
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your Shares in Jilin Jiutai Rural Commercial Bank Corporation Limited, you should at once pass this circular, together with the enclosed proxy forms and reply slips, to the purchaser, the transferee, the bank, the stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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JILIN JIUTAI RURAL COMMERCIAL BANK CORPORATION LIMITED*

吉林九台農村商業銀行股份有限公司*

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

(Stock Code: 6122)

WORK REPORT OF THE BOARD OF DIRECTORS FOR 2019
WORK REPORT OF THE BOARD OF SUPERVISORS FOR 2019
ANNUAL REPORT FOR 2019
FINAL FINANCIAL REPORT FOR 2019
PROFIT DISTRIBUTION PROPOSAL FOR 2019
ANNUAL FINANCIAL BUDGET FOR 2020
ENGAGEMENT OF EXTERNAL AUDITING FIRMS FOR 2020
CAPITALIZATION ISSUE
CHANGE OF REGISTERED CAPITAL
AMENDMENTS TO CERTAIN ARTICLES IN THE ARTICLES OF ASSOCIATION
NOTICE OF THE 2019 AGM
AND
NOTICE OF THE FIRST H SHARE CLASS MEETING OF 2020

The 2019 Annual General Meeting ("AGM") of Jilin Jiutai Rural Commercial Bank Corporation Limited will be held at 9:30 a.m. on Thursday, June 18, 2020 at the Conference Room on the Sixth Floor, No. 2559 Wei Shan Road, High-tech Zone, Changchun, Jilin Province, the PRC. The First Domestic Share Class Meeting of 2020 will be held at 10:30 a.m. on the same day or immediately upon the conclusion of the AGM, whichever is later. The First H Share Class Meeting of 2020 will be held at 11:30 a.m. on the same day or immediately upon the conclusion of the First Domestic Share Class Meeting of 2020, whichever is later. A notice of the 2019 AGM and a notice of the First H Share Class Meeting of 2020 are set out on pages 9 to 12 and pages 13 to 15 of this circular, respectively. A notice of the First Domestic Share Class Meeting of 2020 will be issued separately.

If you intend to attend the AGM and/or the First H Share Class Meeting of 2020 either in person or by proxy, you are required to complete and return the reply slip(s) to the H Share registrar of the Bank, Computershare Hong Kong Investor Services Limited on or before Friday, May 29, 2020.

Whether or not you are able to attend the AGM and/or the First H Share Class Meeting of 2020, you are advised to read the notice of the 2019 AGM and the notice of the First H Share Class Meeting of 2020 carefully and to complete the enclosed proxy form(s) in accordance with the instructions printed thereon and return 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, by hand or by post no later than 24 hours before the time appointed for convening the AGM and/or the First H Share Class Meeting of 2020 or any adjourned meeting thereof. Completion and return of the proxy form(s) will not preclude you from attending and voting at the AGM and/or the First H Share Class Meeting of 2020 or any adjourned meeting(s) thereof in person if you so wish.

* Jilin Jiutai Rural Commercial Bank Corporation Limited 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/deposit-taking business in Hong Kong.

April 27, 2020

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“AGM” or “2019 AGM”	the annual general meeting of the Bank for 2019 to be held at 9:30 a.m. on Thursday, June 18, 2020 at the Conference Room on the Sixth Floor, No. 2559 Wei Shan Road, High-tech Zone, Changchun, Jilin Province, the PRC
“Articles of Association”	the articles of association of the Bank, as amended, modified or otherwise supplemented from time to time
“Bank”	Jilin Jiutai Rural Commercial Bank Corporation Limited, a joint stock company incorporated in the PRC with limited liability and whose H Shares are listed on the Main Board of the Stock Exchange
“Board” or “Board of Directors”	the board of directors of the Bank
“Board of Supervisors”	the board of supervisors of the Bank
“Capitalization Issue”	the issue of New Shares by way of capitalization of capital reserve to the Shareholders whose names appear on the register of members of the Bank on the Record Date on the basis of 5 New Shares for every 100 existing Shares held by the Shareholders, subject to the terms as described in this circular
“CBIRC”	China Banking and Insurance Regulatory Commission or its local counterparts
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company Law”	the Company Law of the PRC
“Director(s)”	the director(s) of the Bank
“Domestic Share(s)”	domestic share(s) in the share capital of the Bank, with a nominal value of RMB1.00 each, which is(are) subscribed for or credited as paid in Renminbi
“Domestic Shareholder(s)”	holder(s) of Domestic Share(s)
“Group”	the Bank and its consolidated subsidiaries
“First Domestic Share Class Meeting of 2020”	the first Domestic Share class meeting of 2020 of the Bank to be held at 10:30 a.m. on Thursday, June 18, 2020 or immediately upon the conclusion of the AGM, whichever is later, at the Conference Room on the Sixth Floor, No. 2559 Wei Shan Road, High-tech Zone, Changchun, Jilin Province, the PRC

DEFINITIONS

“First H Share Class Meeting of 2020”	the first H Share class meeting of 2020 of the Bank to be held at 11:30 a.m. on Thursday, June 18, 2020 or immediately upon the conclusion of the First Domestic Share Class Meeting of 2020, whichever is later, at the Conference Room on the Sixth Floor, No. 2559 Wei Shan Road, High-tech Zone, Changchun, Jilin Province, the PRC
“H Share(s)”	the overseas listed foreign share(s) in the share capital of the Bank with a nominal value of RMB1.00 each which is(are) listed on the Stock Exchange and traded in Hong Kong dollars (stock code: 6122)
“H Shareholder(s)”	holder(s) of H Share(s)
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“IFRS”	the International Accounting Standards, International Financial Reporting Standards, amendments and the related interpretations issued by the International Accounting Standards Board
“Independent Director(s)” or “Independent Non-executive Director(s)”	the independent non-executive director(s) of the Bank
“Latest Practicable Date”	April 22, 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)
“New Domestic Share(s)”	new Domestic Share(s) to be allotted and issued under the Capitalization Issue
“New H Share(s)”	new H Share(s) to be allotted and issued under the Capitalization Issue
“New Share(s)”	New Domestic Share(s) and New H Share(s)
“PRC” or “China”	the People’s Republic of China, which for the purpose of this circular only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan region
“PRC GAAP”	the PRC Accounting Standards for Business Enterprises (中國企業會計準則) promulgated by Ministry of Finance of the PRC on February 15, 2006 and its supplementary regulations, as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“Record Date”	Monday, June 29, 2020, being the record date for determining the Shareholders’ entitlements to the final dividend for 2019 and the Capitalization Issue
“Renminbi” or “RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	share(s) of the Bank, including Domestic Share(s) and H Share(s)
“Shareholder(s)”	Shareholder(s) of the Bank, including Domestic Shareholder(s) and H Shareholder(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Bank

EXPECTED TIMETABLE

The expected timetable for, inter alia, the Capitalization Issue is set forth below. Such expected timetable is indicative only and has been prepared on the assumption that all conditions of the Capitalization Issue will be fulfilled. The expected timetable is subject to change, and any such change will be announced in a separate announcement by the Bank as and when appropriate.

