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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)

COMPLETION OF THE PROPOSED PRIVATE PLACEMENT AND THE SIGNIFICANT ASSET REORGANIZATION

COMPLETION OF THE PROPOSED PRIVATE PLACEMENT OF NEW DOMESTIC SHARES UNDER THE SPECIFIC MANDATE

References are made to (i) the announcement of Bank of Jinzhou Co., Ltd. (the “**Bank**”) dated 26 December 2019 in relation to its proposed significant asset reorganization; (ii) the Whitewash Announcement dated 10 March 2020; (iii) the circular of the Bank dated 30 June 2020 (the “**Circular**”) in relation to, among others, the Proposed Private Placement, the application for the Whitewash Waiver and the Intended Asset Reorganization; (iv) the EGM poll results announcement of the Bank dated 10 July 2020; (v) the announcement of the Bank dated 10 August 2020 in relation to the relevant approvals from the CBIRC Liaoning Branch; and (vi) the announcement of the Bank dated 14 August 2020 in relation to updates on the progress of the Proposed Private Placement. Unless the context otherwise requires, capitalized terms used herein shall have the same meanings as those defined in the Circular.

The Board is pleased to announce that the Bank has recently received the confirmation from China Securities Depository and Clearing Corporation Limited Beijing Branch that the registration of changes in Shareholders in relation to the Proposed Private Placement was completed on 30 September 2020. All conditions precedent in respect of the Subscription Agreement as set out in the Circular have been fulfilled, in which the completion of the Proposed Private Placement took place on the same date. Pursuant to the Proposed Private Placement, 5,270 million Domestic Shares and 930 million Domestic Shares have been issued to both Chengfang Huida and Liaoning Financial Holding on 30 September 2020 respectively. Accordingly, immediately after the completion of the Proposed Private Placement, the registered capital of the Bank has been increased to RMB13,981,615,684, and the total number of shares of the Bank has been increased to 13,981,615,684 Shares, which was divided into 10,464,295,684 Domestic Shares and 3,517,320,000 H Shares.

The net proceeds from the Proposed Private Placement (after deducting the relevant fees) amounted to approximately RMB12.09 billion. The net proceeds from the Proposed Private Placement will be used to replenish the core tier-one capital of the Bank.

Details of the shareholding structure of the Bank immediately before and after the completion of the Proposed Private Placement are set out below:

	Immediately prior to the completion of the Proposed Private Placement		Immediately after the completion of the Proposed Private Placement	
	Number of shares	%	Number of shares	%
Domestic Shares				
Non-public Domestic Shareholders				
– ICBC Financial Asset Investment Co., Ltd.* (工銀金融資產投資有限公司) ^(Note 1)	841,822,258	10.82	–	–
– Chengfang Huida and parties acting in concert with it	–	–	5,270,000,000	37.69
	<u>841,822,258</u>	<u>10.82</u>	<u>5,270,000,000</u>	<u>37.69</u>
Public Domestic Shareholders				
– ICBC Financial Asset Investment Co., Ltd.* (工銀金融資產投資有限公司) ^(Note 1)	–	–	841,822,258	6.02
– Cinda Investment Co., Ltd.* (信達投資有限公司) ^(Note 2)	505,093,350	6.49	505,093,350	3.61
– Liaoning Financial Holding and parties acting in concert with it	–	–	930,000,000	6.65
– Other public Domestic Shareholders	2,917,380,076	37.49	2,917,380,076	20.87
	<u>3,422,473,426</u>	<u>43.98</u>	<u>5,194,295,684</u>	<u>37.15</u>
	<u>4,264,295,684</u>	<u>54.80</u>	<u>10,464,295,684</u>	<u>74.84</u>
H Shares	<u>3,517,320,000</u>	<u>45.20</u>	<u>3,517,320,000</u>	<u>25.16</u>
Total	<u>7,781,615,684</u>	<u>100.00</u>	<u>13,981,615,684</u>	<u>100.00</u>

Notes:

- Such Domestic Shares are directly held by ICBC Financial Asset Investment Co., Ltd.* (工銀金融資產投資有限公司). Upon completion of the Proposed Private Placement, the effective interest of ICBC Financial Asset Investment Co., Ltd.* (工銀金融資產投資有限公司) in the total issued share capital of the Bank will be diluted from 10.82% to 6.02%. Accordingly, it is entitled to exercise, or control the exercise of less than 10% of the voting power at the general meeting of the Bank and will no longer be a substantial Shareholder of the Bank (as defined under the Listing Rules) and shall be deemed as a public Domestic Shareholder upon the completion of the Proposed Private Placement.
- Such Domestic Shares are directly held by Cinda Investment Co., Ltd.* (信達投資有限公司), a wholly-owned subsidiary of China Cinda. China Cinda directly and indirectly held all the equity interests in Huida Asset Management and Chengfang Huida. For further details of the relationship between China Cinda, Huida Asset Management and Chengfang Huida, please refer to the paragraph headed “(1) Proposed Private Placement of New Domestic Shares Under the Specific Mandate – IX. Information on the Parties – Information of Chengfang Huida” in the Circular.

COMPLETION OF THE SIGNIFICANT ASSET REORGANIZATION OF THE BANK

As set out in the announcement of the Bank dated 27 July 2020, the Disposal and the Debt Instrument Subscription had completed. Upon the completion of the Proposed Private Placement, the significant asset reorganization of the Bank as proposed in the announcement of the Bank dated 26 December 2019 has been completed as of the date of this announcement.

The completion of the significant asset reorganisation effectively improves the Bank's capital adequacy ratio, asset quality and risk resistance ability, and further optimizes its asset structure. Through the significant asset reorganization, the Bank will continuously strengthen its corporate governance level, control its development direction, establish a healthy internal governance mechanism, realize overall stable operation, further improve its comprehensive competitiveness and promote its sustainable development.

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

Jinzhou, Liaoning Province, the PRC
9 October 2020

As at the date of this announcement, the Board comprises Mr. Wei Xuekun, Mr. Guo Wenfeng, Mr. Kang Jun, Mr. Yang Weihua and Mr. Yu Jun, as executive Directors; Mr. Zhao Chuanxin, Ms. Ning Jie, Ms. Gu Jihong, Mr. Lyu Fei and Mr. Luo Nan, as non-executive Directors; and Mr. Wu Jun, Mr. Xie Taifeng, Mr. Xiao Geng, Mr. Wang Xiongyuan and Mr. Su Mingzheng as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.

* *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.*