist upon the revisions to the Articles of Association.</p> <p>.....</p>	<p>Article 32112 In circumstances in Item (1) of Article 321 of the Articles of Association, the Bank may continue to exist upon the revisions to the Articles of Association.</p> <p>.....</p>
<p>Article 313 When the Bank is dissolved under Item(1),(2),(4), and(5)of Article 311 of the Articles of Association, a liquidation committee shall be set up within fifteen (15) days from the matter the dissolution exists and commence liquidation afterwards, and its members shall be determined by the Board of Directors or shareholders’ general meeting; when the Bank is dissolved under Item(6), the People’s Court shall organise the shareholders, relevant organisations and relevant professionals to establish a liquidation committee to proceed with the liquidation in accordance with the provisions of relevant laws; where the Bank is dissolved under Item(7), the relevant competent authority shall organise the shareholders, relevant organizations and professionals to establish a liquidation committee to proceed with the liquidation. If a liquidation committee is not set up within the specified period to carry out liquidation procedures, creditors may apply to the People’s Court for engagement of relevant persons to form a liquidation committee so as to proceed with the liquidation.</p>	<p>Article 32113 When the Bank is dissolved under Item (1),(2),(4), and(5) of Article 321 of the Articles of Association, a liquidation committee shall be set up within fifteen (15) days from the matter the dissolution exists and commence liquidation afterwards, and its members shall be determined by the Board of Directors or shareholders’ general meeting; when the Bank is dissolved under Item(6), the People’s Court shall organise the shareholders, relevant organisations and relevant professionals to establish a liquidation committee to proceed with the liquidation in accordance with the provisions of relevant laws; where the Bank is dissolved under Item(7), the relevant competent authority shall organise the shareholders, relevant organizations and professionals to establish a liquidation committee to proceed with the liquidation. If a liquidation committee is not set up within the specified period to carry out liquidation procedures, creditors may apply to the People’s Court for engagement of relevant persons to form a liquidation committee so as to proceed with the liquidation.</p>

NOTICE OF AGM



錦州銀行股份有限公司
Bank of Jinzhou Co., Ltd.*

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

(Stock code: 0416)

NOTICE OF 2015 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Bank of Jinzhou Co., Ltd. (the “Bank”) for the year 2015 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 29 June 2016 to consider and, if thought fit, to pass, with or without modifications, the following resolutions. Capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Bank dated 13 May 2016, unless otherwise specified. Please refer to the circular for details of the proposed resolutions.

ORDINARY RESOLUTIONS

1. To receive, consider and approve the report of the board of directors of the Bank for the year ended 31 December 2015;
2. To receive, consider and approve the report of the board of supervisors of the Bank for the year ended 31 December 2015;
3. To receive, consider and approve the Bank's final financial accounts for the year ended 31 December 2015 and financial budget plan for the year ended 31 December 2016;
4. To receive, consider and approve the annual report of the Bank for the financial year ended 31 December 2015;
5. To consider and approve the Bank's profit distribution plan for the year ended 31 December 2015, namely the proposed distribution of a final dividend of RMB0.135 per share (tax inclusive) and RMB780,518,117.34 in aggregate (tax inclusive) for the year ended 31 December 2015;
6. To consider and approve the re-appointment of KPMG as the Bank's international and domestic auditors until the next annual general meeting of the Bank to be held in 2017, and to authorize the Board and authorized person of the Board to determine its remuneration;
7. To consider and approve the appointment of Mr. Lin Yanjun as an independent non-executive Director;
8. To receive, consider and approve the appraisal report on Directors' performance of duties in 2015;