Latest time for lodging transfer of H Shares for entitlement to attend the AGM and the First H Share Class Meeting of 2020	4:30 p.m. on Monday, May 18, 2020
Closure of the H Share register of members for determining H Shareholders' entitlement to attend the AGM and the First H Share Class Meeting of 2020	Tuesday, May 19, 2020 to Thursday, June 18, 2020 (both days inclusive)
Latest time for lodging reply slips for the AGM and the First H Share Class Meeting of 2020	Friday, May 29, 2020
Latest time for lodging proxy forms for the AGM	9:30 a.m. on Wednesday, June 17, 2020
Latest time for lodging proxy forms for the First H Share Class Meeting of 2020	11:30 a.m. on Wednesday, June 17, 2020
AGM	9:30 a.m. on Thursday, June 18, 2020
First H Share Class Meeting of 2020.	11:30 a.m. on Thursday, June 18, 2020 or immediately upon the conclusion of the First Domestic Share Class Meeting of 2020 (whichever is later)
Publication of poll results announcement of the AGM and the First H Share Class Meeting of 2020	Thursday, June 18, 2020
H Share register of members re-opens.	Friday, June 19, 2020
Last day of dealings in H Shares on a cum-entitlement basis relating to the final dividend for 2019 and the Capitalization Issue	Friday, June 19, 2020
First day of dealings in H Shares on an ex-entitlement basis relating to the final dividend for 2019 and the Capitalization Issue	Monday, June 22, 2020
Latest time for lodging transfer of H Shares for entitlement to the final dividend for 2019 and the Capitalization Issue	4:30 p.m. on Tuesday, June 23, 2020

EXPECTED TIMETABLE

Closure of the H Share register of members for determining H Shareholders' entitlement to the final dividend for 2019 and the Capitalization Issue	Wednesday, June 24, 2020 to Monday, June 29, 2020 (both days inclusive)
Record Date	Monday, June 29, 2020
H Share register of members re-opens.	Tuesday, June 30, 2020
Expected payment date of the final dividend for 2019	Thursday, August 13, 2020
Expected date of dispatch of certificates for the New H Shares	Thursday, August 13, 2020
Expected first day of listing of, and dealing in, the New H Shares	9:00 a.m. on Friday, August 14, 2020

LETTER FROM THE BOARD



JILIN JIUTAI RURAL COMMERCIAL BANK CORPORATION LIMITED*

吉林九台農村商業銀行股份有限公司*

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

(Stock Code: 6122)

Executive Directors:

Mr. Gao Bing (*Chairman*)
Mr. Liang Xiangmin
Mr. Yuan Chunyu

Non-executive Directors:

Mr. Cui Qiang
Mr. Wu Shujun
Mr. Zhang Xinyou
Mr. Wang Baocheng
Mr. Zhang Yusheng

Independent Non-executive Directors:

Dr. Fu Qiong
Mr. Jiang Ning
Ms. Zhang Qiuhua
Mr. Chung Wing Yin
Mr. Yang Jinguan

Registered office:

504 Xinhua Main Street
Jiutai District
Changchun
Jilin Province, the PRC

Principal place of business in the PRC:

2559 Wei Shan Road
High-tech Zone
Changchun
Jilin Province, the PRC

Place of business in Hong Kong:

Room 15, 11th Floor
Tower 2, Admiralty Centre
18 Harcourt Road
Admiralty
Hong Kong

April 27, 2020

To the H Shareholders

Dear Sir or Madam,

**WORK REPORT OF THE BOARD OF DIRECTORS FOR 2019
WORK REPORT OF THE BOARD OF SUPERVISORS FOR 2019
ANNUAL REPORT FOR 2019
FINAL FINANCIAL REPORT FOR 2019
PROFIT DISTRIBUTION PROPOSAL FOR 2019
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NOTICE OF THE 2019 AGM
AND
NOTICE OF THE FIRST H SHARE CLASS MEETING OF 2020**

LETTER FROM THE BOARD

1. Introduction

On behalf of the Board, I would like to invite you to attend the AGM to be held at 9:30 a.m. on Thursday, June 18, 2020 and the First H Share Class Meeting of 2020 to be held thereafter at the Conference Room on the Sixth Floor, No. 2559 Wei Shan Road, High-tech Zone, Changchun, Jilin Province, the PRC.

The purpose of this circular is to provide you with the notice of the 2019 AGM and the notice of the First H Share Class Meeting of 2020, and to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolutions to be proposed at the AGM and/or the First H Share Class Meeting of 2020.

2. Businesses to be considered at the AGM and/or the First H Share Class Meeting of 2020

The proposals to be presented for consideration and approval at the AGM include the following ordinary resolutions: (1) work report of the Board of Directors for 2019; (2) work report of the Board of Supervisors for 2019; (3) annual report for 2019; (4) final financial report for 2019; (5) profit distribution proposal for 2019; (6) annual financial budget for 2020; and (7) engagement of external auditing firms for 2020.

The proposals to be presented for consideration and approval at the AGM also include the following special resolutions: (8) Capitalization Issue; (9) change of registered capital; and (10) amendments to certain articles in the Articles of Association.

The proposal on the Capitalization Issue is also subject to the approval by the Shareholders at the First Domestic Share Class Meeting of 2020 and the First H Share Class Meeting of 2020 by way of special resolution.

In order to enable you to have a better understanding of the above resolutions and to make an informed decision thereon, we have provided detailed information to the Shareholders in Appendix I to this circular, which includes the information and explanation on the resolutions proposed to be passed at the AGM and/or the First H Share Class Meeting of 2020.

3. The AGM and the First H Share Class Meeting of 2020

The proxy forms and reply slips for the AGM and the First H Share Class Meeting of 2020 are enclosed in this circular.

If you intend to attend the AGM and/or the First H Share Class Meeting of 2020 either in person or by proxy, you are required to complete and return the reply slip(s) to the H Share registrar of the Bank, Computershare Hong Kong Investor Services Limited on or before Friday, May 29, 2020.

Whether or not you are able to attend the AGM and/or the First H Share Class Meeting of 2020, you are advised to read the notice of the 2019 AGM and the notice of the First H Share Class Meeting of 2020 carefully and to complete the enclosed proxy form(s) in accordance with the instructions printed thereon and return 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, by hand or by post no later than 24 hours before the time appointed for convening the AGM and/or the First H Share Class Meeting of 2020 or any adjourned meeting thereof. Completion and return of the proxy form(s) will not preclude you from attending and voting at the AGM and/or the First H Share Class Meeting of 2020 or any adjourned meeting(s) thereof in person if you so wish.

LETTER FROM THE BOARD

4. Closure of H Share register of members

For the purpose of determining the H Shareholders' entitlement to attend the AGM and the First H Share Class Meeting of 2020, the H Share register of members of the Bank will be closed from Tuesday, May 19, 2020 to Thursday, June 18, 2020 (both days inclusive), during which period no transfer of H Shares will be registered. In order to attend the AGM and/or the First H Share Class Meeting of 2020, all share certificates, together with the instruments of transfers, must be lodged for registration with the Bank's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Monday, May 18, 2020.

Shareholders whose names appear on the register of members of the Bank on the Record Date are entitled to receive the final dividend for 2019 and participate in the Capitalization Issue. For the purpose of determining the H Shareholders' entitlements to the final dividend for 2019 and the New H Shares, the H Share register of members of the Bank will be closed from Wednesday, June 24, 2020 to Monday, June 29, 2020 (both days inclusive), during which period no transfer of H Shares will be registered. In order to be entitled to the final dividend for 2019 and the New H Shares, all share certificates, together with the instruments of transfers, must be lodged for registration with the Bank's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Tuesday, June 23, 2020. If the profit distribution proposal for 2019 is approved by the Shareholders at the AGM, the final dividend for 2019 is expected to be paid on or before Thursday, August 13, 2020. Further announcement will be made if there is any change of the expected payment date. Please refer to the section headed "Expected Timetable" of this circular for the expected timetable of the Capitalization Issue.

5. Voting by poll

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of shareholders at a general meeting must be taken by poll. Therefore, all resolutions set out in the notice of the 2019 AGM and the notice of the First H Share Class Meeting of 2020 will be voted by poll. The poll results will be published on the HKExnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Bank at www.jtnsh.com upon the conclusions of the AGM and the First H Share Class Meeting of 2020.

6. Recommendation

The Directors consider that the resolutions set out in the notice of the 2019 AGM and the notice of the First H Share Class Meeting of 2020 are in the interests of the Bank and its Shareholders as a whole. Therefore, the Board recommends you to vote in favor of the proposed resolutions mentioned above.

