
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, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Bank of Tianjin Co., Ltd. (天津銀行股份有限公司), you should at once hand this circular along with the proxy form and reply slip to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1578)

**MAJOR TRANSACTION IN RELATION TO
DISPOSAL OF ASSETS OF THE BANK
AND
NOTICE OF THE 2021 FIRST EXTRAORDINARY GENERAL MEETING**

A notice convening the EGM to be held at Guoxin Building (No. 10 Youyi Road, Hexi District, Tianjin, the PRC) at 9:30 a.m. on Wednesday, 24 February 2021 is set out on pages 25 to 26 of this circular. The notice of the EGM, a proxy form and a reply slip have been despatched to the Shareholders on Friday, 8 January 2021.

If you intend to appoint a proxy to attend the EGM, you are required to complete and return the proxy form in accordance with the instructions printed thereon as soon as possible. The proxy form (together with a notarially certified copy of the power of attorney or other authority (if any) if the proxy form is signed by a person on behalf of the appointor) must be delivered by H Shareholders to the H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 9:30 a.m. on Tuesday, 23 February 2021 (Hong Kong time).

If you intend to attend the EGM in person or by proxy, H Shareholders of the Bank are required to return the reply slip in person, by post or by facsimile to the H Share Registrar, Computershare Hong Kong Investor Services Limited on or before Thursday, 4 February 2021.

Completion and return of a proxy form will not preclude you from attending in person and voting at the EGM if you so wish, but in such event the instrument appointing a proxy shall be deemed to be revoked.

* *Bank of Tianjin Co., Ltd. is not an authorised 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 authorised to carry on banking/deposit-taking business in Hong Kong.*

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DEFINITIONS

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

“Articles of Association”	the articles of association of the Bank as may be amended, modified or otherwise supplemented from time to time
“Asset Disposal”	disposal of Disposed Assets by the Bank to Tianjin Capital Investment and the related transactions contemplated under the Asset Disposal Agreement
“Asset Disposal Agreement”	the Asset Disposal Agreement entered into between the Bank and Tianjin Capital Investment in relation to the Asset Disposal
“Bank”	Bank of Tianjin Co., Ltd. (天津銀行股份有限公司), a joint stock company incorporated on 6 November 1996 in Tianjin, China with limited liability in accordance with the PRC laws, and, if the context requires, includes its predecessors, subsidiaries, branches and sub-branches, the H Shares of the Bank were listed on the Stock Exchange on 30 March 2016 (Stock Code: 1578)
“Benchmark Date”	31 July 2020
“Board”	the board of Directors of the Bank
“Board of Supervisors”	the board of Supervisors of the Bank
“Bohai Chemical Industry”	Tianjin Bohai Chemical Industry Group Co., Ltd. (天津渤海化工集團有限責任公司), a Shareholder of the Bank
“connected person(s)”	has the same meaning ascribed to it in the Listing Rules
“Consideration”	the Consideration payable by the Purchaser to the Bank for the Asset Disposal
“Director(s)”	the director(s) of the Bank
“Disposed Assets”	certain credit assets and other assets held by the Bank
“Domestic Share(s)”	ordinary share(s) issued by the Bank, with a nominal value of RMB1.00 each, which are subscribed for or credited as paid up in Renminbi

DEFINITIONS

“EGM”	the 2021 first extraordinary general meeting of the Bank to be held at Guoxin Building (No. 10 Youyi Road, Hexi District, Tianjin, the PRC) at 9:30 a.m. on Wednesday, 24 February 2021, or any adjournment thereof to consider and approve, inter alia, the Asset Disposal, the notice of EGM is set out on pages 25 to 26 of this circular
“Group”	the Bank and its subsidiaries
“H Share(s)”	overseas listed foreign ordinary share(s) issued by the Bank with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
“H Share Registrar”	Computershare Hong Kong Investor Services Limited
“H Shareholder(s)”	the holder(s) of H Share(s)
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	20 January 2021, being the latest practicable date for the purpose of ascertaining certain information contained in this circular prior to its publication
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as may be amended, supplemented or otherwise modified from time to time
“PRC” or “China”	the People’s Republic of China which, for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Tianjin Capital Investment
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	Holder(s) of Share(s) of the Bank
“Share(s)”	Domestic Share(s) and H Share(s) of the Bank
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Bank

DEFINITIONS

“Tianjin Capital Investment”	Tianjin State-owned Capital Investment Management Co., Ltd. (天津國有資本投資運營有限公司), a company established on 22 January 2017 in the PRC with limited liability
“%”	per cent

LETTER FROM THE BOARD



BANK OF TIANJIN CO., LTD.*
天津銀行股份有限公司*

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1578)

Board of Directors:

Executive Directors

Mr. SUN Liguó (*Chairman*)
Mr. WU Hongtao (*President*)

Non-executive Directors

Ms. SUN Jingyu
Ms. DONG Guangpei
Mr. Alistair Marshall BULLOCH
Mr. ZHAO Wei
Mr. WANG Shunlong
Ms. LI Jun

Independent non-executive Directors

Mr. FENG Heping
Mr. LAW Yee Kwan, Quinn
Mr. JIN Qingjun
Mr. HUA Yaogang
Mr. HE Jia

To the Shareholders

Registered Address and Address of

Head Office:

No. 15 Youyi Road,
Hexi District,
Tianjin,
China

Principal Place of Business in

Hong Kong:

40/F, Sunlight Tower,
248 Queen's Road East,
Wan Chai,
Hong Kong

**MAJOR TRANSACTION IN RELATION TO
DISPOSAL OF ASSETS OF THE BANK
AND
NOTICE OF THE 2021 FIRST EXTRAORDINARY GENERAL MEETING**

I. INTRODUCTION

Reference is made to the announcement of the Bank dated 29 December 2020 in relation to, inter alia, the resolution on the major transaction in relation to disposal of assets of the Bank.

At the Board meeting convened on 29 December 2020, the Board approved the resolution on the major transaction in relation to disposal of assets of the Bank.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with (among other things) (i) the details of the Asset Disposal Agreement entered into and the transactions contemplated thereunder; (ii) the financial information of the Group; and (iii) a notice of the EGM, and to provide you with all the information reasonably necessary to enable you to make an informed voting decision on the proposed resolution at the EGM.

