
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.

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锦州银行股份有限公司

Bank of Jinzhou Co., Ltd.*

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

(Stock Code: 0416)

(Stock Code of Preference Shares: 4615)

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
PROPOSED ELECTION OF NON-EXECUTIVE DIRECTORS;
PROPOSED ADOPTION OF RULES FOR THE EQUITY MANAGEMENT;
PROPOSED EXTENSION OF TERM OF VALIDITY OF FINANCIAL
BONDS SPECIALISED FOR SMALL AND MICRO ENTERPRISES AND
THE RELEVANT AUTHORISATION MATTERS;
PROPOSED EXTENSION OF TERM OF VALIDITY OF GREEN
FINANCIAL BONDS AND THE RELEVANT AUTHORISATION MATTERS;
AND
NOTICE OF 2018 FIRST EXTRAORDINARY GENERAL MEETING**

A notice convening the EGM to be held at the meeting room of 34th Floor, No. 68 Keji Road, Jinzhou City, Liaoning Province, the PRC at 10:00 a.m. on Friday, 21 September 2018 are set out on pages 19 to 20 of this circular. A form of proxy for use at the EGM is also enclosed with this circular. If you intend to attend the EGM by proxy, you are required to complete and return the enclosed form(s) of proxy in accordance with the instructions printed thereon to the H share registrar of the Bank, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, 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 EGM (i.e. by Thursday, 20 September 2018 at 10:00 a.m.) or any adjournment thereof. Completion and return of the form(s) of proxy shall not preclude you from attending and voting in person at the EGM 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.*

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DEFINITIONS

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

“Articles of Association”	the articles of association of the Bank, as amended from time to time
“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 and offshore preference shares are listed on the Stock Exchange
“Board”	the board of Directors of the Bank
“Chairman”	the chairman of the Board
“Director(s)”	director(s) of the Bank
“Domestic Share(s)”	ordinary share(s) in the capital of the Bank with a nominal value of RMB 1.00 each, which are subscribed for or credited as paid up in Renminbi by PRC nationals and/or PRC corporate entities
“EGM”	the 2018 first extraordinary 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 10:00 a.m. on Friday, 21 September 2018 or any adjournment thereof
“Green Financial Bonds”	the green financial bonds, the issue of which was approved at the annual general meeting of the Bank held on 25 May 2017
“Green Financial Bonds and the Relevant Authorisation Matters”	the Green Financial Bonds and the authorisation granted to the Board to implement the issue of the Green Financial Bonds
“H Share(s)”	overseas listed foreign invested ordinary share(s) in the capital of the Bank with a nominal value of RMB 1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“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

DEFINITIONS

“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	Domestic Share(s) and H Share(s), excluding offshore preference shares of the Bank
“Shareholder(s)”	holder(s) of the Shares
“SME Bonds”	the financial bonds specialised for small and micro enterprises, the issue of which was approved at the annual general meeting of the Bank held on 29 June 2016
“SME Bonds and the Relevant Authorisation Matters”	the SME Bonds and the authorisation granted to the Board to implement the issue of the SME Bonds
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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)

(Stock Code of Preference Shares: 4615)

Executive Directors:

ZHANG Wei

HUO Lingbo

LIU Hong

WANG Jing

SUN Jing

WANG Xiaoyu

Registered office:

No. 68 Keji Road

Jinzhou City

Liaoning Province

The PRC

Principal place of business in Hong Kong:

40th Floor, Sunlight Tower

No. 248 Queen's Road East

Wanchai

Hong Kong

Non-executive Directors:

GU Jie

MENG Xiao

Independent non-executive Directors:

CHOON Yew Khee

LIN Yanjun

CHANG Peng'ao

PENG Taoying

TAN Ying

10 August 2018

To the Shareholders,

Dear Sir/Madam,

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
PROPOSED ELECTION OF NON-EXECUTIVE DIRECTORS;
PROPOSED ADOPTION OF RULES FOR THE EQUITY MANAGEMENT;
PROPOSED EXTENSION OF TERM OF VALIDITY OF FINANCIAL
BONDS SPECIALISED FOR SMALL AND MICRO ENTERPRISES AND
THE RELEVANT AUTHORISATION MATTERS;
PROPOSED EXTENSION OF TERM OF VALIDITY OF GREEN
FINANCIAL BONDS AND THE RELEVANT AUTHORISATION MATTERS;
AND
NOTICE OF 2018 FIRST EXTRAORDINARY GENERAL MEETING**

LETTER FROM THE BOARD

INTRODUCTION

Reference is made to the announcements of the Bank dated 23 May 2018 and 7 August 2018 in relation to, among other things, the proposed amendments to the Articles of Association, the proposed election of non-executive Directors, the proposed adoption of the Rules for the Equity Management, the proposed extension of term of validity of the SME Bonds and the Relevant Authorisation Matters, and the proposed extension of term of validity of the Green Financial Bonds and the Relevant Authorisation Matters.