Yours faithfully,
By order of the Board

Jilin Jiutai Rural Commercial Bank Corporation Limited*
Gao Bing
Chairman

* *Jilin Jiutai Rural Commercial Bank Corporation Limited 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/deposit-taking business in Hong Kong.*



JILIN JIUTAI RURAL COMMERCIAL BANK CORPORATION LIMITED*

吉林九台農村商業銀行股份有限公司*

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

(Stock Code: 6122)

NOTICE OF ANNUAL GENERAL MEETING FOR 2019

Notice is hereby given that the annual general meeting (“AGM”) of Jilin Jiutai Rural Commercial Bank Corporation Limited (the “Bank”) for 2019 will be held at the Conference Room on the Sixth Floor, No. 2559 Wei Shan Road, High-tech Zone, Changchun, Jilin Province, the PRC at 9:30 a.m. on Thursday, June 18, 2020, to consider and, if thought fit, pass the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and approve the work report of the board of directors of the Bank for 2019.
2. To consider and approve the work report of the board of supervisors of the Bank for 2019.
3. To consider and approve the annual report of the Bank for 2019.
4. To consider and approve the final financial report of the Bank for 2019.
5. To consider and approve the profit distribution proposal of the Bank for 2019.
6. To consider and approve the annual financial budget of the Bank for 2020.
7. To consider and approve the engagement of external auditing firms of the Bank for 2020.

SPECIAL RESOLUTIONS

8. To consider and approve the capitalization issue of the Bank.
9. To consider and approve the change of registered capital of the Bank.
10. To consider and approve the amendments to certain articles in the articles of association of the Bank.

By order of the Board

Jilin Jiutai Rural Commercial Bank Corporation Limited*

Gao Bing

Chairman

Changchun, the PRC
April 27, 2020

NOTICE OF THE 2019 AGM

As of the date of this notice, the Board of the Bank comprises Mr. Gao Bing, Mr. Liang Xiangmin and Mr. Yuan Chunyu as executive directors; Mr. Cui Qiang, Mr. Wu Shujun, Mr. Zhang Xinyou, Mr. Wang Baocheng and Mr. Zhang Yusheng as non-executive directors; and Dr. Fu Qiong, Mr. Jiang Ning, Ms. Zhang Qiuhua, Mr. Chung Wing Yin and Mr. Yang Jinguan as independent non-executive directors.

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Notes:

1. Voting by poll

Pursuant to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, all votes of resolutions at a general meeting shall be taken by poll. As such, the votes of resolutions at the AGM will be taken by poll. An announcement on the voting results will be published on the HKEXnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Bank at www.jtsh.com upon the conclusion of the AGM.

2. Eligibility for attending the AGM and closure of H share register of members

For the purpose of determining the H shareholders' entitlement to attend the AGM, the H share register of members of the Bank will be closed from Tuesday, May 19, 2020 to Thursday, June 18, 2020 (both days inclusive), during which period no transfer of H Shares will be registered. In order to attend the AGM, all share certificates, together with the instruments of transfers, must be lodged for registration with the Bank's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Monday, May 18, 2020. H shareholders of the Bank whose names appear on the register of members of the Bank on Wednesday, June 17, 2020 are entitled to attend the AGM.

A shareholder or his/her proxy should present proof of identity when attending the AGM. If a shareholder is a legal person, its legal representative or other person authorized by the board of directors or other governing body of such shareholder may attend the AGM by providing a copy of the resolution of the board of directors or other governing body of such shareholder appointing such person to attend the meeting.

3. Reply slip

H shareholders who intend to attend and vote (in person or by proxy) at the AGM must complete and lodge the accompanying reply slip and return it to the Bank's H share registrar on or before Friday, May 29, 2020. The reply slip may be delivered by hand, by post or by fax to the Bank's H share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

4. Proxy

- (1) Each shareholder who has the right to attend and vote at the AGM convened by the above notice is entitled to appoint one or more proxies in writing to attend and vote on his/her behalf at the meeting. A proxy needs not be a shareholder of the Bank.
- (2) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorized in writing, or if the appointor is a legal entity, either under seal or signed by a director or a duly authorized attorney. If that instrument is signed by an attorney of the appointor, the power of attorney authorizing that attorney to sign or other document of authorization must be notarized.

H shareholders shall lodge the proxy form, together with the notarized power of attorney or other document of authorization, to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time appointed for convening the AGM.

- (3) Completion and return of the proxy form will not preclude a shareholder from attending and voting in person at the AGM or any adjournment thereof should he/she so wish.

NOTICE OF THE 2019 AGM

- (4) In the case of joint shareholders and more than one of the shareholders attending the meeting, whether in person or by proxy, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint shareholder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Bank in respect of the joint shareholding.

5. Dividend payment arrangement

The board of directors of the Bank has recommended a payment of final dividend of RMB753,126,763.86 in total (tax inclusive) for the year ended December 31, 2019. Based on the number of shares on the record date for dividend distribution, the Bank will distribute a cash dividend of RMB0.18 per share (tax inclusive). If the profit distribution proposal for 2019 is approved by the shareholders at the AGM, the final dividend for 2019 is expected to be paid on or before Thursday, August 13, 2020. Further announcement will be made if there is any change of the expected payment date.

Domestic shareholders and H shareholders whose names appear on the register of members of the Bank at the close of business on Monday, June 29, 2020 are entitled to receive the final dividend for 2019. For the purpose of determining the H shareholders' entitlement to the final dividend for 2019, the H share register of members of the Bank will be closed from Wednesday, June 24, 2020 to Monday, June 29, 2020 (both days inclusive), during which period no transfer of H shares will be registered. In order to be entitled to the final dividend for 2019, all share certificates, together with the instruments of transfers, must be lodged for registration with the Bank's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Tuesday, June 23, 2020.

The proposed dividend is denominated in Renminbi, and will be paid to domestic shareholders in Renminbi and to H shareholders in Hong Kong dollars. The exchange rate for calculation of the dividend in Hong Kong dollars will be based on the average benchmark rate of Renminbi to Hong Kong dollars as announced by the People's Bank of China for the five business days preceding and including the date of declaration of the dividend at the AGM (June 18, 2020).

(1) *Withholding and payment of enterprise income tax for overseas non-resident enterprise shareholders*

Pursuant to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) and its implementation rules and the relevant regulations, the Bank has the obligation to withhold and pay enterprise income tax at a tax rate of 10% on behalf of the non-resident enterprise shareholders whose names appear on the H share register of members in the distribution of final dividend for 2019. As any shares registered in the name of non-individual shareholders, including HKSCC Nominees Limited, other nominees, trustees or other groups and organizations, will be treated as being held by non-resident enterprise shareholders, the dividend received shall be subject to the withholding of enterprise income tax.

Upon receipt of such dividend, a non-resident enterprise shareholder may apply to the competent tax authorities for relevant treatment under the tax treaties (arrangements) in person or through a proxy or a withholding agent, and provide evidence in support of its status as a beneficial owner as defined in the tax treaties (arrangements). Upon verification by the competent tax authorities, the difference between the tax levied and the amount of tax payable as calculated at the tax rate under the tax treaties (arrangements) will be refunded.