II. ASSET DISPOSAL AGREEMENT

On 29 December 2020, the Board announced that the Bank entered into the Asset Disposal Agreement with the Purchaser, pursuant to which the Bank conditionally agrees to sell and the Purchaser conditionally agrees to purchase the Disposed Assets at the consideration of RMB8,011 million.

Set out below are the principal terms of the Asset Disposal Agreement.

(1) Parties

- (i) the Bank (as vendor); and
- (ii) Tianjin Capital Investment (as purchaser).

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the Latest Practicable Date, Tianjin Capital Investment and its ultimate beneficial owners are third parties independent from the Bank and its connected persons. For details of the relationship between Tianjin Capital Investment and the Bank, please refer to the paragraph headed "Information on Tianjin Capital Investment" in this circular.

(2) Disposed Assets

Pursuant to the Asset Disposal Agreement, the Bank conditionally agrees to sell and Tianjin Capital Investment conditionally agrees to purchase the Disposed Assets, being certain credit assets and other assets held by the Bank. The Bank shall transfer the principal and interest of the financial assets entitled by the borrower/debtor/financier of the Disposed Assets (the "Principal Debts"), the security debts, mortgage rights, pledge rights and other ancillary rights (the "Security Rights") related to the Principal Debts and other rights arising or in connection thereof to Tianjin Capital Investment. As at the Benchmark Date (i.e. 31 July 2020), the principal and interest of financial assets and other debts of the Disposed Assets amounted to approximately RMB9,853 million, and the provision for impairment loss of assets amounted to approximately RMB1,713 million, which have been included in the reviewed financial statements of the Bank for the half year ended 30 June 2020 (including this half year). Therefore, as at the Benchmark Date, the net amount of Principal Debts of the Disposed Assets, net of the impairment provision made, was approximately RMB8,140 million.

LETTER FROM THE BOARD

(3) Consideration

The Consideration payable by Tianjin Capital Investment to the Bank for the Asset Disposal is RMB8,011 million. The Consideration was determined after arm's length negotiations between the Bank and Tianjin Capital Investment with reference to (i) the net book value of the Disposed Assets as at different benchmark dates. In particular, as of the Benchmark Date, the principal and interest of the Disposed Assets and debts of the Bank are approximately RMB9,853 million in aggregate, and the impairment provision made are approximately RMB1,713 million in aggregate. After deducting the impairment provision, the net debts of the Disposed Assets are approximately RMB8,140 million, which is within the range acceptable to the Bank in connection with the Consideration for the Asset Disposal (i.e. RMB8,011 million); (ii) the overall financial impact of the Disposed Assets on the Bank, through the Asset Disposal, the liquidity of the Bank will be improved, while further reducing the loss of assets and improving the risk resistance of the Bank.

(4) Payment of Consideration

After the transfer of financial assets and the corresponding acquisition plan as stipulated in the Asset Disposal Agreement are considered and approved by the competent decision-making departments of the Bank and Tianjin Capital Investment and their competent authorities at a higher level, being the government departments that the Bank and Tianjin Capital Investment shall obtain permission for conducting asset transfer, which shall be jointly formed by the Tianjin Municipal People's Government and the Tianjin State-owned Assets Supervision and Administration Commission, Tianjin Branch of PBOC, Tianjin Municipal Finance Bureau, Tianjin Municipal Finance Working Bureau and Tianjin Municipal Development and Reform Commission, Tianjin Capital Investment shall remit the transfer price as stipulated in the Asset Disposal Agreement to the bank account designated by the Bank.

(5) Conditions precedent

The Asset Disposal Agreement and the transaction agreement(s) contemplated thereunder will be subject to and upon the fulfillment of certain conditions precedent, including the following:

- (a) the Shareholders of the Bank having approved the Asset Disposal Agreement and the transactions contemplated thereunder at the EGM;
- (b) the Asset Disposal Agreement and the transactions contemplated thereunder having been duly approved by Tianjin Capital Investment;
- (c) the Asset Disposal Agreement and the transactions contemplated thereunder having been approved by the necessary government authorities; and

LETTER FROM THE BOARD

- (d) the signature (or stamping of signatory's stamp) by the legal representatives, responsible persons or authorised persons of the Bank and Tianjin Capital Investment and the stamping of the company seals on the Asset Disposal Agreement and the transaction agreement(s) contemplated thereunder.

As at the Latest Practicable Date, above condition precedent (a) has not been fulfilled.

(6) Fulfillment

Fulfilment shall take place on the date on which all the above conditions precedent of the Asset Disposal Agreement and the relevant specific asset disposal agreements have been fulfilled or waived or such other date as the parties may agree in writing.

III. INFORMATION ON DISPOSED ASSETS

As at the Benchmark Date, the Disposed Assets include the principal and interest of loans and advances to customers of RMB9,124 million, representing approximately 92.60% of the amount of the Disposed Assets, the principal and interest of placements with banks and other financial institutions of RMB390 million, representing approximately 3.96% of the amount of the Disposed Assets, and the principal and interest of non-public corporate bonds of RMB339 million, representing approximately 3.44% of the amount of the Disposed Assets, respectively. As at 30 June 2020, by industry sector of the Disposed Assets, the principal and interest of creditor's rights involved in the wholesale and retail industry amounted to RMB9,463 million, representing 96.04% of the amount of the Disposed Assets; the principal and interest of debts involved in the financial industry amounted to RMB390 million, representing 3.96% of the amount of the Disposed Assets. In terms of aging, the total principal and interest of outstanding debts amounted to RMB9,479 million, representing 96.20% of the amount of the Disposed Assets; the total principal and interest of debts overdue for more than one year amounted to RMB374 million, representing 3.80% of the amount of the Disposed Assets. In terms of the quality of the Disposed Assets, the principal and interest of normal debts amounted to RMB9,479 million, representing 96.20% of the amount of the Disposed Assets; the principal and interest of subordinated debts amounted to RMB374 million, representing 3.80% of the amount of the Disposed Assets. As at the Benchmark Date, the principal and interest of debts of the Disposed Assets was approximately RMB9,853 million, and the provision for impairment loss of assets was approximately RMB1,713 million, which have been included in the reviewed financial statements of the Bank for the half year ended 30 June 2020 (including this half year). Therefore, the book value of the Disposed Assets was approximately RMB8,140 million as at the Benchmark Date.

