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JINSHANG BANK CO., LTD.*
晉商銀行股份有限公司*

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

(Stock Code: 2558)

ANNOUNCEMENT PROPOSED CHANGE OF AUDITORS

The board (the “**Board**”) of directors (the “**Directors**”) of JINSHANG BANK CO., LTD.* (the “**Bank**”) hereby announces that KPMG Huazhen LLP and KPMG (collectively “**KPMG**”) will retire as the independent auditors of the Group upon expiration of its current term of office with effect from the conclusion of the forthcoming Bank’s annual general meeting for the year of 2019 (the “**AGM**”) and will not be re-appointed. The Board has resolved, with recommendation of the audit committee of the Bank, to propose the appointment of Ernst & Young Hua Ming LLP and Ernst & Young (collectively “**Ernst & Young**”) as the new auditors of the Group and accordingly, an ordinary resolution will be submitted for approval by the shareholders to the AGM to appoint Ernst & Young as the new auditors of the Bank and to hold office until the conclusion of the next annual general meeting of the Bank.

Pursuant to the Administrative Measures for the Appointment of Accounting Firms by Financial Enterprises (《金融企業選聘會計師事務所管理辦法》) (Caijin No. [2016] 12) issued by the Ministry of Finance, the term of appointment of an accounting firm by a financial enterprise shall not exceed eight years. KPMG has been consecutively engaged as the auditing agency for the financial statements of the Bank for eight years as of 2019. In order to comply with above requirement, the Bank has reached a mutual understanding with KPMG on the non-renewal of its appointment.

KPMG has confirmed that there are no matters in connection with its retirement that should be brought to the attention of the shareholders. The Board and its audit committee have also confirmed that there is no disagreement with KPMG and the Board has no unresolved issue regarding the change of auditors. The Board confirms there are no circumstances in respect of the proposed change of independent auditors of the Group that need to be brought to the attention of the shareholders.

The Bank would like to extend its sincere gratitude to KPMG for their quality services provided to the Group in previous years.

A circular containing, among other things, information in relation to the proposed change of auditors, together with the notice to convene the AGM will be despatched to the shareholders of the Bank in due course.

This announcement is made by the Bank pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

By order of the Board
JINSHANG BANK CO., LTD.*
Tang Yiping
Vice Chairman

Hong Kong, 26 March 2020

As at the date of this announcement, the board of directors comprises Mr. Wang Junbiao, Mr. Tang Yiping, Mr. Wang Peiming and Mr. Rong Changqing as executive directors; Mr. Li Shishan, Mr. Xiang Lijun, Mr. Liu Chenhang, Mr. Li Yang and Mr. Wang Jianjun as non-executive directors; Mr. Jin Haiteng, Mr. Sun Shihu, Mr. Wang Liyan, Mr. Duan Qingshan, Mr. Sai Zhiyi and Mr. Ye Xiang as independent non-executive directors.

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