(2) *Withholding and payment of individual income tax for individual overseas resident shareholders*

According to the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法》) and its implementation rules and the Announcement of the State Administration of Taxation on Promulgating the Administrative Measures for Tax Convention Treatment for Non-resident Taxpayers (Announcement of the State Administration of Taxation 2015 No.60) (《國家稅務總局關於發佈〈非居民納稅人享受稅收協定待遇管理辦法〉的公告》(國家稅務總局公告2015年第60號)) (the "**Tax Convention Announcement**"), the Bank has the obligation to withhold and pay individual income tax on behalf of the individual shareholders whose names appear on the H share register of members ("**Individual H Shareholders**") in the distribution of final dividend for 2019. However, Individual H Shareholders are entitled to the relevant favourable tax treatments pursuant to the provisions in the tax treaties between the countries (regions) in which they are domiciled and the PRC, and the tax arrangements between the PRC and Hong Kong (or Macau). As such, the Bank will withhold and pay individual income tax on behalf of the Individual H Shareholders in accordance with the following arrangements:

- for Individual H Shareholders receiving dividend who are Hong Kong or Macau residents or citizens from countries (regions) that have entered into a tax treaty with the PRC stipulating a tax rate of 10%, the Bank will withhold and pay individual income tax at the rate of 10% in the distribution of final dividend;

NOTICE OF THE 2019 AGM

- for Individual H Shareholders receiving dividend who are residents from countries (regions) that have entered into a tax treaty with the PRC stipulating a tax rate of less than 10%, the Bank will withhold and pay individual income tax at the rate of 10% in the distribution of final dividend. If relevant Individual H Shareholders would like to apply for a refund of the excess amount of tax withheld and paid, the Bank will handle, on their behalf, the applications for tax preferential treatments under relevant tax treaties according to the Tax Convention Announcement. Qualified shareholders shall submit in time a letter of entrustment and all application materials as required under the Tax Convention Announcement to the Bank's H share registrar, Computershare Hong Kong Investor Services Limited. The Bank will then submit the above documents to competent tax authorities and, after their examination and approval, the Bank will assist in refunding the excess amount of tax withheld and paid;
- for Individual H Shareholders receiving dividend who are residents from countries (regions) that have entered into a tax treaty with the PRC stipulating a tax rate of more than 10% but less than 20%, the Bank will withhold and pay individual income tax at the effective tax rate stipulated in the relevant tax treaty in the distribution of final dividend;
- for Individual H Shareholders receiving dividend who are residents from countries (regions) that have entered into a tax treaty with the PRC stipulating a tax rate of 20% or without tax treaties with the PRC or under other circumstances, the Bank will withhold and pay the individual income tax at the rate of 20% in the distribution of final dividend.

Under the current practice of the Hong Kong Inland Revenue Department, no tax is payable in Hong Kong in respect of the dividend paid by the Bank. Shareholders of the Bank are taxed and/or entitled to enjoy tax relief in accordance with the aforementioned regulations.

If the H shareholders have any queries regarding the above tax arrangements, please consult your tax consultants regarding the tax impacts in the PRC, Hong Kong and other countries (regions) for holding and selling the Bank's H shares.

6. Miscellaneous

- (1) The AGM is expected to last for no more than half a working day. Shareholders and their proxies attending the meeting are responsible for their own traveling and accommodation expenses.
- (2) For details of the proposals submitted to the AGM for consideration and approval, please refer to the circular dispatched by the Bank on April 27, 2020.
- (3) None of the directors, supervisors, president and other senior management of the Bank has any material interests in the matters to be considered.

(4) **Address of Computershare Hong Kong Investor Services Limited:**

17M Floor, Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong
Telephone: (852) 2862 8628
Facsimile: (852) 2865 0990

(5) **Registered Office of the Bank in the PRC:**

No. 504 Xinhua Main Street, Jiutai District
Changchun, Jilin Province
The PRC

Principal Place of Business of the Bank in the PRC:

No. 2559 Wei Shan Road, High-tech Zone
Changchun, Jilin Province
The PRC

Contact department: Office of the Board of Directors
Telephone: 86 (431) 8925 0628
Facsimile: 86 (431) 8925 0628
Contact person: Mr. Liu Hua (劉華)



JILIN JIUTAI RURAL COMMERCIAL BANK CORPORATION LIMITED*
吉林九台農村商業銀行股份有限公司*
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6122)

NOTICE OF THE FIRST H SHARE CLASS MEETING OF 2020

Notice is hereby given that the first H share class meeting of 2020 (the “**First H Share Class Meeting of 2020**”) of Jilin Jiutai Rural Commercial Bank Corporation Limited (the “**Bank**”) will be held at the Conference Room on the Sixth Floor, No. 2559 Wei Shan Road, High-tech Zone, Changchun, Jilin Province, the PRC at 11:30 a.m. on Thursday, June 18, 2020 or immediately upon the conclusion of the first domestic share class meeting of 2020, whichever is later, to consider and, if thought fit, pass the following resolution:

SPECIAL RESOLUTION

1. To consider and approve the capitalization issue of the Bank.

By order of the Board
Jilin Jiutai Rural Commercial Bank Corporation Limited*
Gao Bing
Chairman

Changchun, the PRC
April 27, 2020

As of the date of this notice, the Board of the Bank comprises Mr. Gao Bing, Mr. Liang Xiangmin and Mr. Yuan Chunyu as executive directors; Mr. Cui Qiang, Mr. Wu Shujun, Mr. Zhang Xinyou, Mr. Wang Baocheng and Mr. Zhang Yusheng as non-executive directors; and Dr. Fu Qiong, Mr. Jiang Ning, Ms. Zhang Qiuhua, Mr. Chung Wing Yin and Mr. Yang Jinguan as independent non-executive directors.

* *Jilin Jiutai Rural Commercial Bank Corporation Limited 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/deposit-taking business in Hong Kong.*

NOTICE OF THE FIRST H SHARE CLASS MEETING OF 2020

Notes:

1. Voting by poll

Pursuant to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, all votes of resolutions at a general meeting shall be taken by poll. As such, the votes of the resolution at the First H Share Class Meeting of 2020 will be taken by poll. An announcement on the voting results will be published on the HKEXnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Bank at www.jtnsh.com upon the conclusion of the First H Share Class Meeting of 2020.

2. Eligibility for attending the First H Share Class Meeting of 2020 and closure of H share register of members

For the purpose of determining the H shareholders' entitlement to attend the First H Share Class Meeting of 2020, the H share register of members of the Bank will be closed from Tuesday, May 19, 2020 to Thursday, June 18, 2020 (both days inclusive), during which period no transfer of H shares will be registered. In order to attend the First H Share Class Meeting of 2020, all share certificates, together with the instruments of transfers, must be lodged for registration with the Bank's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Monday, May 18, 2020. H shareholders of the Bank whose names appear on the register of members of the Bank on Wednesday, June 17, 2020 are entitled to attend the First H Share Class Meeting of 2020.

A shareholder or his/her proxy should present proof of identity when attending the First H Share Class Meeting of 2020. If a shareholder is a legal person, its legal representative or other person authorized by the board of directors or other governing body of such shareholder may attend the First H Share Class Meeting of 2020 by providing a copy of the resolution of the board of directors or other governing body of such shareholder appointing such person to attend the meeting.

3. Reply slip

H shareholders who intend to attend and vote (in person or by proxy) at the First H Share Class Meeting of 2020 must complete and lodge the accompanying reply slip and return it to the Bank's H share registrar on or before Friday, May 29, 2020. The reply slip may be delivered by hand, by post or by fax to the Bank's H share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

4. Proxy

- (1) Each shareholder who has the right to attend and vote at the First H Share Class Meeting of 2020 convened by the above notice is entitled to appoint one or more proxies in writing to attend and vote on his/her behalf at the meeting. A proxy needs not be a shareholder of the Bank.
- (2) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorized in writing, or if the appointor is a legal entity, either under seal or signed by a director or a duly authorized attorney. If that instrument is signed by an attorney of the appointor, the power of attorney authorizing that attorney to sign or other document of authorization must be notarized.

H shareholders shall lodge the proxy form, together with the notarized power of attorney or other document of authorization, to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time appointed for convening the First H Share Class Meeting of 2020.

NOTICE OF THE FIRST H SHARE CLASS MEETING OF 2020

- (3) Completion and return of the proxy form will not preclude a shareholder from attending and voting in person at the First H Share Class Meeting of 2020 or any adjournment thereof should he/she so wish.
- (4) In the case of joint shareholders and more than one of the shareholders attending the meeting, whether in person or by proxy, the vote of the senior joint shareholder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint shareholder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Bank in respect of the joint shareholding.