The Disposed Assets of the Bank are low-efficiency assets and have certain potential risks due to changes in the economic landscape. The quality of these assets may deteriorate over a period of time in the future, which will result in considerable losses and exceed the impairment provision made.

LETTER FROM THE BOARD

In addition, the unaudited profit before tax attributable to the Disposed Assets for the financial year ended 31 December 2019 was approximately RMB-926 million, and the unaudited profit attributable to the Disposed Assets for the year was approximately RMB-695 million. The unaudited profit before tax attributable to the Disposed Assets for the financial year ended 31 December 2020 is approximately RMB26 million, and the unaudited profit attributable to the Disposed Assets for the year is approximately RMB19 million.

IV. FINANCIAL EFFECT OF ASSET DISPOSAL ON THE BANK

Based on the data as at the Benchmark Date, it is estimated that pursuant to the Asset Disposal, (i) the items of cash and deposit at central bank in the balance sheet of the Bank will increase by approximately RMB8,011 million; (ii) after excluding the debts with impairment provision of net amount of debts of approximately RMB8,140 million, the disposal of the debts including financial assets and interest, etc. amounted to approximately RMB9,853 million. The impact of the expected loss incurred on the profit before tax for the current period was approximately RMB129 million. The above-mentioned estimation may be different from the actual financial effect of the Asset Disposal.

V. USE OF PROCEEDS FROM ASSET DISPOSAL

The proceeds from the Asset Disposal are approximately RMB8,011 million, which are intended to be used as general working capital of the Bank, including but not limited to the grant of customer loans, investment in financial assets and temporary lendings to banks and other financial institutions, etc., upon completion of the Asset Disposal, the allocated risk assets will be released and the quality of the Bank's assets will be optimized, which will reduce the capital at risk of the Bank and improve the capital adequacy ratio. The Asset Disposal will realize rapid return of cash, thus improving liquidity. The Bank will not use the proceeds from the Asset Disposal to replenish its capital.

VI. REASONS FOR AND BENEFITS OF ENTERING INTO ASSET DISPOSAL AGREEMENT

Through the above Asset Disposal, the Bank expects to be able to improve the recovery rate of the financial assets to be disposed of, reduce asset losses, enhance asset quality, effectively strengthen the ability to resist risks, enhance corporate governance level and lay a foundation for achieving overall operation stability, so as to further elevate comprehensive competitiveness and promote sustainable development of the Bank. The Disposed Assets of the Bank are low-efficiency assets and very likely to incur certain losses in the future. Upon completion of the Asset Disposal, the quality of the Bank's assets will be optimized and the rapid return of cash will be realized, thereby improving liquidity. Accordingly, the Directors are of the view that the terms of the Asset Disposal Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Bank and Shareholders as a whole.

LETTER FROM THE BOARD

VII. AUTHORISATION TO HANDLE THE ASSET DISPOSAL

Based on the work demands of the Asset Disposal, it is proposed to convene a general meeting of the Bank to authorise the Board, which will in turn delegate the authority to the Chairman, the President and the secretary to the Board to decide and deal with, individually or jointly, the Asset Disposal and all relevant matters. If the above plan is approved at the general meeting of the Bank, the Board shall delegate to the above personnel the authority including but not limited to:

- (1) Subject to the limitations of the Asset Disposal and all relevant matters approved at the general meeting of the Bank, to amend, improve and organise the implementation of the Asset Disposal and all relevant matters according to the opinions of domestic and foreign regulatory authorities and other regulatory documents and stock exchanges, taking into account the market environment and the actual situation of the Bank. In the event that there are changes in relevant laws, regulations, regulatory documents, regulatory policies or market conditions (including but not limited to changes in exchange rates, necessary adjustments to transaction details, public opinion impacts, etc.), corresponding adjustments shall be made to the specific plan of the Asset Disposal and all relevant matters (including but not limited to implementation of the suspension and termination of the plan), save for the matters that shall be re-voted at the general meeting of the Bank in accordance with the requirements of relevant laws, regulations, regulatory documents and the Articles of Association.
- (2) To negotiate with the parties according to the plan of the Asset Disposal and all relevant matters, and to decide, sign, amend, execute and complete the relevant agreements (including the necessary supplemental agreements) for the Asset Disposal and all relevant matters.
- (3) According to the plan of Asset Disposal and all relevant matters, to carry out the procedures for review, registration, filing, approval, consent or equivalent legal formalities with domestic and overseas regulatory authorities in respect of the related matters; to sign, execute, amend and complete the submission of all relevant necessary documents in relation to the Asset Disposal and all relevant matters to domestic and overseas governments, authorities, organisations and individuals; and to take such actions as necessary, expedient or appropriate in relation to the Asset Disposal and all relevant matters.
- (4) To draft, amend, sign, submit, publish, disclose, execute, suspend or terminate the agreements, contracts, announcements, circulars or other relevant legal documents relating to the Asset Disposal and all relevant matters; to engage intermediaries such as law firms related to the Asset Disposal and all relevant matters; and to determine and pay the relevant fees for the Asset Disposal and all relevant matters.

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- (5) Subject to the compliance of relevant domestic and overseas laws and regulations and the Articles of Association, to take all necessary actions to handle other matters related to the Asset Disposal and all relevant matters.
- (6) The above authorisation shall be valid within 12 months from the date of consideration and approval at the general meeting of the Bank.

VIII. INFORMATION ON THE GROUP

The Bank is a joint stock company incorporated in the PRC with limited liability on 6 November 1996, whose H Shares are listed on the Main Board of the Stock Exchange (stock code: 1578). The Group is mainly engaged in banking business in the PRC.

IX. INFORMATION ON TIANJIN CAPITAL INVESTMENT

Tianjin Capital Investment is a limited liability company incorporated in the PRC on 22 January 2017 and is mainly engaged in investment in industries permitted by national laws and regulations with its own funds, investment management, investment consultation, corporate management, foreign trade operations, business information consultation, financial information consultation, etc.. As of the Latest Practicable Date, Tianjin Capital Investment was wholly owned by the State-owned Assets Supervision and Administration Commission of Tianjin Municipal People's Government (天津市人民政府國有資產監督管理委員會). Tianjin Capital Investment indirectly holds 515,129,176 Domestic Shares in aggregate, representing approximately 8.49% equity interest in the Bank, through its control over some Shareholders of the Bank including Bohai Chemical Industry (the "Relevant Shareholder of Tianjin Capital Investment"). Therefore, as of the Latest Practicable Date, both Tianjin Capital Investment and its ultimate beneficial owner, the State-owned Assets Supervision and Administration Commission of Tianjin Municipal People's Government, are third parties independent of the Bank and its connected persons.

X. LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Asset Disposal exceeds 25% but is less than 75%, the Asset Disposal constitutes a major transaction of the Bank under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As Mr. Wang Shunlong is a director of the Bank nominated by Bohai Chemical Industry and hence has a material interest in the Asset Disposal, he has abstained from voting on the Board resolution approving the Asset Disposal. Other than this, to the best knowledge, information and belief of the Directors after making all reasonable enquiries, as at the Latest Practicable Date, none of the Directors has any material interest under the Asset Disposal Agreement, and therefore, none of the Directors needs to abstain from voting on the Board resolution approving the Asset Disposal.

LETTER FROM THE BOARD

XI. EGM

The Bank will convene an EGM to consider and, if thought fit, approve, among other things, the Asset Disposal Agreement and the transactions contemplated thereunder and the authorisation set out at “VII. Authorisation to handle the Asset Disposal” of this circular. The above-mentioned authorisation shall be valid within 12 months from the date of consideration and approval at the EGM of the Bank.

The EGM will be held at Guoxin Building (No. 10 Youyi Road, Hexi District, Tianjin, PRC) at 9:30 a.m. on Wednesday, 24 February 2021 to consider and, if thought fit, to pass the resolution in respect of the matters as set out in the notice of the EGM. The notice of the EGM, a proxy form and a reply slip have been despatched to the Shareholders in accordance with the Listing Rules on Friday, 8 January 2021. The notice of the EGM is set out on pages 25 to 26 of this circular.

Whether or not you intend to attend and/or vote at the EGM, you are requested to complete and return as soon as possible the form of proxy in accordance with the instructions printed thereon. If you intend to attend the EGM in person or by proxy, H Shareholders are required to complete and return the reply slip in person, by post or by facsimile to the H Share Registrar on or before Thursday, 4 February 2021.

Completion and return of a proxy form will not preclude you from attending in person and voting at the EGM if you so wish and completion and return of the reply slip do not affect the right of a Shareholder to attend and vote at the respective meeting.

XII. VOTING BY POLL AT THE EGM

Pursuant to Rule 13.39(4) of the Listing Rules, all resolutions to be proposed at the EGM 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.

The Asset Disposal Agreement and the transactions contemplated thereunder will be proposed at the EGM by way of an ordinary resolution for approval by the Shareholders. Pursuant to the Articles of Association, the Relevant Shareholder of Tianjin Capital Investment shall abstain from voting on this transaction. Other than this, to the best knowledge, information and belief of the Board, no other shareholder of the Bank is required to abstain from voting on this transaction.

LETTER FROM THE BOARD

XIII. 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 has been closed from Monday, 25 January 2021 to Wednesday, 24 February 2021 (both days inclusive), during which period no transfer of Shares will be effected. In order for the H Shareholders 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, namely Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on Friday, 22 January 2021.

XIV. RECOMMENDATION

The Board (including the independent non-executive Directors) considers that the resolution set out in the notice of the EGM for the consideration and approval of the Shareholders is in the best interests of the Bank and the Shareholders. As such, the Board recommends the Shareholders to vote in favour of the resolution set out in the notice of the EGM which is to be proposed at the EGM.

XV. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendix to this circular and the notice of the EGM.

As the Asset Disposal Agreement and the Asset Disposal are subject to the fulfillment of certain conditions precedent as set out in the section headed "Asset Disposal Agreement – Conditions precedent" in this circular, including but not limited to the approval by the Shareholders, the Asset Disposal may or may not proceed. Accordingly, Shareholders and potential investors of the Bank are advised to exercise caution in dealing in the securities of the Bank.

By Order of the Board
Bank of Tianjin Co., Ltd.
SUN Ligu
Chairman

Tianjin, China
25 January 2021

* *Bank of Tianjin Co., Ltd. is not an authorised 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 authorised to carry on banking/deposit-taking business in Hong Kong.*

1. AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP

The Bank's interim report for the six months ended 30 June 2020 and the financial information for each of the two years ended 31 December 2018 and 31 December 2019 are disclosed in the following documents:

- (i) Pages 145 to 299 of the annual report of the Bank for the year ended 31 December 2018 published on 18 April 2019;
- (ii) Pages 150 to 302 of the annual report of the Bank for the year ended 31 December 2019 published on 16 April 2020; and
- (iii) Pages 83 to 138 of the interim report of the Bank for the six months ended 30 June 2020 published on 17 September 2020.

All of the interim report and annual reports have been published on the website of the Stock Exchange (www.hkex.com.hk) and the website of the Company (<http://www.bankoftianjin.com/>), respectively.

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 31 December 2020, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the indebtedness of the Bank was as follows:

- On 27 December 2012, the Bank issued the 10-year fixed-rate subordinated bonds at a total face value of RMB1,500 million with a fixed nominal interest rate of 5.90% per annum. Interests are payable annually.
- On 27 December 2012, the Bank issued the 15-year fixed-rate subordinated bonds at a total face value of RMB1,200 million with a fixed nominal interest rate of 5.99% per annum. Interests are payable annually.
- On 18 January 2018, the Bank issued the 10-year tier-two capital bonds at a total face value of RMB10,000 million with a fixed nominal interest rate of 4.80% per annum. Interests are payable annually.
- On 24 April 2018, the Bank issued the 3-year fixed-rate financial bonds at a total face value of RMB10,000 million with a fixed nominal interest rate of 4.70% per annum in domestic interbank bond market. Interests are payable annually.

