



16 September 2025

To the Shareholders

Dear Sir or Madam,

**(1) VOLUNTARY CONDITIONAL GENERAL CASH OFFER BY
CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES
LIMITED ON BEHALF OF THE OFFEROR TO
ACQUIRE ALL OF THE ISSUED H SHARES IN THE BANK (OTHER THAN THOSE
ALREADY HELD BY THE OFFEROR AND ITS CONCERT PARTIES)
(2) VOLUNTARY CONDITIONAL GENERAL CASH OFFER BY THE OFFEROR TO
ACQUIRE ALL OF THE ISSUED DOMESTIC SHARES
IN THE BANK (OTHER THAN THOSE ALREADY HELD BY THE OFFEROR AND ITS
CONCERT PARTIES)
(3) PROPOSED WITHDRAWAL OF LISTING OF THE H SHARES OF THE BANK**

1. INTRODUCTION

On 26 August 2025, the Offeror and the Bank jointly announced that (i) CICC, on behalf of the Offeror, will make a voluntary conditional general cash offer to acquire all of the issued H Shares (other than those already held by the Offeror and its Concert Parties) at the Initial H Share Offer Price of HK\$1.32 per H Share, and (ii) the Offeror will make a voluntary conditional general cash offer to acquire all of the issued Domestic Shares (other than those already held by the Offeror and its Concert Parties) at the Initial Domestic Share Offer Price of RMB1.20 per Domestic Share.

On 12 September 2025, the Offeror and the Bank jointly announced that (i) the Initial H Share Offer Price of HK\$1.32 per H Share will be increased to the Final H Share Offer Price of HK\$1.60 per H Share, representing an increase of HK\$0.28 per Share; and (ii) the Initial Domestic Share Offer Price of RMB1.20 per Domestic Share will be increased to the Final Domestic Share Offer Price of RMB1.45 per Domestic Share, representing an increase of RMB0.25 per Domestic Share. The main consideration of the Offeror in raising the offer price of the Offers is to provide greater financial incentives for Shareholders to accept the Offers, thereby increasing the probability of success of the Offers.

This letter forms part of this Composite Document and sets out information on the Offeror, the reasons for making the Offers and the intentions of the Offeror in relation to the Bank. The terms of the Offers are set out in this letter, Appendix I to this Composite Document and in the accompanying Forms of Acceptance.

Your attention is also drawn to the letter from the Board on pages 19 to 25, the letter from the Independent Board Committee on pages 26 to 27 and the letter from Gram Capital on pages 28 to 70 of this Composite Document.

Terms defined in this Composite Document have the same meanings in this letter unless the context otherwise requires.

2. THE OFFERS

For each H Share, the Final H Share Offer Price is HK\$1.60 in cash.

For each Domestic Share, the Final Domestic Share Offer Price,
which is equivalent to the Final H Share Offer Price
at the Exchange Rate is RMB1.45 in cash.

The Offeror will not further increase the Final Offer Price, and the Offeror does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Final H Share Offer Price and the Final Domestic Share Offer Price.

If any dividend, other distribution or return of capital (whether in cash or in kind) is announced, declared, made or paid in respect of the Shares after the date of the Announcement, the Offeror shall reduce the Final Offer Price by all of the amount or value of such dividend, other distribution and/or return of capital, in which case any reference in the Announcement, this Composite Document or any other announcement or document to the Final Offer Price will be deemed to be a reference to the Final Offer Price as so reduced. Any such reduction will only apply to those Shares in respect of which the Offeror will not be entitled to the relevant dividend, distribution and/or return of capital. As at the Latest Practicable Date, no dividend, other distribution or return of capital in respect of the Shares has been announced, declared or made but not paid to the Shareholders generally. The Bank has confirmed that it does not intend to announce, declare, make or pay any dividend, other distribution or return of capital during the Offer Period.

The Offers are made in compliance with the Takeovers Code. The Offer Shares to be acquired by the Offeror shall be fully paid and would be sold by the selling Shareholders free from all liens, charges, encumbrances, pre-emptive rights and any other third party rights of any nature and together with all rights and benefits attaching to them as at the date on which such Offer Shares are transferred to the Offeror or subsequently becoming attached to them, including the right to receive all dividends, other distributions and return of capital, if any, announced, declared, made or paid after the date on which such Offer Shares are transferred to the Offeror (or such later time and/or date as the Offeror may decide, subject to the requirements of the Takeovers Code).