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 resolutions to be proposed at the EGM.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In accordance with the Interim Measures for the Equity Management of the Commercial Bank (商業銀行股權管理暫行辦法) and other relevant laws, rules and regulations, the Bank has proposed certain amendments to the current Articles of Association with respect to, among other things, the rights and obligations of the Shareholders. Details of such amendments have been set out in appendix I to this circular.

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

PROPOSED ELECTION OF NON-EXECUTIVE DIRECTORS

In order to fill in the vacancies due to the resignation of Mr. Zhang Caiguang and Mr. Wang Jinsong as non-executive Directors, Ms. Tang Fang (“**Ms. Tang**”) and Mr. Li Dongjun (“**Mr. Li**”) were nominated in accordance with the Company Law of the PRC (中華人民共和國公司法) and the Articles of Association as candidates for non-executive Directors. The election of Ms. Tang and Mr. Li will be proposed at the EGM for Shareholders’ approval.

The biographical details of Ms. Tang and Mr. Li are set out below:

Ms. TANG Fang (唐芳), aged 40, has been the vice secretary of the director and supervisor works department of Beijing Urban Construction Investment Development Co., Ltd. (北京城建投資發展股份有限公司), which is listed on the Shanghai Stock Exchange (stock code: 600266), since January 2018.

Ms. Tang served at Beijing City Donghu Real Estate Company (北京市東湖房地產公司) from July 2002 to June 2005. She then worked at the finance department of Beijing Urban Construction Investment Development Co., Ltd. (北京城建投資發展股份有限公司) from June 2005 to December 2013. Ms. Tang successively served as the financial manager of Beijing Urban Construction Wan Ke Tian Yun Property Co., Ltd (北京城建萬科天運置業有限公司) from December 2013 to January 2018, and as the chief financial officer of Beijing Urban Construction (Shanghai) Equity Investment Management Co., Ltd (北京城建(上海)股權投資管理有限公司) from August 2015 to January 2018.

LETTER FROM THE BOARD

Ms. Tang obtained a bachelor's degree in taxation from Tianjin University of Commerce (天津商學院) in Tianjin, the PRC in June 2002. Ms. Tang has been accredited as an intermediate economist by Beijing Municipal Bureau of Personnel (北京市人事局) since November 2008.

Mr. LI Dongjun (李東軍), aged 59, has been the chairman of the board of directors of Jincheng International Logistics Group Co., Ltd. (錦程國際物流集團股份有限公司) since September 1993.

Mr. Li served as a section chief of Beifang Container Transportation Company (北方集裝箱運輸公司) from September 1982 to January 1990, and as the manager of Dalian Jinlian Import and Export Shipping Agency Company (大連錦聯進出口貨運代理公司) from February 1990 to October 1993. Mr. Li was a Director of the Bank from May 2008 to December 2017.

Mr. Li obtained a master's degree in business economics from Dongbei University of Finance and Economics (東北財經大學) in Liaoning, the PRC in July 1998.

As far as the Directors are aware, Mr. Li was deemed to be interested in 3.64% of the equity interest of the Bank. Such Shares are held by Jincheng International Logistics Group Co., Ltd. (錦程國際物流集團股份有限公司) and Dalian Changxing Island Greencity Development Co., Ltd. (大連長興島綠城發展有限公司) as to 213,507,565 Domestic Shares and 33,179,021 Domestic Shares, respectively. 99.82% equity interests in Jincheng International Logistics Group Co., Ltd. is held by Mr. Li. Dalian Changxing Island Green-city Development Co., Ltd. is wholly-owned by Jinlian Asset Management Co., Ltd. (錦聯資產管理有限公司), which is in turn wholly-owned by Jinlian Investment Group Co., Ltd. (錦聯控股集團有限公司), whose 90% equity interests in turn is owned by Mr. Li. Under the SFO, Mr. Li is taken or deemed to be interested in all the Shares held by Jincheng International Logistics Group Co., Ltd. and Dalian Changxing Island Green-city Development Co., Ltd.