- On 15 June 2018, the Bank issued the 3-year fixed-rate financial bonds at a total face value of RMB6,000 million with a fixed nominal interest rate of 4.90% per annum in domestic interbank bond market. Interests are payable annually.
- On 6 November 2018, the Bank issued the 3-year fixed-rate financial bonds at a total face value of RMB4,000 million with a fixed nominal interest rate of 4.08% per annum in domestic interbank bond market. Interests are payable annually.
- On 25 December 2019, the Bank issued the 3-year fixed-rate financial bonds at a total face value of RMB5,000 million with a fixed nominal interest rate of 3.88% per annum in domestic interbank bond market. Interests are payable annually.
- On 20 January 2020, the Bank issued the 3-year fixed-rate financial bonds at a total face value of RMB5,000 million with a fixed nominal interest rate of 3.73% per annum in domestic interbank bond market. Interests are payable annually.
- The balance of deposits from banks and other financial institutions was approximately RMB47,492 million;
- Deposits from customers, borrowings from central bank, placements from banks and other financial institutions, financial liabilities held for trading and the amount of financial assets sold under repurchase agreements that arose from the normal course of the Bank's banking business; and
- Loan commitments, acceptances, letters of credit and guarantee issued, other commitments and contingencies that arose from the normal course of the Group's banking business.

Except as disclosed above, the Bank did not have, as of 31 December 2020, any material and outstanding mortgages, charges, debentures, other debt capital (issued or agreed to be issued), bank overdrafts, loans, liabilities under acceptance or other similar indebtedness, hire purchase and finance lease commitments or any guarantees or other material contingent liabilities.

3. WORKING CAPITAL

The Bank's principal business is banking business. The Bank's banking business model does not involve the need for sufficient capital to purchase goods or the conversion of goods into income through sales. Therefore, the concept of working capital is not a key indicator of the Bank's solvency. In evaluating the financial condition of the Bank, working capital information is not useful to the Shareholders of the Bank, but certain other financial indicators, such as capital adequacy ratio and liquidity ratio, are more relevant in measuring the financial condition of a bank.

As an urban commercial bank established in the PRC, the Bank shall comply with the regulations of the China Banking and Insurance Regulatory Commission on regulatory capital and shall maintain the minimum capital requirements. Therefore, the Bank will provide financial indicators such as the Bank's capital adequacy ratio and liquidity ratio below.

(1) Capital adequacy ratio

The Bank calculated and disclosed the capital adequacy ratios according to the Administrative Measures for the Capital of Commercial Banks (Provisional) (《商業銀行資本管理辦法(試行)》) (effective since 1 January 2013) promulgated by the China Banking Regulatory Commission (now the China Banking and Insurance Regulatory Commission). According to the Administrative Measures for the Capital of Commercial Banks (Provisional) (《商業銀行資本管理辦法(試行)》) (Order No. 1 [2012], CBRC), the minimum regulatory requirements of the Bank's core tier 1 capital adequacy ratio, tier 1 capital adequacy ratio and capital adequacy ratio shall be no less than 7.5%, 8.5% and 10.5% respectively. As of 31 December 2018, 31 December 2019 and 30 June 2020, the capital adequacy ratio of the Bank met the regulatory requirements.

	As of 31 December 2018	As of 31 December 2019	As of 30 June 2020
Capital adequacy ratio indicators (%)			
Core tier-one capital adequacy ratio	9.83	10.62	10.87
Tier-one capital adequacy ratio	9.84	10.63	10.88
Capital adequacy ratio	14.53	15.24	15.47
Total equity to total assets	7.24	7.65	7.68

(2) Liquidity ratio

Liquidity ratio of the Bank is calculated in accordance with the formula promulgated by the China Banking and Insurance Regulatory Commission. According to the Measures for the Liquidity Risk Management of Commercial Banks (《商業銀行流動性風險管理辦法》) (Order No. 3 [2018], CBIRC), the minimum regulatory requirements of the Bank's liquidity ratio shall be no less than 25%. As of 31 December 2018, 31 December 2019 and 30 June 2020, the liquidity ratio of the Bank met the regulatory requirements.

	As of 31 December 2018 (%)	As of 31 December 2019 (%)	As of 30 June 2020 (%)
Liquidity ratio	50.29	51.38	56.73

4. FINANCIAL AND TRADING PROSPECT OF THE GROUP

In 2020, the abrupt outbreak of COVID-19 had severely affected the international and domestic economic and social development. Due to the impact of COVID-19, the global economic decline increased, and most countries experienced negative economic growth, becoming the most serious economic recession in recent years. The Bank's business operations was faced with severe pressure and challenges. The COVID-19 epidemic has undermined the liquidity and financial position of certain corporate and retail customers of the Bank, which may lead to weakened repayment ability of certain customers and impose greater pressure on the Bank's asset quality. Meanwhile, various economic and financial policies were introduced in the PRC to encourage banks and financial institutions to provide more credit support to corporations and individuals for the benefits of small and micro enterprises by ways of providing loans with lower interest rates, reduction in handling fees, delay in the repayment of loans and providing credit support to small and micro enterprises.

In 2021, the Bank will adhere to normalisation management of epidemic prevention and control and strictly implemented various epidemic prevention measures, continue to insist on the new development concept of "putting quality first and giving priority to performance", maintain determination on strategic goals and historical patience, make every effort to promote the "transformation + innovation" dual-track strategy and Ten Major Projects (2.0)". At the same time, we will strengthen internal operation and management and enhance the "immunity" against financial risks; vigorously develop new business formats such as Internet finance and smart finance, and make every effort to promote financial reform and innovation to win the initiative for future development; further adjust and optimise the business structure, deepen, optimise and refine the financial business and strive for achieving new business performance; guide financial resources, financial policies, and financial services to converge in the real economy, endeavour to enhance the ability to support the real economy, realise its own development in services, and contribute to the coordinated development of Beijing, Tianjin and Hebei.

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Bank. The Directors individually and collectively accept full responsibility for their accuracy. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. SHARE CAPITAL

As at the Latest Practicable Date, the share capital structure of the Bank was as follows:

	Number of shares	Percentage of the total share capital
Domestic legal person shares	3,978,132,102	65.53%
Domestic natural person shares	327,820,657	5.40%
H Shares	1,764,599,063	29.07%
Other foreign shares	—	—
	<hr/>	<hr/>
Total number of shares	6,070,551,822	100.00%
	<hr/> <hr/>	<hr/> <hr/>

3. DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS

The Bank entered into service contracts with each of the 13 Directors of the sixth session of the Board and 5 Supervisors of the sixth session of the Board of Supervisors. The respective terms of office of the Directors and Supervisors shall commence from the date of their appointment until the expiry of the term of office of the sixth session of the Board and the Board of Supervisors, respectively. The service contracts entered into with the Directors and Supervisors set out the duties and terms of office of the Directors and Supervisors during their terms of office.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or Supervisors had entered or proposed to enter into any other service contracts with the Bank or any member of the Group (excluding contracts expiring or determinable by the Group within one year without payment of compensation other than statutory compensation).