3. CONDITIONS TO THE OFFERS

The H Share Offer is subject to the fulfilment or (if capable of being waived) waiver of the following Conditions:

- (a) the passing of a resolution by the Independent H Shareholders approving the Delisting at the H Share Class Meeting to be convened for this purpose, provided that:
 - (i) approval is given by at least 75% of the votes (by way of poll) attaching to the H Shares held by the Independent H Shareholders present that are cast either in person or by proxy; and
 - (ii) the number of votes cast (by way of poll) against the resolution is not more than 10% of the votes attaching to all the H Shares held by the Independent H Shareholders;
- (b) the passing of a special resolution by not less than two-thirds of the votes cast by way of poll by the Shareholders with voting rights present and voting in person or by proxy at the Extraordinary General Meeting approving the Delisting;
- (c) valid acceptances of the H Share Offer and the Domestic Share Offer having been received (and not, where permitted, withdrawn) by 4:00 p.m. on or prior to the Offer Closing Date (or such later time and/or date as the Offeror may decide, subject to the requirements of the Takeovers Code) in respect of such number of H Shares and Domestic Shares which, together with the Shares already held by the Offeror and the Concert Parties, would result in the Offeror and the Concert Parties holding more than 50% of the voting rights in the Bank;
- (d) valid acceptances of the H Share Offer having been received (and not, where permitted, withdrawn) by 4:00 p.m. on or prior to the Offer Closing Date (or such later time and/or date as the Offeror may decide, subject to the requirements of the Takeovers Code) in respect of such number of H Shares which is not less than 90% of the issued H Shares held by the Independent H Shareholders;

- (e) the granting of the waiver by the Executive from the requirements under Rule 2.2(c) of the Takeovers Code;
- (f) no event having occurred or existing (including any law, order, action, proceeding, suit or investigation instituted or taken by the Relevant Authorities) which would make the H Share Offer void, unenforceable, illegal, impracticable or would prohibit implementation of the H Share Offer or impose any material and adverse conditions or obligations with respect to the H Share Offer;
- (g) there having been no material adverse change in the business, assets, financial or trading positions or prospects or conditions of the Group since the date of the Announcement;
- (h) the granting of the waiver, if applied for, by the Executive from the requirements under Rule 20.1 of the Takeovers Code in respect of the Domestic Share Offer; and
- (i) the Domestic Share Offer becoming or being declared unconditional in all respects.

Conditions (f), (g) and (h) to the H Share Offer may be waived, either in whole or in part, either generally or in respect of any particular matter, at the sole discretion of the Offeror. Conditions (a) to (e) and (i) to the H Share Offer may not be waived in any event. If any of the Conditions is not satisfied or waived (as applicable) on or before the Completion Long Stop Date, the H Share Offer will lapse, and Shareholders will be notified by the Bank by way of a further announcement as soon as practicable thereafter.

The Domestic Share Offer is subject to the satisfaction or waiver of all Conditions to the H Share Offer except Condition (i).

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any of the Conditions, other than Conditions (a) to (e) to the H Share Offer above, as a basis for not proceeding with the H Share Offer if the circumstances which give rise to the right to invoke any of the Conditions are of material significance to the Offeror in the context of the H Share Offer.

As at the Latest Practicable Date, the filing, registration or approval, as applicable, with or by (i) DRC and (ii) SAFE in relation to the Offers have been completed and remain in full force and effect pursuant to the provisions of relevant laws and regulations in the PRC.

As at the Latest Practicable Date, as far as the Offeror is aware, there is no event and/or situation which would lead to the non-satisfaction of Conditions (f) or (g). The Offeror does not expect any such event and/or situation to arise during the Offer Period. As at the Latest Practicable Date, none of the Conditions had been fulfilled or waived.

In addition to the Conditions, the Offers are made on the basis that acceptance of the Offers by any person will constitute a warranty by such person or persons to the Offeror that the Offer Shares, when acquired (for avoidance of doubt, no later than 4:00 p.m. on Offer Closing Date (or such later time and/or date as the Offeror may decide, subject to the requirements of the Takeovers Code)), would be acquired by the Offeror and would be sold by such person or persons as fully paid and free from all liens, charges, encumbrances, pre-emptive rights and any other third party rights of any nature and together with all rights and benefits attaching to them as at the date on which such Offer Shares are transferred to the Offeror or subsequently becoming attached to them, including the right to receive all dividends, other distributions and return of capital, if any, announced, declared, made or paid after the date on which such Offer Shares are transferred to the Offeror.

The H Share Offer will initially be open for acceptances for at least 21 calendar days from the date of this Composite Document (the First Closing Date now being 21 October 2025). Once all of the Conditions have been either satisfied or waived (if applicable), the H Share Offer will be declared unconditional and the H Share Offer will be extended for a subsequent period until 28 calendar days after the H Share Offer is declared unconditional (which is 14 days longer than the 14 calendar days normally required by Rule 15.3 of the Takeovers Code) pursuant to Note (i) to Rule 2.2 of the Takeovers Code before the H Share Offer is closed in order to allow sufficient time for those H Shareholders who have not initially accepted the H Share Offer to accept the H Share Offer to process the transfer of their H Shares.

WARNING: Completion of the Offers is subject to the Conditions being fulfilled or waived (as applicable). The issue of this Composite Document does not in any way imply that the Offers will be completed. The Offers may or may not become unconditional and will lapse if they do not become unconditional. Accordingly, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Bank. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional adviser.

4. DELISTING

Subject to the H Share Offer becoming unconditional (including, amongst others, the approval of the Delisting by the Shareholders at the Extraordinary General Meeting and the approval of the Delisting by the Independent H Shareholders at the H Share Class Meeting), the Bank will make an application for the Delisting in accordance with Rule 6.12 of the Listing Rules.