Save as disclosed above, each of the abovementioned Director candidates did not hold any other positions in the Bank or any of its subsidiaries, or hold any directorships in other listed companies in the last three years. Each of the abovementioned Director candidates does not have any relationship with any Director, supervisor, senior management or substantial Shareholders of the Bank, nor does he or she have or is deemed to have any interest or short positions in the Shares, underlying shares or debentures of the Bank or any of its associated corporation within the meaning of Part XV of the SFO.

The Bank will enter into a service contract for each of the abovementioned Director candidates' respective position for an initial term commencing from the date of approval by the Shareholders at the EGM or by the relevant regulatory authorities (as the case may be) till the end of the term of the fifth session of the Board, respectively, which may be terminated by either party furnishing written notice of not less than three months and in any event subject to retirement and re-election at general meetings in accordance with the Articles of Association. The Bank will determine the remuneration for each of the abovementioned Director candidates based on its remuneration policies.

Save as disclosed above, the Board is not aware of any other matters in relation to the election of each of the abovementioned Director candidates that need to be brought to the attention of the Shareholders or any information that need to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

LETTER FROM THE BOARD

PROPOSED ADOPTION OF RULES FOR THE EQUITY MANAGEMENT

In accordance with the Company Law of the PRC (中華人民共和國公司法), the Banking Supervisory and Administrative Law of the PRC (中華人民共和國銀行業監督管理法), the Commercial Bank Law of the PRC (中華人民共和國商業銀行法), the Interim Measures for the Equity Management of the Commercial Bank (商業銀行股權管理暫行辦法) and other relevant laws, rules and regulations, the Board has proposed to formulate the Rules for the Equity Management to strengthen the equity management of the Bank, regulate the rights and obligation of Shareholders, protect the benefits of the Bank and its Shareholders and clients, and promote the sustainable development of the Bank. The details of the proposed Rules for the Equity Management have been set out in appendix II to this circular.

PROPOSED EXTENSION OF TERM OF VALIDITY OF FINANCIAL BONDS SPECIALISED FOR SMALL AND MICRO ENTERPRISES AND THE RELEVANT AUTHORISATION MATTERS

Reference is made to the announcement dated 24 March 2016, the circular dated 13 May 2016, the poll results announcement dated 29 June 2016 and the announcement dated 23 May 2018 of the Bank in relation to, inter alia, the approval of SME Bonds and the Relevant Authorisation Matters and the extension of its term of validity.

The original resolution regarding the SME Bonds and the Relevant Authorisation Matters was considered and approved at the annual general meeting of the Bank held on 29 June 2016. Such resolution and authorisation were valid for 24 months commencing on the date of the passing of such resolution at the said annual general meeting.

Given the Bank's issue of the SME Bonds is still in progress, and the term of validity of above resolution and authorisation in relation to the SME Bonds and the Relevant Authorisation Matters was about to expire, the Board resolved on 23 May 2018 to put forward the proposal to further extend the term of validity of the SME Bonds and the Relevant Authorisation Matters by 24 months, i.e. from 29 June 2018 to 28 June 2020, for the consideration and approval of the Shareholders at the EGM. Other than the above extension of the term of validity of the SME Bonds and the Relevant Authorisation Matters, other details of the SME Bonds as disclosed in the circular of the Bank dated 13 May 2016 remain unchanged and will continue to be valid.

PROPOSED EXTENSION OF TERM OF VALIDITY OF GREEN FINANCIAL BONDS AND THE RELEVANT AUTHORISATION MATTERS

Reference is made to the announcement dated 22 March 2017, the circular dated 18 April 2017, the poll results announcement dated 25 May 2017 and the announcement dated 23 May 2018 of the Bank in relation to, inter alia, the approval of Green Financial Bonds and the Relevant Authorisation Matters and the extension of its term of validity.

The original resolution regarding the Green Financial Bonds and the Relevant Authorisation Matters was considered and approved at the annual general meeting of the Bank held on 25 May 2017. Such resolution and authorisation were valid for 12 months commencing on the date of the passing of such resolution at the said annual general meeting.