4. DISCLOSURE OF INTERESTS

- (1) As at the Latest Practicable Date, the Bank provided commercial banking services and products in the ordinary and usual course of its business to the public in the PRC, including Shareholders holding more than 10% of the Shares, certain Directors and Supervisors, the president of the Bank and/or their respective associates. Each of the above persons is a connected person of the Bank under the Listing Rules. These transactions are entered into in the ordinary and usual course of business of the Bank on normal commercial terms and are exempt from the reporting, annual review, disclosure and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.
- (2) As at the Latest Practicable Date, none of the Directors or Supervisors had any direct or indirect interest in any assets which had been, since 30 June 2020 (being the date to which the latest published reviewed half-year financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.
- (3) None of the Directors or Supervisors of the Bank was materially interested in any contract or arrangement entered into by any member of the Group subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group.
- (4) As at the Latest Practicable Date, the interests and short positions of the Directors, Supervisors and chief executives of the Bank and their respective associates in the shares, underlying shares and debentures of the Bank or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Bank and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules were as follows:

Supervisors

Name of Supervisors	Capacity	Class of shares	Number of shares directly or indirectly held (long position)	Approximate percentage of interest in the Bank
YAO Tao	Beneficial interest	Domestic Shares	102,487	0.0017%
LIU Baorui	Beneficial interest	Domestic Shares	15,959	0.0003%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, chief executives or Supervisors of the Bank or their respective associates held any interests and short positions in the shares, underlying shares and debentures of the Bank or its associated corporations.

- (5) As at the Latest Practicable Date, so far as is known to any Director or senior management of the Bank, the following persons (other than a Director, a Supervisor or senior management of the Bank) or corporations had, or were deemed or taken to have, interests and short positions in the shares or underlying shares which would fall to be disclosed to the Bank and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Bank:

Name of shareholder	Nature of interest	Class of shares	Number of shares directly or indirectly held (long position)	Approximate percentage of interest in the Bank	Approximate percentage of relevant class of shares of the Bank
Tianjin Port Free Trade Zone Investment Co., Ltd. ⁽¹⁾	Beneficial owner	Domestic Shares	966,425,534	15.92	22.44
Tianjin Port Free Trade Zone Investment Holdings Co., Ltd. ⁽¹⁾	Interest of a controlled corporation	Domestic Shares	966,425,534	15.92	22.44
Australia and New Zealand Banking Group Limited ⁽²⁾	Beneficial owner	H Shares	725,644,563	11.95	41.12
Tianjin Bohai Chemical Industry Group Co., Ltd. ⁽³⁾	Beneficial owner Interest of a controlled corporation	Domestic Shares	489,857,052	8.07	11.38
Tianjin Pharmaceutical Holdings Ltd. ⁽⁴⁾	Beneficial owner Interest of a controlled corporation	Domestic Shares	489,107,183	8.06	11.36
Jinhushen Biological Science and Technology Co., Ltd. ⁽⁴⁾	Interest of a controlled corporation	Domestic Shares	489,107,183	8.06	11.36
CSSC International Holding Company Limited ⁽⁵⁾	Beneficial owner	H Shares	303,193,000	4.99	17.18

Name of shareholder	Nature of interest	Class of shares	Number of shares directly or indirectly held (long position)	Approximate percentage of interest in the Bank	Approximate percentage of relevant class of shares of the Bank
China State Shipbuilding Corporation Limited ⁽⁵⁾	Interest of a controlled corporation	H Shares	303,193,000	4.99	17.18
Hong Kong Bohai Leasing Asset Management Corp., Limited ⁽⁶⁾	Beneficial owner	H Shares	106,993,500	1.76	6.06
Tianjin Bohai Leasing Co., Ltd. ⁽⁶⁾	Interest of a controlled corporation	H Shares	106,993,500	1.76	6.06
Bohai Leasing Co., Ltd. ⁽⁶⁾	Interest of a controlled corporation	H Shares	106,993,500	1.76	6.06

Notes:

- (1) Tianjin Port Free Trade Zone Investment Co., Ltd. (天津保稅區投資有限公司) is wholly-owned by Tianjin Port Free Trade Zone Investment Holdings Co., Ltd. (天津保稅區投資控股集團有限公司), which is in turn wholly-owned by Tianjin Port Free Trade Zone State-owned Assets Administration Bureau (天津港保稅區國有資產管理局). By virtue of the SFO, Tianjin Port Free Trade Zone Investment Holdings Co., Ltd. is deemed to be interested in the Shares held by Tianjin Port Free Trade Zone Investment Co., Ltd.
- (2) Australia and New Zealand Banking Group Limited (澳大利亞和新西蘭銀行集團有限公司), a Shareholder of the Bank, was incorporated in the State of Victoria, Australia on 14 July 1977, and is listed on the Australian Securities Exchange (Stock Code: ANZ) and the New Zealand Exchange (Stock Code: ANZ: AU).
- (3) Tianjin Bohai Chemical Industry Group Co., Ltd. (天津渤海化工集團有限責任公司) (i) directly holds 487,078,366 Shares; and (ii) through a number of controlled corporations, holds an aggregate of 2,778,686 Shares. As such, Tianjin Bohai Chemical Industry Group Co., Ltd. is interested in a total of 489,857,052 Shares by virtue of the SFO.
- (4) Tianjin Pharmaceutical Holdings Ltd. (天津市醫藥集團有限公司) (i) directly holds 487,078,366 Shares; and (ii) through a number of controlled corporations, holds an aggregate of 2,028,817 Shares. As such, Tianjin Pharmaceutical Holdings Ltd. is interested in a total of 489,107,183 Shares by virtue of the SFO. Jinhushen Biological Science and Technology Co., Ltd. is a controlling shareholder of Tianjin Pharmaceutical Holdings Ltd. (天津市醫藥集團有限公司). By virtue of the SFO, Jinhushen Biological Science and Technology Co., Ltd. is deemed to be interested in the Shares held by Tianjin Pharmaceutical Holdings Ltd..
- (5) China State Shipbuilding Corporation Limited (中國船舶工業集團有限公司) is wholly-owned by State-owned Assets Supervision and Administration Commission of the State Council. CSSC International Holding Company Limited is wholly-owned by China State Shipbuilding Corporation Limited. As such, China State Shipbuilding Corporation Limited is deemed to be interested in the 303,193,000 Shares held by CSSC International Holding Company Limited.
- (6) Tianjin Bohai Leasing Co., Ltd. is wholly-owned by Bohai Leasing Co., Ltd. (stock code: 000415.SZ). Hong Kong Bohai Leasing Asset Management Corp., Limited is wholly-owned by Tianjin Bohai Leasing Co., Ltd.. As such, Bohai Leasing Co., Ltd. and Tianjin Bohai Leasing Co., Ltd. are deemed to be interested in the 106,993,500 Shares held by Hong Kong Bohai Leasing Asset Management Corp., Limited.

5. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors had any interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

6. OTHER ARRANGEMENTS INVOLVING DIRECTORS

As at the Latest Practicable Date:

- (i) none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date and which was significant in relation to the business of the Group; and
- (ii) none of the Directors had any direct or indirect interest in any assets which had been, since 30 June 2020 (being the date to which the latest published reviewed consolidated financial statements of the Group were made up): (i) acquired or disposed of by; (ii) leased to; (iii) proposed to be acquired or disposed of by; or (iv) proposed to be leased to, any member of the Group.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2019, being the date to which the latest published audited financial statements of the Bank were made up.

8. MATERIAL LITIGATIONS AND ARBITRATIONS

Save for the following litigation, as at the Latest Practicable Date, neither the Bank nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against the Bank or any of its subsidiaries.

Litigation against Our Tianbao Sub-branch in Relation to Customers' Deposits

From December 2018 to April 2019, the Secondary Intermediate People's Court of Tianjin and the Tianjin High People's Court successively issued the final rulings on the litigation against our Tianbao Sub-branch in relation to customers' deposits occurred in January 2014. The final rulings ruled that, as 9 companies, including Tianjin Sangzidi Enterprise Co., Ltd. (天津桑梓地實業有限公司) (renamed Wuzhou Glory (Tianjin) Group Co. Ltd. (五洲榮耀(天津)集團有限公司) afterwards) and 5 individuals, including Qi Fengcheng (齊鳳城) (changed to Wang Weiqiang (王偉強) afterwards) and Zhang Li (張立) received principal and interest through the "circulation outside of the system" method, they were suspected of committing

economic crimes. As those actions involved same legal relationships in civil litigations, the courts dismissed the prosecution against Bank of Tianjin initiated by all the above-mentioned companies and individuals and referred the case materials to the public security organs.

Since May 2019, 9 companies, including Wuzhou Glory (Tianjin) Group Co. Ltd. (五洲榮耀(天津)集團有限公司) and 4 individuals, including Wang Weiqiang (王偉強) and Zhang Li (張立) successively submitted an application for civil retrial to Tianjin High People's Court and the Supreme People's Court. As of 30 June 2020, Tianjin High People's Court and the Supreme People's Court issued a ruling rejecting the retrial submission to 5 companies and approving the withdrawal of retrial submissions of 4 companies and 3 individuals. The Bank has not received any relevant ruling to the remaining 1 individual from the Supreme People's Court.

The final rulings have taken effect, and there has been no change to the basis of the rulings. 1 individual was still under retrial process. Under such circumstances, the Bank received a notice of response to action in April 2020, because 5 companies, including Wuzhou Glory (Tianjin) Group Co. Ltd. (五洲榮耀(天津)集團有限公司), and 4 individuals, including Wang Weiqiang (王偉強) and Zhang Li (張立), have, based on the same facts and reasons as the aforesaid cases, filed lawsuits against us again in relation to savings deposit contract dispute to the Secondary Intermediate People's Court of Tianjin.

Accordingly, the provision made by the Bank in respect of the litigation against Tianbao Sub-branch has been reversed after the court issued the final ruling in 2019. As of now, since the final ruling of the litigation has come into effect and the basis of the ruling remains unchanged, the Bank does not need to recognize any provision in relation to the litigation against Tianbao Sub-branch.

Since the final ruling has come into effect, the basis of the ruling remains changed, and there is still one case that the retrial procedure has not been concluded, and given the legal facts ruled in the first trial, second trial and retrial, such litigation shall not have a material adverse effect on the business operation and financial position of the Bank.

Litigation against Zhejiang Chouzhou Commercial Bank Raised by Our Shanghai Branch in Relation to the Bills Held under a Resale Agreement

In April 2016, our Shanghai Branch filed a lawsuit against Zhejiang Chouzhou Commercial Bank to the Shanghai High People's Court. The litigation involves the bills held under a resale agreement entered into between our Bank and Zhejiang Chouzhou Commercial Bank. On 13 January 2016, the Bank transferred an amount of RMB986 million to Zhejiang Chouzhou Commercial Bank. Upon maturity on 6 April 2016, the Bank failed to receive the payment of RMB786 million.

In May 2018, the Shanghai High People's Court issued a civil ruling on the suspension of the case. In October 2020, the Bank filed a civil lawsuit with the Shanghai Financial Court after withdrawing the lawsuit from the Shanghai Higher People's Court due to changes in relevant circumstance and is now awaiting the trial.

Accordingly, the Bank has made corresponding provision for such litigation since 2016 for the sake of prudence. As at the end of 2020, the provision made amounted to RMB393 million.

The Bank does not expect any of the current and pending legal or arbitration proceedings to have, individually or in aggregate, a material adverse effect on the Bank's business, financial condition and result of operations after provision for impairment.

9. MATERIAL CONTRACT

As at the Latest Practicable Date, no material contracts (not being contracts entered into in the ordinary course of business of the Group) have been entered into by members of the Group within the two years preceding the date of this circular.