5. Miscellaneous

- (1) The First H Share Class Meeting of 2020 is expected to last for no more than half a working day. Shareholders and their proxies attending the meeting are responsible for their own traveling and accommodation expenses.
- (2) For details of the proposal submitted to the First H Share Class Meeting of 2020 for consideration and approval, please refer to the circular dispatched by the Bank on April 27, 2020.
- (3) None of the directors, supervisors, president and other senior management of the Bank has any material interests in the matters to be considered.

(4) **Address of Computershare Hong Kong Investor Services Limited:**

17M Floor, Hopewell Centre
183 Queen's Road East, Wanchai
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(5) **Registered Office of the Bank in the PRC:**

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The PRC

Contact department: Office of the Board of Directors
Telephone: 86 (431) 8925 0628
Facsimile: 86 (431) 8925 0628
Contact person: Mr. Liu Hua (劉華)

ORDINARY RESOLUTIONS**1. Considering and Approving the Work Report of the Board of Directors for 2019**

According to the Company Law and the Articles of Association, it is the authority of the Shareholders' general meeting of the Bank to consider and approve the work report of the Board. The Work Report of the Board of Directors of Jilin Jiutai Rural Commercial Bank Corporation Limited for 2019 (《吉林九台農村商業銀行股份有限公司2019年度董事會工作報告》) was considered and approved by the Board on March 30, 2020 and is hereby submitted to the AGM for consideration and approval.

Details of the work report of the Board of Directors for 2019 is set out in the annual report of the Bank for 2019.

2. Considering and Approving the Work Report of the Board of Supervisors for 2019

According to the relevant regulations and the Articles of Association, it is the authority of the Shareholders' general meeting of the Bank to consider and approve the work report of the Board of Supervisors. The Work Report of the Board of Supervisors of Jilin Jiutai Rural Commercial Bank Corporation Limited for 2019 (《吉林九台農村商業銀行股份有限公司2019年度監事會工作報告》) was considered and approved by the Board of Supervisors on March 30, 2020 and is hereby submitted to the AGM for consideration and approval.

Details of the work report of the Board of Supervisors for 2019 is set out in the annual report of the Bank for 2019.

3. Considering and Approving the Annual Report for 2019

The annual report for 2019 was considered and approved by the Board on March 30, 2020 and is hereby submitted to the AGM for consideration and approval. The annual report of the Bank for 2019 has been dispatched to the Shareholders and published on the HKExnews website of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the website of the Bank (<http://www.jtnsh.com>).

4. Considering and Approving the Final Financial Report for 2019

The Final Financial Report of Jilin Jiutai Rural Commercial Bank Corporation Limited for 2019 (《吉林九台農村商業銀行股份有限公司2019年度決算情況報告》) was considered and approved by the Board on March 30, 2020 and is hereby submitted to the AGM for consideration and approval.

The details of the resolution is set out in Appendix II to this circular.

5. Considering and Approving the Profit Distribution Proposal for 2019

According to the Profit Distribution Proposal of Jilin Jiutai Rural Commercial Bank Corporation Limited for 2019 (《吉林九台農村商業銀行股份有限公司2019年度利潤分配方案》) considered and approved by the Board on March 30, 2020, the Profit Distribution Proposal for 2019 is proposed as follows:

According to the Company Law, laws and regulations including the Financial Rules of Financial Enterprises (《金融企業財務規則》) and the Articles of Association and based on the audited financial

statements for the year ended December 31, 2019 prepared under the PRC GAAP, the net profit of the Bank for 2019 amounted to RMB894 million. Details are set out below:

- (I) the allocation of approximately RMB89 million, representing 10% of the net profit for 2019, to the statutory surplus reserve;
- (II) the allocation of approximately RMB183 million to the general risk reserve;

After the aforementioned allocation to the statutory surplus reserve and the general risk reserve, the balance of the net profit for 2019 will be RMB622 million and will be fully transferred to retained profits. After the transfer, the total distributable profits of the Bank will be RMB1,254 million.

- (III) the distribution of cash dividend to Domestic Shareholders and H Shareholders:

The total number of Domestic Shares and H Shares of the Bank is 4,184,037,577 Shares as at the Latest Practicable Date. It is proposed to distribute a cash dividend of RMB0.18 per Share (tax inclusive), totaling RMB753,126,763.86 (tax inclusive), to Shareholders. The dividend is denominated in Renminbi and will be paid to Domestic Shareholders in Renminbi and to H Shareholders in Hong Kong dollars. The exchange rate for calculation of the dividend in Hong Kong dollars will be based on the average benchmark rate of Renminbi to Hong Kong dollars as announced by the People's Bank of China for the five business days preceding and including the date of declaration of the dividend at the AGM (June 18, 2020). Withholding tax on the dividend at the relevant tax rate will apply to the Shareholders according to the relevant tax laws and implementation rules.

Domestic Shareholders and H Shareholders whose names appear on the register of members of the Bank at the close of business on Monday, June 29, 2020 are entitled to receive the final dividend for 2019. If the profit distribution proposal for 2019 is approved by the Shareholders at the AGM, the final dividend for 2019 is expected to be paid on or before Thursday, August 13, 2020. Further announcement will be made if there is any change of the expected payment date; and

- (IV) Retained profits after distribution will be brought forward to the next year.

The Profit Distribution Proposal for 2019 was considered and approved by the Board on March 30, 2020 and is hereby submitted to the AGM for consideration and approval.

6. Considering and Approving the Annual Financial Budget for 2020

In accordance with the strategic development objectives of the Bank, based on the analysis of external economic conditions, financial environment, regional development and industry conditions, with reference to the operation conditions and capabilities of the Bank in the last two years, and adhering to the principle of soundness and prudence the Board formulated the annual financial budget for 2020. The details are set out as follows:

I. Estimated operating expenses

The maximum operating expenses will be RMB1.61 billion (after deducting taxes, surcharges and non-operating expenses);

II. Estimated capital expenditure

In 2020, capital expenditure will be reasonably planned under the premise of strict control over future costs and according to the requirement of strategic transformation of operation. The annual capital expenditure is estimated to be RMB150 million, mainly including acquisition of properties (decorations), office furniture and automated equipment and construction of IT system.

In 2020, the financial condition and external environment will be relatively complex, with various operational uncertainties. In the event that adjustment to this budget is required during the course of implementation as a result of changes in regulatory policies and other factors, the adjustment to the budget shall be approved by the Board according to the authorization of the Shareholders' general meeting of the Bank.

The Annual Financial Budget of Jilin Jiutai Rural Commercial Bank Corporation Limited for 2020 (《吉林九台農村商業銀行股份有限公司2020年度預算方案》) was considered and approved by the Board on March 30, 2020 and is hereby submitted to the AGM for consideration and approval.

7. Considering and Approving the Engagement of External Auditing Firms for 2020

In order to maintain the continuity and completeness of audit work of the Bank, the Board proposes to re-appoint ShineWing Certified Public Accountants LLP as the domestic external auditor of the Bank for 2020 to provide auditing services in the PRC in accordance with the PRC GAAP, and SHINEWING (HK) CPA Limited as the international external auditor of the Bank for 2020 to provide auditing and review services overseas in accordance with the IFRS.

The terms of office of the above external auditors shall commence from the date of approval of this resolution by the AGM and shall expire at the conclusion of the annual general meeting for 2020. In addition, the Board also proposes that the AGM authorize the Board (and its delegates) to determine the remuneration of such external auditors based on the prevailing market rates and to execute related contracts.

The Proposal Regarding the Engagement of External Auditing Firms of Jilin Jiutai Rural Commercial Bank Corporation Limited for 2020 (《吉林九台農村商業銀行股份有限公司關於聘請2020年度外部審計機構的議案》) was considered and approved by the Board on March 30, 2020 and is hereby submitted to the AGM for consideration and approval.