NOTICE OF AGM

9. To receive, consider and approve the report of use of proceeds from past fund raising activities;

SPECIAL RESOLUTIONS

10. To consider and approve the proposed amendments to the articles of association of the Bank;
11. To consider and approve the issue of the tier 2 capital bonds;
12. To consider and approve the issue of financial bonds specialized for small and micro enterprises;
13. To consider and approve the Bank's issue of new H shares under specific mandate;
14. To grant authorization to the Board to implement the Bank's issue of new H shares;
15. To consider and approve amendments to the Bank's articles of association consequential to the Bank's issue of new H shares;
16. To consider and approve the proposal on the Bank's initial public offering and the listing of A shares ("**A Share Offering**");
17. To grant authorization to the Board to implement the A Share Offering;
18. To consider and approve the use of proceeds from the A Share Offering;
19. To consider and approve the proposal on the distribution of the accumulated undistributed profits before the A Share Offering;
20. To consider and approve the three-year dividend plan after the A Share Offering;
21. To consider and approve the price stabilizing plan for the A Shares within three years after the A Share Offering;
22. To consider and approve the undertakings on disclosure of information in the prospectus published in connection with the A Share Offering;
23. To consider and approve the dilution of immediate return and recovery of return on the A Share Offering;
24. To consider and approve undertakings to be given for the purpose of the A Share Offering;
and
25. To consider and approve the amendments to the Bank's articles of association consequential to the A Share Offering.

NOTICE OF AGM

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

Jinzhou, the PRC, 13 May 2016

Notes:

1. The register of members of the Bank will be closed from Monday, 30 May 2016 to Wednesday, 29 June 2016, both days inclusive, during such period no transfer of shares will be effected. In order to be qualified to attend and vote at the AGM, all transfers documents accompanied by the relevant share certificates must be lodged with the H Share registrar of the Bank (in respect of H Shares), 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 May 2016.
2. Shareholders of the Bank 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 authorized 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 authorized 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. 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 authorized representative to attend the AGM, 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 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 Shares registrar, Computershare Hong Kong Investor Services Limited (for holders of H Shares) or the registered office of the Bank in the PRC (for holders of Domestic Shares) on or before Wednesday, 8 June 2016.

NOTICE OF AGM

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 shares registrar is as follows:

Computershare Hong Kong Investor Services Limited
Shops 1712—1716, 17th Floor,
Hopewell Centre,
183 Queen's Road East,
Wanchai,
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
Jinzhou City
Liaoning Province
The PRC

Contact person: Liu Liguo

Tel: 86-0416-3886952

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.

As at the date of this notice, the Board comprises Mr. Zhang Wei, Ms. Chen Man, Ms. Zhao Jie, Mr. Wang Jing and Ms. Wang Xiaoyu, as executive Directors; Mr. Li Dongjun, Mr. Zhang Caiguang, Mr. Wu Zhengkui and Ms. Gu Jie, as non-executive Directors; Mr. Jiang Daxing, Mr. Deng Xiaoyang, Mr. Niu Sihu, Ms. Jiang Jian and Mr. Choon Yew Khee, 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.

NOTICE OF DOMESTIC SHAREHOLDERS' CLASS MEETING



錦州銀行股份有限公司
Bank of Jinzhou Co., Ltd.*

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

(Stock code: 0416)

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 29 June 2016 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. Capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Bank dated 13 May 2016, unless otherwise specified. Please refer to the circular for details of the proposed resolutions.

SPECIAL RESOLUTIONS

1. To consider and approve the Bank’s issue of new H shares under specific mandate;
2. To grant authorization to the Board to implement the Bank’s issue of new H shares;
3. To consider and approve the proposal on the Bank’s initial public offering and the listing of A shares (“**A Share Offering**”);
4. To grant authorization to the Board to implement the A Share Offering;
5. To consider and approve the proposal on the distribution of the accumulated undistributed profits before the A Share Offering;
6. To consider and approve the price stabilizing plan for the A Shares within three years after the A Share Offering;
7. To consider and approve the undertakings on disclosure of information in the prospectus published in connection with the A Share Offering;
8. To consider and approve the dilution of immediate return and recovery of return on the A Share Offering; and
9. To consider and approve undertakings to be given for the purpose of the A Share Offering.