LETTER FROM THE BOARD

Given the Bank's issue of the Green Financial Bonds is still in progress, and the term of validity of the above resolution and authorisation in relation to the Green Financial Bonds and the Relevant Authorisation Matters was about to expire, the Board resolved on 23 May 2018 to put forward the proposal to further extend the term of validity of the Green Financial Bonds and the Relevant Authorisation Matters by 12 months, i.e. from 25 May 2018 to 24 May 2019, for consideration and approval at the EGM. Other than the above extension of the term of validity of the Green Financial Bonds and the Relevant Authorisation Matters, other details of the Green Financial Bonds as disclosed in the circular of the Bank dated 18 April 2017 remain unchanged and will continue to be valid.

THE EGM

The EGM will be held at the meeting room of 34th Floor, No. 68 Keji Road, Jinzhou City, Liaoning Province, the PRC at 10:00 a.m. on Friday, 21 September 2018 to consider and, if thought fit, to pass resolutions in respect of the matters set out in the notice of the EGM. Notice of the EGM is set out on pages 19 to 20 of this circular. If you are eligible and intend to attend the EGM, please complete and return the reply slip, 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 or any adjournment thereof. Shareholders who intend to attend the EGM by proxy are required to complete and return the proxy form, 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 (i.e. by Thursday, 20 September 2018 at 10:00 a.m.) or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at such meeting or any adjournment thereof should you so wish.

CLOSURE OF REGISTER OF MEMBERS

In order to determine the entitlement to attend and vote at the EGM, the register of members of the Bank will be closed from Wednesday, 22 August 2018 to Friday, 21 September 2018 (both days inclusive), during which period no transfer of Shares will be effected. The record date for entitlement to attend and vote at the EGM is Wednesday, 22 August 2018. In order to be qualified to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the H share registrar of the Bank, namely Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, 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, 21 August 2018.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, the resolutions to be proposed at the EGM as set out in the notice of the EGM at the end of this circular must be taken by poll. The chairman of the EGM will therefore demand a poll for every such resolution put to the vote at the EGM. On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorised representative shall have one vote for each Share 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.

LETTER FROM THE BOARD

Results of the poll voting will be published on the Bank's website at www.jinzhoubank.com and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk after the EGM.

RECOMMENDATION

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

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

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

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

Before Amendment	After Amendment
<p>Article 61 Substantial shareholders shall truthfully, accurately and completely disclose the particulars of any connected parties to the Board of Directors, and undertake to promptly report to the Board of Directors if there is any change in the connected relationship. Shareholders, particularly substantial shareholders, shall support the Board of Directors in formulating reasonable capital plans, in order to meet the capital regulatory requirements on a continuous basis. When the capital adequacy ratio of the Bank fails to meet the regulatory requirements, shareholders shall formulate a capital restoration plan where the capital adequacy ratio will meet the regulatory requirements within a limited time frame and restore capital by increasing core capital and other means. Substantial shareholders shall not prevent other shareholders from injecting capital or eligible shareholders from investing in the Bank. As part of the Bank’s capital restoration plans, the substantial shareholders shall make long-term undertakings in writing to restore the capital of the Bank.</p>	<p>Article 61 Substantial shareholders shall truthfully, accurately and completely disclose the particulars of any connected parties to the Board of Directors, and undertake to promptly report to the Board of Directors if there is any change in the connected relationship. Shareholders, particularly substantial shareholders, shall support the Board of Directors in formulating reasonable capital plans, in order to meet the capital regulatory requirements on a continuous basis. When the capital adequacy ratio of the Bank fails to meet the regulatory requirements, shareholders shall formulate a capital restoration plan where the capital adequacy ratio will meet the regulatory requirements within a limited time frame and restore capital by increasing core capital and other means. Substantial shareholders shall not prevent other shareholders from injecting capital or eligible shareholders from investing in the Bank. As part of the Bank’s capital restoration plans, the substantial shareholders shall also inject additional capital to the Bank for capital restoration when necessary, and make long-term undertakings in writing to restore the capital of the Bank.</p>

APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

<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 right 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 Shareholder’s 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 Shares shall not be subject to any restriction when exercising the shareholder rights as stipulated in (1) and (8) of Article 59.</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. Any shareholder who should obtain approval from the regulatory authority but did not do so, or who fails to report to the regulatory authority, such shareholder shall be forbidden to exercise, inter alia, the right to request for convening a general meeting, voting right, nomination right, motion right and disposal right.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 right 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 Shareholder’s 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, 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 is in excess of 5% of the total number of issued shares of the Bank (“Excess Shares”),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</p>
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APPENDIX I PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

	<p>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 Shares shall not be subject to any restriction when exercising the shareholder rights as stipulated in (1) and (8) of Article 59.</p>
<p>New Article</p>	<p>Article 68 For any shareholder who makes false representation, abuses shareholder’s rights or commits other acts which are detrimental to the interests of the Bank, the banking regulatory authority may, inter alia, restrict or prohibit the Bank from entering into connected transaction with such shareholder, limit the amount of equity interest held by such shareholder in the Bank or the ratio of equity interest pledged by such shareholder, and may restrict, inter alia, his right to request for convening a general meeting, his voting right, nomination right, motion right and disposal right.</p>

APPENDIX II PROPOSED RULES FOR THE EQUITY MANAGEMENT

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.

Rules for the Equity Management of Bank of Jinzhou Co., Ltd.

Chapter I General Provisions

Article 1 To strengthen equity management in the Bank of Jinzhou Co., Ltd. (the “Bank”), regulate the acts of shareholders of the Bank, protect the lawful interests of the Bank, depositors and other customers, and safeguard the lawful interests of shareholders of the Bank, these Rules have been established in accordance with the laws and regulations, including the Company Law of the People’s Republic of China, the Banking Supervision Law of the People’s Republic of China, the Law of the People’s Republic of China on Commercial Banks, the Interim Measures for the Equity Management of Commercial Banks and the requirements of the Articles of Association of Bank of Jinzhou Co., Ltd.

Article 2 These Rules are applicable to the ordinary shares (the “shares”) of the Bank, and the relevant laws and regulations are applicable to the equity management of preference shares.

Article 3 The Bank follows the principles of classification management, good quality, clarity of relationship, definite rights and obligations, openness and transparency in equity management.

Chapter II Rights and Obligations of Shareholders

Article 4 If any investor and its connected persons or parties acting in concert who intend to hold, solely or jointly, for the first time or in aggregate upon share purchase, above 5% of the total capital or total number of shares of the Bank, the Bank shall give prior notice to the China Banking Regulatory Commission (“CBRC”) or its delegated authority and seek approval. If any investor and its connected persons or parties acting in concert who hold, solely or jointly, above 1% but less than 5% of the total capital or total number of shares of the Bank, the Bank shall report to the CBRC or its delegated authority within 10 business days after the corresponding equity interest has been acquired.

Article 5 Shareholders of the Bank are entitled to enjoy rights and assume obligations according to the class of shares held by them and strictly in accordance with laws, regulations, regulatory requirements and provisions of the Bank’s Articles of Association. The Bank’s directors, supervisors, senior management officers and their connected persons who hold shares of the Bank shall also comply with the requirements of laws and regulations for managing equity interest held by directors, supervisors and senior management.

Article 6 Substantial shareholders of the Bank refer to shareholders who hold or control above 5% shares or voting rights of the Bank, or who hold less than 5% of total capital or total number of shares but have material influence on the operational management of the Bank. “Material influence”

in the preceding provision includes but is not limited to designating directors, supervisors or senior management officers to station in the Bank, influencing the Bank's financial and operational management decisions through agreements or other forms of influence, and other scenarios confirmed by the CBRC or its delegated authority.

Substantial shareholders of the Bank shall hold the shares of the Bank in accordance with relevant laws, regulations and regulatory documents.

Article 7 A substantial shareholders of the Bank shall describe his shareholding structure level by level until the de facto controller or ultimate beneficiaries, and his connected relationship or acting in concert relationship with other shareholders. When a substantial shareholder acquires shares, he should provide an undertaking in writing to promise compliance with laws and regulations, regulatory requirements and Articles of Association, and gives an explanation on the purpose of buying into the Bank.

Article 8 Unless otherwise required under laws and regulations, the same investor and its connected persons or parties acting in concert shall not invest in more than two (2) commercial banks in the capacity of a substantial shareholder, or shall not invest in more than one (1) commercial bank as a controlling shareholder.