SPECIAL RESOLUTIONS

8. Considering and Approving the Capitalization Issue

The Board proposes to issue New Shares by way of capitalization of capital reserve to the Shareholders whose names appear on the register of members of the Bank on the Record Date on the basis of 5 New Shares for every 100 existing Shares held by the Shareholders. Based on the total number of Shares in issue of 4,184,037,577 Shares as at the Latest Practicable Date, the total number of New Shares to be issued by way of capitalization of capital reserve is 209,201,878 Shares, including 169,354,378 New Domestic Shares to be issued to Domestic Shareholders and 39,847,500 New H Shares to be issued to H Shareholders. Immediately upon completion of the Capitalization Issue, the total number of Shares in issue of the Bank will increase to 4,393,239,455 Shares, including 3,556,441,955 Domestic Shares and 836,797,500 H Shares.

Conditions of the Capitalization Issue

The Capitalization Issue is subject to the following conditions:

- (a) the Capitalization Issue having been approved by the Shareholders at the AGM, the First Domestic Share Class Meeting of 2020 and the First H Share Class Meeting of 2020 by way of special resolution;
- (b) the Stock Exchange having granted the listing of, and the permission to deal in, the New H Shares;
- (c) the CBIRC having approved the Capitalization Issue; and
- (d) the compliance with the relevant legal procedures and requirements under the Company Law to effect the Capitalization Issue.

The issue of New Domestic Shares and the issue of New H Shares are inter-conditional. In the event that the issue of New Domestic Shares is not completed, the issue of New H Shares will not proceed, and vice versa.

Status of the New Shares

The New Shares will rank *pari passu* in all respects with the Shares in issue on the date of issue of the New Shares. Holders of the New Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date on which the New Shares are allotted and issued, but will not be entitled to the dividends declared by the Bank before the date of allotment and issue of the New Shares.

Fractional entitlements

Fractional Domestic Shares arising from the Capitalization Issue will be aggregated and one New Domestic Share will be issued to each of the Domestic Shareholders in descending order based on the decimal number of their fractional Domestic Shares, until the actual number of New Domestic Shares issued equals to the total number of New Domestic Shares to be issued under the Capitalization Issue. If the number of Domestic Shareholders with the same decimal number of fractional Domestic Shares exceeds the remaining Domestic Shares, such remaining Domestic Shares will be randomly allotted by computer, which will be conclusively evidenced by the result announced by China Securities Depository and Clearing Co., Ltd.

The New H Shares under the Capitalization Issue will be issued on a pro rata basis and any fractional H Shares will be rounded down to the nearest whole number. Fractional H Shares will not be issued and allotted, but will be aggregated and sold for the benefit of the Bank.

Overseas Shareholders

As at the Latest Practicable Date, according to the latest register of members available to the Bank, the Bank had two H Shareholders with the registered addresses in Australia and one H Shareholder with the registered address in the British Virgin Islands. The Bank has been advised that there are no legal restrictions to issue New H Shares to H Shareholders with the above registered addresses and therefore, such H Shareholder will also be entitled to the New H Shares. If there are other overseas Shareholders on the Record Date, the Bank will make enquiries regarding the legal restrictions (if any) under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange as to the eligibility of the relevant overseas Shareholders to participate in the Capitalization Issue.

If, after making such enquiries, the Board is of the view that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, not to issue the New H Shares to such overseas Shareholders, arrangements will be made for the New H Shares which would otherwise be issued to such overseas Shareholders to be sold in the market as soon as practicable after dealings in the New H Shares commence, if a premium, net of expenses, can be obtained. Any net proceeds of such sale for each overseas Shareholder, after deduction of expenses, of HK\$100 or more will be distributed in HK dollars to the relevant overseas Shareholder, by ordinary post at his own risk, unless the amount falling to be distributed to any such person is less than HK\$100, in which case it will be retained for the benefit of the Bank.

Effect to the shareholding structure upon completion of the Capitalization Issue

Set out below is the shareholding structure of the Bank as at the Latest Practicable Date and immediately upon completion of the Capitalization Issue (assuming that no other Shares are allotted or issued and no existing Shares are bought back prior to the Record Date):

	As at the Latest Practicable Date		Immediately upon completion of the Capitalization Issue	
	Number of Shares	Approximate percentage of the total number of Shares in issue	Number of Shares ⁽¹⁰⁾	Approximate percentage of the total number of Shares in issue ⁽¹⁰⁾
Domestic Shares	3,387,087,577	80.95%	3,556,441,955	80.95%
<i>including</i>				
Mr. Gao Bing (高兵) ⁽¹⁾	315,000	0.01%	330,750	0.01%
Mr. Yuan Chunyu (袁春雨) ⁽²⁾	50,146	0.00% ⁽⁹⁾	52,653	0.00% ⁽⁹⁾
Mr. Zhang Yusheng (張玉生) ⁽³⁾	344,459,136	8.23%	361,682,093	8.23%
Mr. Wu Shujun (吳樹君) ⁽⁴⁾	116,104,055	2.77%	121,909,258	2.77%
Mr. Zhang Xinyou (張新友) ⁽⁵⁾	114,168,326	2.73%	119,876,742	2.73%
Mr. Wang Baocheng (王寶成) ⁽⁶⁾	82,819,800	1.98%	86,960,790	1.98%
Mr. Wang Zhi (王志) ⁽⁷⁾	525,000	0.01%	551,250	0.01%
Total Domestic Shares held by core connected persons	658,441,463	15.74%	691,363,536	15.74%
Domestic Shares held by other Domestic Shareholders ⁽⁸⁾	2,728,646,114	65.22%	2,865,078,420	65.22%
H Shares	796,950,000	19.05%	836,797,500	19.05%
Total	4,184,037,577	100.00%	4,393,239,455	100.00%

No legal person or individual is expected to hold Shares constituting 10% or more of the total share capital of the Bank upon completion of the Capitalization Issue.

Notes:

- (1) Mr. Gao Bing is the chairman of the Board of Directors and an executive Director and is therefore a core connected person of the Bank under the Listing Rules. The Domestic Shares held by Mr. Gao Bing in the nature of beneficial owner are not considered to be held in public hands pursuant to Rule 8.24 of the Listing Rules.
- (2) Mr. Yuan Chunyu is an executive Director and is therefore a core connected person of the Bank under the Listing Rules. The Domestic Shares held by Mr. Yuan Chunyu in the nature of beneficial owner are not considered to be held in public hands pursuant to Rule 8.24 of the Listing Rules.
- (3) Mr. Zhang Yusheng is a non-executive Director and is therefore a core connected person of the Bank under the Listing Rules. The Domestic Shares held by Mr. Zhang Yusheng in the nature of interest in controlled corporation are not considered to be held in public hands pursuant to Rule 8.24 of the Listing Rules.
- (4) Mr. Wu Shujun is a non-executive Director and is therefore a core connected person of the Bank under the Listing Rules. The Domestic Shares held by Mr. Wu Shujun in the nature of interest in controlled corporation are not considered to be held in public hands pursuant to Rule 8.24 of the Listing Rules.
- (5) Mr. Zhang Xinyou is a non-executive Director and is therefore a core connected person of the Bank under the Listing Rules. The Domestic Shares held by Mr. Zhang Xinyou in the nature of interest in controlled corporation are not considered to be held in public hands pursuant to Rule 8.24 of the Listing Rules.
- (6) Mr. Wang Baocheng is a non-executive Director and is therefore a core connected person of the Bank under the Listing Rules. The Domestic Shares held by Mr. Wang Baocheng in the nature of interest in controlled corporation are not considered to be held in public hands pursuant to Rule 8.24 of the Listing Rules.
- (7) Mr. Wang Zhi is a Supervisor and is therefore a core connected person of the Bank under the Listing Rules. The Domestic Shares held by Mr. Wang Zhi in the nature of beneficial owner are not considered to be held in public hands pursuant to Rule 8.24 of the Listing Rules.
- (8) To the best knowledge of the Directors, the Domestic Shares held by other Domestic Shareholders and all the H Shares are held by the public pursuant to Rule 8.24 of the Listing Rules.
- (9) Percentages are rounded to two decimal places.
- (10) The sum of the number of Shares and the shareholding percentage may not be equal to the total number or percentage due to rounding. The final actual number of Shares shall be subject to the handling of the fractional Shares.