NOTICE OF DOMESTIC SHAREHOLDERS' CLASS MEETING

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

Jinzhou, the PRC, 13 May 2016

Notes:

1. The register of members of the Bank will be closed from Monday, 30 May 2016 to Wednesday, 29 June 2016, both days inclusive, during such period no transfer of Shares will be effected. In order to be qualified to attend and vote at the Domestic Shareholders' Class Meeting, all transfers documents accompanied by the relevant share certificates must be lodged to the Bank's registered office in the PRC no later than 4:30 p.m. on Friday, 27 May 2016.
2. Holders of domestic shares of the Bank 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. A proxy needs not be a Shareholder.
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 on or before Wednesday, 8 June 2016.

NOTICE OF DOMESTIC SHAREHOLDERS' CLASS MEETING

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: 86-0416-3886952

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.

As at the date of this notice, the Board comprises Mr. Zhang Wei, Ms. Chen Man, Ms. Zhao Jie, Mr. Wang Jing and Ms. Wang Xiaoyu, as executive Directors; Mr. Li Dongjun, Mr. Zhang Caiguang, Mr. Wu Zhengkui and Ms. Gu Jie, as non-executive Directors; Mr. Jiang Daxing, Mr. Deng Xiaoyang, Mr. Niu Sihu, Ms. Jiang Jian and Mr. Choon Yew Khee, 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.

NOTICE OF H SHAREHOLDERS' CLASS MEETING



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)

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 29 June 2016 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. Capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Bank dated 13 May 2016, unless otherwise specified. Please refer to the circular for details of the proposed resolutions.

SPECIAL RESOLUTIONS

1. To consider and approve the Bank’s issue of new H shares under specific mandate;
2. To grant authorization to the Board to implement the Bank’s issue of new H shares;
3. To consider and approve the proposal on the Bank’s initial public offering and the listing of A shares (“**A Share Offering**”);
4. To grant authorization to the Board to implement the A Share Offering;
5. To consider and approve the proposal on the distribution of the accumulated undistributed profits before the A Share Offering;
6. To consider and approve the price stabilizing plan for the A Shares within three years after the A Share Offering;
7. To consider and approve the undertakings on disclosure of information in the prospectus published in connection with the A Share Offering;
8. To consider and approve the dilution of immediate return and recovery of return on the A Share Offering; and
9. To consider and approve undertakings to be given for the purpose of the A Share Offering.

NOTICE OF H SHAREHOLDERS' CLASS MEETING

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

Jinzhou, the PRC, 13 May 2016

Notes:

1. The register of members of the Bank will be closed from Monday, 30 May 2016 to Wednesday, 29 June 2016, both days inclusive, during such period no transfer of Shares will be effected. In order to be qualified to attend and vote at the H Shareholders' Class Meeting, all transfers documents accompanied by the relevant 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 May 2016.
2. Holders of H shares of the Bank 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 appoints 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 Shares registrar, Computershare Hong Kong Investor Services Limited, on or before Wednesday, 8 June 2016.

NOTICE OF H SHAREHOLDERS' CLASS MEETING

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 shares registrar is as follows:

Computershare Hong Kong Investor Services Limited
Shops 1712—1716, 17th Floor,
Hopewell Centre,
183 Queen's Road East,
Wanchai,
Hong Kong

Tel: 852-2862 8555

Fax: 852-2865 0990

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.

As at the date of this notice, the Board comprises Mr. Zhang Wei, Ms. Chen Man, Ms. Zhao Jie, Mr. Wang Jing and Ms. Wang Xiaoyu, as executive Directors; Mr. Li Dongjun, Mr. Zhang Caiguang, Mr. Wu Zhengkui and Ms. Gu Jie, as non-executive Directors; Mr. Jiang Daxing, Mr. Deng Xiaoyang, Mr. Niu Sihu, Ms. Jiang Jian and Mr. Choon Yew Khee, 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.