Article 9 Any substantial shareholder of the Bank and his controlling shareholder or de facto controller must not involve in any of the following events:

- (1) named as joint subject of punishment by the relevant authority for breach of trust;
- (2) serious default of escaping from bank liabilities;
- (3) provision of false materials or misrepresentation;
- (4) responsible for serious liabilities in the operation failure of a commercial bank or committed serious violations in laws and regulations;
- (5) refuse or obstruct the implementation of regulatory measures by the CBRC or its delegated authority in accordance with the laws;
- (6) subject to investigation or punishment by the financial regulatory authority or relevant government department that resulted in extremely bad impact;
- (7) other events which may have adverse effects on the operational management of the Bank.

Article 10 Substantial shareholders of the Bank shall exercise their rights as capital contributors and perform the obligations of capital contributors strictly in accordance with laws and regulations, regulatory requirements and Articles of Association of the Bank, they shall not abuse the use of shareholders' rights to interfere with, or use their influence to affect, the decision-making and management rights of the Board of Directors and the senior management under the Articles of

APPENDIX II PROPOSED RULES FOR THE EQUITY MANAGEMENT

Association, they shall not by-pass the Board of Directors and the senior management to directly interfere with, or use their influence to interfere with, the operational management of the Bank, to convey benefits, or otherwise to harm the lawful interest of depositors, the Bank and other shareholders.

Article 11 Each substantial shareholder of the Bank shall make an undertaking in writing according to regulatory requirements to inject additional capital to the Bank for capital restoration when necessary, and shall report to the CBRC or its delegated authority through the Bank on annual basis about his capital restoration ability.

Article 12 Substantial shareholders of the Bank shall establish an effective risk segregation mechanism to prevent risks from spreading and transferring among the shareholders, the Bank and other connected entities.

Article 13 Substantial shareholders of the Bank shall exercise effective management on cross-employment between their members of the Board of Directors, members of the Board of Supervisors and senior management officers and those of the Bank and other connected entities to avoid conflict of interests.

Article 14 Shareholders of the Bank shall not entrust others, or accept entrustment from others, to hold equity interest in the Bank. When shareholders transfer the equity interest held by them in the Bank, they should inform the transferees to comply with the conditions stipulated in laws and regulations and the requirements of CBRC.

Article 15 Shareholders of the Bank shall comply with laws and regulations and the relevant requirements of CBRC for connected transactions, they shall not conduct improper connected transactions with the Bank, or derive improper gains by using their influence over the operational management of the Bank.

Article 16 The Bank or the branches, sub-branches and subsidiaries of the Bank shall not provide any financial assistance in the form of gift, advances, guarantee, compensation or loan to support the acts of purchase or proposed purchase of the shares of the Bank.

Article 17 If the shareholders of the Bank pledge the equity interest held by them in the Bank, they shall comply with the laws and regulations and the relevant requirements of pledging equity interest in commercial banks prescribed by the banking regulatory authority, and shall not harm the interests of other shareholders and the Bank.

Article 18 If serious risk events or serious violations of laws and regulations have occurred in the Bank, and measures such as risk disposal or receivership are adopted by the CBRC or its delegated authority, then the shareholders should actively cooperate with the CBRC or its delegated authority to conduct such risk disposal or other tasks.

Chapter III Rights and Obligations of the Bank

Article 19 The Board of Directors of the Bank shall perform its responsibilities diligently and undertake the ultimate responsibilities of equity affairs management. The Bank's Chairman of the Board is the foremost responsible person for handling equity affairs. The secretary to the Board of Directors assists the work of the Chairman, and is the directly responsible person for handling equity affairs. The secretary to the Board of Directors and the Office of the Board of Directors of the Bank shall be responsible for handling specific equity management affairs. Both the Chairman and the secretary of the Board of Directors shall perform their duties faithfully, honestly and diligently.

Article 20 The Bank shall establish and improve the equity information management system and equity management system to perform registration of equity information, management of connected transactions and disclosure of information well.

Article 21 The Bank shall step up the examination process for qualifications of shareholders to verify and capture the changes in the information about the substantial shareholders and their controlling shareholders, de facto controllers, connected persons, parties acting in concert, and ultimate beneficiaries, to make judgment on the influence of shareholders on the operational management of the Bank, and to report or disclose the relevant information timely, accurately and completely in accordance with the laws.