Reasons for the Capitalization Issue

With the positive expectation of the future development of the Bank and for the purposes of rewarding its Shareholders for their continued support and encouraging them to constantly support the future development of the Bank, the Board proposes to carry out the Capitalization Issue to share the business achievements of the Bank with its Shareholders. The Capitalization Issue will lead to an increase in the number of Shares of the Bank (including the number of H Shares), which is expected to enhance the liquidity of the Shares in the market.

The Board believes that the Capitalization Issue will allow the Shareholders to enjoy a pro-rata increase in the number of Shares held by them in the Bank without incurring any significant costs. Although the Capitalization Issue is not expected to increase the Shareholders' proportionate equity interests in the Bank, the Capitalization Issue will increase the number of Shares to be held by the Shareholders, which will afford the Shareholders with more flexibility in managing their own investment portfolios such as giving them more convenience in disposing of a portion of the Shares and realizing a cash return at their discretion. Since the Capitalization Issue will increase the number of Shares held by the Shareholders and the supply of Shares in the open market, the Board expects that the Capitalization Issue would enhance the liquidity of the Shares in the market.

In addition, the Capitalization Issue is expected to decrease the trading price per Share on an entitlement basis. Such decrease will reduce transaction costs per board lot incurred by the Shareholders and potential investors of the Bank for acquiring each board lot of Shares in future and is expected to further broaden the Shareholder base of the Bank.

Application for listing

The Shares of the Bank are not listed nor dealt in on any stock exchange other than the Stock Exchange. Application will be made by the Bank to the Listing Committee of the Stock Exchange for the approval for the listing of, and permission to deal in, the New H Shares. Subject to the satisfaction of the conditions as set out in this circular (including but not limited to the granting of the listing approval by the Stock Exchange), the New H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS. All necessary arrangements will be made by the Bank for the New H Shares to be admitted into CCASS. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Subject to the Capitalization Issue becoming unconditional, the certificates for the New H Shares will be dispatched by ordinary post to the H Shareholders who are entitled thereto at their own risk. In case of joint shareholding, the certificates for the New H Shares will be posted to the first named person on the H Share register of members in respect of such joint shareholding. For the date of dispatch of the certificates for the New H Shares and the date of the commencement of dealings in the New H Shares, please refer to the section headed "Expected Timetable" of this circular.

The Bank endeavors to dispatch the certificates for the New H Shares to its H Shareholders as soon as possible. However, as disclosed under the paragraph headed "Conditions of the Capitalization Issue", the Capitalization Issue is subject to various conditions including, among others, the approval from the CBIRC. According to the relevant PRC laws and regulations, the Bank is only allowed to submit its application to the CBIRC after the Capitalization Issue has been approved by the Shareholders which is scheduled to be on June 18, 2020. The expected date of dispatch of certificates for the New H Shares is determined by the Bank after taking into account the estimated time required to obtain the approval from the CBIRC based on its past experience and communication with the CBIRC. For reference purpose only, in 2019, after the relevant resolutions in respect of the issue New Shares by way of capitalization of capital reserve were considered and approved by the Shareholders at the annual general meeting for 2018, the first domestic share class meeting of 2019 and the first H share class meeting of 2019 of the Bank held on June 20, 2019, the Bank submitted its application to the CBIRC Jilin Bureau on June 21, 2019 and obtained the approval from the CBIRC Jilin Bureau on July 5, 2019.

Taxation

According to the relevant provisions of the State Administration of Taxation of the PRC, the capitalization of capital reserve from share premium shall not be subject to any income tax under the laws of the PRC. As a result, there will be no levy of PRC taxation in respect of the Capitalization Issue.

Dealings in the New H Shares will be subject to the payment of stamp duty, the Stock Exchange trading fee, transaction levy, or any other applicable fees and charges in Hong Kong. H Shareholders are recommended to consult their professional advisers if they are in any doubt as to the taxation implications of holding, disposing of or dealing in the New H Shares. None of the Bank, its Directors or any other parties involved in the Capitalization Issue accepts responsibility for any tax implication or liabilities of the H Shareholders.

Statement on acquisition of Shares

The Bank shall ensure that all its listing document(s) and share certificates include the statements stipulated below and shall instruct and cause its share registrar not to register the subscription, purchase or transfer of any of its Shares in the name of any particular holder unless and until such holder delivers to such share registrar a signed form in respect of such Shares bearing statements to the following effect:

- (a) the acquirer of Shares agrees with the Bank and each of the Shareholders, and the Bank agrees with each of the Shareholders, to observe and comply with the Company Law, the Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (《國務院關於股份有限公司境外募集股份及上市的特別規定》) and the Articles of Association;
- (b) the acquirer of Shares agrees with the Bank, each of the Shareholders, Directors, Supervisors, managers and officers, and the Bank acting for itself and for each of its Directors, Supervisors, managers and officers agrees with each of the Shareholders to refer all differences and claims arising from the Articles of Association or any rights or obligations conferred or imposed by the Company Law or other relevant laws and administrative regulations concerning the Group's affairs to arbitration in accordance with the Articles of Association, and any reference to arbitration shall be deemed to authorize the arbitration tribunal to conduct hearings in open session and to publish its award. Such arbitration shall be final and conclusive;
- (c) the acquirer of Shares agrees with the Bank and each of the Shareholders that the H Shares are freely transferable by the holders thereof; and
- (d) the acquirer of Shares authorizes the Bank to enter into a contract on his or her behalf with each of the Directors and officers whereby such Directors and officers undertake to observe and comply with their obligations to the Shareholders as stipulated in the Articles of Association.

Documents available for inspection

Copies of the following documents will be available for inspection at the Bank's place of business in Hong Kong at Room 15, 11th Floor, Tower 2, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong during normal business hours on any business day from the date of this circular until the date of the AGM:

- (a) Articles of Association;
- (b) the annual reports of the Bank for the two years ended December 31, 2019; and
- (c) this circular.

Warning of risks of dealing in the H Shares

H Shareholders should note that the existing H Shares are expected to be dealt in on an entitlement basis for entitlement to the New H Shares from Monday, June 22, 2020. If the conditions of the Capitalization Issue (as set out above under the paragraph headed "Conditions of the Capitalization Issue") are not fulfilled, the Capitalization Issue will not proceed. If in any doubt, Shareholders and potential investors are recommended to consult their professional advisers.

9. Considering and Approving the Change of Registered Capital

Due to the change of the registered capital of the Bank upon completion of the Capitalization Issue, the Bank will report the information relating to the particulars of such change to the CBIRC according to the laws, regulations and other regulatory documents of the PRC and overseas. Upon approval, the Bank will amend the relevant articles in the Articles of Association and report to the governmental authorities in charge of industrial and commercial administration for approval.

The Board proposes to seek the approval of the Shareholders at the AGM to authorize the Board who may delegate the chairman, the president and the secretary to the Board, individually or collectively, to handle the approval or filing procedures relating to the change of the registered capital of the Bank according to the laws, regulations and other regulatory documents of the PRC and overseas, as well as the requirements and advices from the relevant local and overseas regulatory authorities and stock exchange of the place where the Shares are listed, and to register the change of particulars with the governmental authorities in charge of industrial and commercial administration, the Companies Registry of Hong Kong and other relevant governmental authorities.

10. Considering and Approving the Amendments to Certain Articles in the Articles of Association

Due to the change of the registered capital and the capital structure of the Bank upon completion of the Capitalization Issue, and upon approval by the CBIRC with respect to the change of the registered capital, the Bank proposes to make amendments (the “**Amendments**”) to certain articles in the existing Articles of Association. Details are set forth as follows:

Existing Articles

Article 4 The registered capital of the Bank is RMB4,184,037,577.00.