10. GENERAL INFORMATION

- (1) At the meeting of the Board held on 29 December 2020, the Bank appointed Ms. Dong Xiaodong as the secretary to the Board and joint company secretary of Bank of Tianjin Co., Ltd.. The term of office of the secretary to the Board shall commence from the date when her qualification is approved by the regulatory authorities and end on the expiry of the term of the sixth session of the Board of the Bank, whereas the term of office of the joint company secretary shall commence from the date of obtaining the necessary qualification of the joint company secretary of the Hong Kong Stock Exchange or the grant of waiver by the Hong Kong Stock Exchange and end on the expiry of the term of the sixth session of the Board. As at the Latest Practicable Date, the company secretary was Mr. Ngai Wai Fung. Mr. Ngai Wai Fung is currently a director and the group chief executive officer of SWCS Corporate Services Group (Hong Kong) Limited and is a fellow of the Hong Kong Institute of Chartered Secretaries, a fellow of the Chartered Governance Institute (formerly known as the Institute of Chartered Secretaries and Administrators), a member of the Hong Kong Institute of Certified Public Accountants, a fellow of the Association of Chartered Certified Accountants and a member of the Chartered Institute of Arbitrators.
- (2) The address of the Bank's registered office and headquarters is No. 15 Youyi Road, Hexi District, Tianjin, China.
- (3) The address of the H Share Registrar is Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (4) In the event of any discrepancies between the English version and the Chinese version, the Chinese version shall prevail.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at Paul Hastings at 21-22/F, Bank of China Tower, No. 1 Garden Road, Central, Hong Kong during normal business hours from the date of this circular to 24 February 2021 (both days inclusive):

- (1) the Articles of Association;
- (2) this circular;
- (3) the interim report for the six months ended 30 June 2020 and the annual reports for the two years ended 31 December 2018 and 31 December 2019 of the Bank; and
- (4) the service contracts of all current Directors and Supervisors of the Bank.

NOTICE OF EXTRAORDINARY GENERAL MEETING

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



BANK OF TIANJIN CO., LTD.*

天津銀行股份有限公司*

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

(Stock Code: 1578)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the "EGM") of Bank of Tianjin Co., Ltd. (天津銀行股份有限公司) (the "**Bank**") will be held at Guoxin Building (No. 10 Youyi Road, Hexi District, Tianjin, PRC) at 9:30 am on Wednesday, 24 February 2021.

The following resolution will be considered and, if thought fit, approved by the Shareholders of the Bank at the EGM:

ORDINARY RESOLUTION

1. (a) to consider, approve, confirm and ratify the execution of the asset disposal agreement and approve the asset disposal and all transactions contemplated thereunder;
- (b) to authorise the Directors to execute all documents, exercise the powers of the Bank, do such acts and things and take all actions as they may consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the asset disposal agreement and the transactions contemplated thereunder; and
- (c) the above authorisation shall be valid within 12 months from the date of consideration and approval thereof at the EGM.

By Order of the Board
Bank of Tianjin Co., Ltd.
SUN Ligu
Chairman

Tianjin, China
7 January 2021

As at the date of this notice, the board of directors of the Bank comprises Mr. SUN Ligu and Ms. ZHANG Furong as executive directors; Ms. SUN Jingyu, Ms. DONG Guangpei, Mr. Alistair Marshall BULLOCH, Mr. ZHAO Wei, Mr. WANG Shunlong and Ms. LI Jun as non-executive directors; Mr. FENG Heping, Mr. LAW Yee Kwan, Quinn, Mr. JIN Qingjun, Mr. HUA Yaogang and Mr. HE Jia as independent non-executive directors.

* *Bank of Tianjin Co., Ltd. is not an authorised 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 authorised to carry on banking/deposit-taking business in Hong Kong.*

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. Registration procedures for attending the EGM

Individual Shareholders who wish to attend the meeting in person shall produce their identity cards or other effective documents or proof of identity and stock account cards. Proxies of individual Shareholders shall produce their effective proof of identity and proxy form. A corporate Shareholder should attend the meeting by its legal representative or proxy appointed by the legal representative. A legal representative who wishes to attend the meeting should produce his/her identity card or other valid documents evidencing his/her capacity as a legal representative. If appointed to attend the meeting, the proxy should produce his/her identity card and an authorisation instrument duly signed by the legal representative of the corporate Shareholder.

2. Reply Slip

Holders of H Shares who intend to attend the EGM in person or by proxy should return the reply slip in person, by post or by facsimile to the H Share Registrar of the Bank, Computershare Hong Kong Investor Services Limited, on or before Thursday, 4 February 2021.

The address of Computershare Hong Kong Investor Services Limited is 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (Tel: +852 2862 8555, Fax: +852 2865 0990).

3. Proxy

Any Shareholder entitled to attend and vote at the EGM is entitled to appoint one or more persons (whether such person is a Shareholder or not) as his/her proxy or proxies to attend and vote on his/her behalf.

The instrument appointing a proxy must be in writing under the hand of the Shareholder or his/her attorney duly authorised in writing. For a corporate Shareholder, the proxy instrument must be affixed with the common seal or signed by its director or attorney duly authorised in writing.

The proxy form (together with a notarially certified copy of the power of attorney or other authority (if any) if this proxy form is signed by a person on behalf of the appointor) must be delivered by the holders of H shares to the H Share Registrar of the Bank, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 9:30 am on Tuesday, 23 February 2021 (Hong Kong time). If no direction is given, the proxy will be entitled to vote or abstain as he/she thinks fit. The proxy will also be entitled to vote at his/her discretion on any resolution properly put forward at the EGM other than those referred to in the notice convening the EGM.

Where there are joint holders of any Shares, any one of such persons may vote at the EGM, either personally or by proxy, in respect of such Shares as if he/she were solely entitled thereto. However, if more than one of such joint holders is present at the EGM, either personally or by proxy, then one of the said persons so present whose name stands first in the register of members in respect of such Shares shall alone be entitled to vote in respect thereof.

Completion and return of a proxy form will not preclude a Shareholder from attending in person and voting at the EGM or at any adjournment thereof, but in such event the instrument appointing a proxy shall be deemed to be revoked.

4. Closure of register of members

In order to determine the list of Shareholders who are entitled to attend and vote at the EGM to be held on Wednesday, 24 February 2021, the register of members of the Bank will be closed from Monday, 25 January 2021 to Wednesday, 24 February 2021 (both days inclusive). H Shareholders of the Bank who intend to attend and vote at the EGM must lodge all transfer documents accompanied by the relevant H Share certificates with the H Share Registrar of the Bank, namely Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Friday, 22 January 2021.

5. Publication of poll results

Pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the resolution set out in the notice of the EGM will be voted by poll. Results of the poll voting will be published on the Bank's website at www.bankoftianjin.com and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk after the EGM.

6. Others

The EGM is estimated to last no longer than half a day. Shareholders who attend the meeting in person or by proxy shall bear their own traveling, dining and accommodation expenses.