Article 22 The Board of Directors of the Bank shall conduct evaluation at least once a year on the qualification of substantial shareholders, performance of undertakings, implementation of the Articles of Association or terms of agreements, and compliance with laws, regulations and regulatory requirements, and shall submit the evaluation report timely to the CBRC or its delegated authority.

Article 23 The non-overseas listed shares of the Bank have been registered with the China Securities Depository and Clearing Co., Ltd. ("CSDC") according to the regulatory requirements. The registration and changes and all other relevant acts relating to the shares held by confirmed securities account holders must comply with the relevant rules of CSDC.

Article 24 The Bank has opened a special securities account for unconfirmed holders in CSDC, the registered shares in such account will be managed uniformly by the Bank, including confirmation of holders, handling the registration procedure for securities account holders with CSDC, completing the payment of undistributed cash dividends for the relevant shares prior to confirmation of holders and providing judicial assistance in respect of the relevant shares.

Article 25 The Bank shall strengthen the management of connected transactions, by identifying the connected persons accurately pursuant to the relevant laws and regulations, strictly implementing the approval and information disclosure systems for connected transactions, and making timely reports to the CBRC or its delegated authority on the conditions of connected transactions. The Bank shall manage the substantial shareholders and their ultimate controlling shareholders, de facto controllers, connected persons, parties acting in concert and ultimate beneficiaries as their own connected persons.

Article 26 The credit balance granted by the Bank to single entities, such as the substantial shareholders or their controlling shareholders, de facto controllers, connected persons, parties acting in concert and ultimate beneficiaries, shall not exceed 10% of the net capital of the Bank, and the total credit balance granted to a single substantial shareholder and his controlling shareholder, de facto controller, connected person, party acting in concert or ultimate beneficiary shall not exceed 15% of the net capital of the Bank.

Article 27 Sale and purchase or leasing transactions of movable properties and real properties for self-occupation between the Bank and the substantial shareholders or their controlling shareholders, de facto controllers, connected persons, parties acting in concert or ultimate beneficiaries; sale and purchase of credit assets; receipt and disposal of assets for secured debts; transactions of credit value appreciation, credit assessment, asset assessment, law, information, technology and infrastructure services; agency and consignment sales and other transactions, shall comply with the relevant requirements of laws and regulations and CBRC, and shall be conducted according to commercial principles, and their terms and conditions shall not be more favourable than those of similar transactions with non-connected persons, in order to prevent spreading of risks and conveyance of benefits.

Article 28 The Bank shall reinforce the management of equity pledge and discharge by recording the relevant information of pledges on the register of shareholders, and assisting the shareholders to register the registration of pledges with CSDC.

Article 29 The substantial shareholders of the Bank shall timely, accurately and completely report the following information to the Bank:

- (1) their own operating conditions, financial information and shareholding structure;
- (2) the source of funds for capital investment in the Bank;
- (3) the controlling shareholders, de facto controllers, connected persons, parties acting in concert, ultimate beneficiaries and their changes and movements;
- (4) litigation security measures or enforcement action taken on equity interest of the Bank held by them;
- (5) pledge or discharge of equity interest of the Bank held by them;
- (6) name change;
- (7) merger and spin-off;
- (8) regulatory measures adopted, such as order to cease operation for reorganization, appointment of trustee, receiver or cancellation, or commencement of dissolution, bankruptcy or liquidation proceedings;

- (9) other changes which may affect the qualification of shareholders or circumstances causing changes to equity interest of the Bank held by them.

Article 30 The Bank shall through interim report or annual report authentically, accurately and completely disclose equity information of the Bank, including:

- (1) number of shares and total number of shareholders as at the end of the reporting period and movements of shares during the reporting period;
- (2) shareholdings of the top 10 shareholders of the Bank as at the end of the reporting period;
- (3) particulars of the substantial shareholders and their controlling shareholders, de facto controllers, connected persons, parties acting in concert and ultimate beneficiaries during the reporting period;
- (4) connected transactions between the Bank and the substantial shareholders and their controlling shareholders, de facto controllers, connected persons, parties acting in concert and ultimate beneficiaries during the reporting period;
- (5) pledge of equity interest of the Bank by substantial shareholders;
- (6) nomination of directors and supervisors by shareholders;
- (7) other information as required by the CBRC.