Article 24 The share capital structure of the Bank: 4,184,037,577 ordinary shares, including 3,387,087,577 domestic shares, representing 80.95% of the total number of shares of the Bank; and 796,950,000 H shares, representing 19.05% of the total number of shares of the Bank.

Amended Articles

Article 4 The registered capital of the Bank is RMB[•].

Article 24 The share capital structure of the Bank: [•] ordinary shares, including [•] domestic shares, representing [•]% of the total number of shares of the Bank; and [•] H shares, representing [•]% of the total number of shares of the Bank.

The Board proposes to seek the approval of the Shareholders at the AGM to authorize the Board who may delegate the chairman, the president and the secretary to the Board, individually or collectively, to amend the articles in the Articles of Association relevant to the Amendments and handle the approval or filing procedures relating to the Amendments according to the laws, regulations and other regulatory documents of the PRC and overseas, as well as the requirements and advices from the relevant local and overseas regulatory authorities and stock exchange of the place where the Shares are listed, and to register the change of particulars with the governmental authorities in charge of industrial and commercial administration, the Companies Registry of Hong Kong and other relevant governmental authorities.

Subject to the approval by the Shareholders at the AGM and the completion of the Capitalization Issue, the Amendments will take effect from the date of approval by the CBIRC, prior to which the existing Articles of Association will remain in effect.

FINAL FINANCIAL REPORT FOR 2019 OF JILIN JIUTAI RURAL COMMERCIAL BANK CORPORATION LIMITED

The Final Financial Accounts for 2019 were completed by the Bank in accordance with applicable regulations. In according with audited financial statements for the year ended December 31, 2019 prepared under the PRC GAAP, the final financial accounts for 2019 of the Bank are set out below:

1. Review of major business of the Group

- (I) **Business size.** As of the end of 2019, total assets of the Group amounted to RMB173,276 million, representing an increase of RMB9,023 million, or 5.49%, when compared with the previous year. Total loans amounted to RMB96,104 million, representing an increase of RMB18,576 million, or 23.69%, when compared with the previous year. The growth was 18.47 percentage points higher than that of total assets, showing stronger support to the real economy. The total liabilities amounted to RMB157,615 million, representing an increase of RMB8,469 million, or 5.68%, when compared with the previous year. The total deposits amounted to RMB122,840 million, representing an increase of RMB13,319 million, or 12.16%, when compared with the previous year.
- (II) **Operating results.** In 2019, the Group realized operating income of RMB5,419 million, representing an increase of RMB231 million, or 4.45%, when compared with the previous year. Net interest income amounted to RMB4,165 million, representing an increase of RMB645 million, or 18.32%, when compared with the previous year. On the other hand, the operating cost increased slightly due to growth of operation scale, higher finance cost, and additional investment in network establishment to establish community banks and improve service quality. In 2019, operating expenses of the Group were RMB3,912 million, representing an increase of RMB145 million, or 3.85%, when compared with the previous year. Business and administrative expenses amounted to RMB2,713 million, representing a decrease of RMB44 million, or 1.60%, when compared with the previous year. The total profits were RMB1,503 million, representing an increase of RMB63 million, or 4.38%, when compared with the previous year. The net profits were RMB1,196 million, representing an increase of RMB12 million, or 1.01%, when compared with the previous year. The return on assets, return on capital and cost-to-income ratio were 0.71%, 7.77% and 50.75%, respectively.
- (III) **Risk control.** The Group has continued to improve its risk control by making provision for loss and replenishing its capital in strict compliance with the regulations in order to enhance its risk control and capital replenishment ability. As of the end of 2019, the non-performing loans of the Group were RMB1,617 million and the non-performing loan ratio was 1.68%, representing a decrease of 0.07 percentage point when compared with the previous year. The allowance for impairment of loans was RMB2,710 million. The provision coverage ratio and provision to loan ratio were 167.58% and 2.82%, respectively. The capital adequacy ratio, core capital adequacy ratio and tier-one capital adequacy ratio were 11.98%, 9.55% and 9.66%, respectively.

2. Review of major business of the Bank

- (I) **Business size.** In 2019, the Bank maintained reasonable growth pace of assets and curtailed interbank business and investment scale. The Bank also increased deposits to enhance its support to the real economy. As of the end of 2019, total assets of the Bank amounted to RMB125,157 million, representing an increase of RMB6,947 million, or 5.88%, when compared with the previous year. Total loans amounted to RMB64,239 million, representing an increase of RMB15,057 million, or 30.61%, when compared with the previous year, which was 24.73 percentage points higher than the growth of assets. Total liabilities amounted to RMB112,591 million, representing an increase of RMB6,733 million, or 6.36%, when compared with the previous year. Total deposits amounted to RMB77,852 million, representing an increase of RMB8,184 million, or 11.75%, when compared with the previous year.
- (II) **Operating results.** In 2019, the Bank focused on its orientation of principal business and serving the real economy through transformation and innovation, and revenue generated from its principal business have increased steadily. During the year, operating income of the Bank amounted to RMB3,522 million, representing an increase of RMB451 million, or 14.69%, when compared with the previous year. Net interest income amounted to RMB2,294 million, representing an increase of RMB911 million, or 65.87%, when compared with the previous year. Operating expenses amounted to RMB2,436 million, representing an increase of RMB435 million or 21.74% when compared with the previous year. Business and administrative expenses amounted to RMB1,470 million, representing an increase of RMB92 million, or 6.68%, when compared with the previous year. Total profits amounted to RMB1,085 million, representing an increase of RMB19 million, or 1.78%, when compared with the previous year. Net profits amounted to RMB894 million, representing a decrease of RMB42 million, or 4.49%, when compared with the previous year. Return on assets, return on capital and cost-to-income ratio were 0.73%, 7.18% and 42.33%, respectively.
- (III) **Risk control.** In 2019, the Bank further strengthened its comprehensive risk management, and the risk resistance level continued to improve. All key risk indicators were within regulatory standards, and the capital and provision levels exceeded the minimum regulatory requirements. As of the end of 2019, non-performing loans of the Bank amounted to RMB1,019 million, and non-performing loan ratio was 1.59%, representing a decrease of 0.06 percentage point when compared with the previous year. Allowance for impairment of loans amounted to RMB1,623 million, and provision coverage ratio and provision to loan ratio were 159.27% and 2.53%, respectively. Capital adequacy ratio, core capital adequacy ratio and tier-one capital adequacy ratio were 11.13%, 8.76% and 8.76%, respectively.

3. Investment and capital expenditure of the Bank

- (I) **Equity investment.** In 2019, the Bank duly executed its investment plans and maintained reasonable size and portfolio of equity investments. As of the end of 2019, the long-term equity investment of the Bank amounted to RMB3,860 million, representing a decrease of RMB615 million, or 13.74%, when compared with the previous year. The decrease was mainly due to the transfer of certain of the equity interests in Jilin Dehui Rural Commercial Bank Co., Ltd. Among all equity investments of the Bank, investments in Jilin Chuncheng Rural Commercial Bank Co., Ltd., Jilin Gongzhuling Rural Commercial Bank Co., Ltd., Haikou United Rural Commercial Bank Co., Ltd., Changbai Mountain Rural Commercial Bank Co., Ltd., Liaoyuan Rural Commercial Bank Limited Liability Company, 33 village and township banks and Jilin Jiuyin Financial Leasing Co., Ltd. amounted to RMB424 million, RMB462 million, RMB246 million, RMB456 million, RMB550 million, RMB1,422 million and RMB300 million, respectively.

(II) **Capital expenditure.** In 2019, the Bank strictly followed the annual budget. The expenditure for the purchase of properties (renovation), installation of self-service equipment, establishment of community banks and construction of IT system amounted to RMB101 million, which was RMB206 million lower than the budget.

For details of the audited financial information of the Group for the year ended December 31, 2019 prepared in accordance with the IFRS, please refer to the financial statements in the annual report of the Bank for 2019 which has been dispatched to the Shareholders by the Bank.

The above report is proposed for your consideration.