Article 31 Upon occurrence of material changes in the relevant information of substantial shareholders which may affect the qualification conditions of shareholders or which may cause material changes in the equity interest of the Bank held by them, the Bank shall disclose such information on timely basis. Matters on equity interest which should be reported to the CBRC or its delegated authority for approval but have not yet obtained approval, an explanation shall be included in the information disclosure of the Bank.

Chapter IV Supplementary Provisions

Article 32 Matters which are not provided in these Rules or which are not consistent with the laws and regulations, regulatory requirements and provisions of the Articles of Association of the Bank, then the laws and regulations, regulatory requirements and the Articles of Association of the Bank shall prevail.

Article 33 In the transfer or pledge of State-owned shares of the Bank held by the shareholders, the corresponding procedures shall be performed in accordance with the relevant requirements of the State-owned equity management authority.

Article 34 The directors, supervisors, senior management officers and other employees who have access to the relevant information during the process of work shall have confidentiality obligations in respect of such information.

APPENDIX II PROPOSED RULES FOR THE EQUITY MANAGEMENT

Article 35 These Rules shall be subject to interpretation by the Board of Directors

Article 36 Establishment of these Rules and their amendments shall be effective from the date of approval by the shareholders' general meeting of the Bank.

NOTICE OF THE EGM



锦州银行股份有限公司

Bank of Jinzhou Co., Ltd.*

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

(Stock Code: 0416)

(Stock Code of Preference Shares: 4615)

NOTICE OF 2018 FIRST EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2018 first extraordinary general meeting (the “**EGM**”) 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 People’s Republic of China (the “**PRC**”) at 10:00 a.m. on Friday, 21 September 2018 to consider and, if thought fit, to pass, with or without modifications, the following resolutions of the Bank:

ORDINARY RESOLUTIONS

1. To consider and approve the election of Ms. Tang Fang as a non-executive director of the Bank;
2. To consider and approve the election of Mr. Li Dongjun as a non-executive director of the Bank;
3. To consider and approve the adoption of the rules for the equity management of Bank of Jinzhou Co., Ltd.;

SPECIAL RESOLUTIONS

4. To consider and approve the amendments to the articles of association of the Bank;
5. To consider and approve the extension of term of validity of financial bonds specialised for small and micro enterprises and the relevant authorisation matters; and
6. To consider and approve the extension of term of validity of green financial bonds and the relevant authorisation matters.

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

Jinzhou, the PRC

7 August 2018

Notes:

1. The register of members of the Bank will be closed from Wednesday, 22 August 2018 to Friday, 21 September 2018, both days inclusive, during which period no transfer of the Bank’s shares (the “**Shares**”) will be effected. In order to be qualified to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the H share registrar of the Bank (in respect of H Shares), namely Computershare Hong Kong Investor Services Limited, or to the Bank’s registered office in the PRC (in respect of domestic Shares) no later than 4:30 p.m. on Tuesday, 21 August 2018.
2. Shareholders of the Bank (the “**Shareholders**”) who are entitled to attend and vote at the EGM 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.

NOTICE OF THE EGM

3. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his/her attorney duly authorised in writing. If the Shareholder is a legal person, that instrument must be executed either under its seal or under the hand of its director or other attorney duly authorised to sign the same.
4. In order to be valid, the form of proxy 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 EGM (i.e. by Thursday, 20 September 2018 at 10:00 a.m.). If the form of proxy 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 form of proxy. Completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the EGM or any adjourned meetings should you so wish.
5. Shareholders shall produce their identity documents and supporting documents in respect of the Shares held when attending the EGM. If corporate Shareholders appoints authorised representative to attend the EGM the authorised representative shall produce his/her identity documents and a notarially certified copy of the relevant authorisation instrument signed by the board of directors or other authorised parties of the corporate Shareholders or other notarially certified documents allowed by the Bank. Proxies shall produce their identity documents and the form of proxy signed by the Shareholders or their attorney when attending the EGM.
6. Shareholders who intend to attend the EGM should complete and return the reply slip in writing by hand or by post to the Bank's H share registrar (for holders of H Shares) or the registered office of the Bank in the PRC (for holders of domestic Shares) on or before Saturday, 1 September 2018.
7. The EGM is expected to be held for less than half a day. Shareholders who intend to attend the EGM shall arrange and bear their own transportation and accommodation expenses.
8. The name and address of the Bank's H share 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: 86-0416-3220001

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

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

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