The Offeror has no rights under the laws of the PRC and the articles of association of the Bank to compulsorily acquire the H Shares that are not tendered for acceptance pursuant to the H Share Offer. Accordingly, the Independent H Shareholders are reminded that if they do not accept the H Share Offer and the H Share Offer subsequently becomes unconditional in all respects, and the H Shares are delisted from the Stock Exchange, this will result in them holding securities that are not listed on the Stock Exchange or any other stock exchanges and the liquidity of such securities may be severely reduced. In addition, the Bank will no longer be subject to the requirements under the Listing Rules, and may or may not continue to be subject to the Takeovers Code after the completion of the H Share Offer depending on whether it remains as a public company in Hong Kong for the purposes of the Takeovers Code thereafter.

Independent H Shareholders should also note that if they do not agree to the Offers, they can vote against the Delisting at the H Share Class Meeting and/or the Extraordinary General Meeting. If the number of votes cast, by way of poll, against the Delisting at the H Share Class Meeting is more than 10% of the votes attaching to all the H Shares held by the Independent H Shareholders, the Offers would not become unconditional and the Bank would remain listed on the Stock Exchange.

If the H Share Offer is completed, the H Shareholders will be notified by way of an announcement of the dates of the last day for dealing in the H Shares and on which the Delisting will become effective.

The Offeror has applied to the Executive for, and the Executive has indicated that it is minded to grant, a waiver from the requirements under Rule 2.2(c) of the Takeovers Code, which requires a resolution to approve a delisting to be made subject to the relevant offeror(s) being entitled to exercise, and exercising, its rights of compulsory acquisition.

5. VALUE OF THE OFFERS

The Final H Share Offer Price of HK\$1.60:

- (a) represents a premium of approximately 25.98% over the closing price of HK\$1.27 per H Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (b) represents a premium of approximately 40.35% over the closing price of HK\$1.14 per H Share as quoted on the Stock Exchange on the Last Trading Date;

- (c) represents a premium of approximately 42.35% over the average closing price of approximately HK\$1.12 per H Share, being the average closing price of the H Shares as quoted on the Stock Exchange for the 5 trading days immediately prior to and including the Last Trading Date;
- (d) represents a premium of approximately 26.48% over the average closing price of approximately HK\$1.27 per H Share, being the average closing price of the H Shares as quoted on the Stock Exchange for the 30 trading days immediately prior to and including the Last Trading Date;
- (e) represents a premium of approximately 33.97% over the average closing price of approximately HK\$1.19 per H Share, being the average closing price of the H Shares as quoted on the Stock Exchange for the 60 trading days immediately prior to and including the Last Trading Date;
- (f) represents a premium of approximately 42.21% over the average closing price of approximately HK\$1.13 per H Share, being the average closing price of the H Shares as quoted on the Stock Exchange for the 90 trading days immediately prior to and including the Last Trading Date;
- (g) represents a premium of approximately 44.76% over the average closing price of approximately HK\$1.11 per H Share, being the average closing price of the H Shares as quoted on the Stock Exchange for the 120 trading days immediately prior to and including the Last Trading Date;
- (h) represents a premium of approximately 43.97% over the average closing price of approximately HK\$1.11 per H Share, being the average closing price of the H Shares as quoted on the Stock Exchange for the 180 trading days immediately prior to and including the Last Trading Date;
- (i) represents a discount of approximately 83.63% to the net asset value per Share attributable to the ordinary shareholders of the Bank as at 31 December 2024 (based on a total of 8,796,680,200 Shares in issue as at the Latest Practicable Date, the Group's audited total shareholders' equity attributable to the Bank of approximately HK\$85,972,435,316 as at 31 December 2024 (extracted from the Bank's annual report for the year ended 31 December 2024, and based on the central parity rate of RMB to HK\$ as at 31 December 2024 as announced by the People's Bank of China)); and

- (j) represents a discount of approximately 83.96% to the net asset value per Share attributable to the ordinary shareholders of the Bank as at 30 June 2025 (based on a total of 8,796,680,200 Shares in issue as at the Latest Practicable Date, the Group's unaudited total shareholders' equity attributable to the Bank of approximately HK\$87,770,233,017 as at 30 June 2025 (extracted from the Bank's interim report for the six months ended 30 June 2025, and based on the central parity rate of RMB to HK\$ as at 30 June 2025 as announced by the People's Bank of China)).

Note: The average closing price and percentage figures set out above are rounded to two decimal places.

Highest and lowest closing prices of the H Shares

During the Relevant Period, the highest closing price of H Shares as quoted on the Stock Exchange was HK\$1.44 per H Share on 15 July 2025, and the lowest closing price of H Shares as quoted on the Stock Exchange was HK\$0.91 per H Share on 7 April 2025.

Confirmation of financial resources

Assuming full acceptance of the Offers, the aggregate cash consideration payable by the Offeror under the Offers will amount to approximately HK\$3,596,733,600.00 in respect of the H Share Offer and RMB4,747,092,175.85 in respect of the Domestic Share Offer.

As at the Latest Practicable Date, the Bank does not have any outstanding options, warrants, derivatives and securities which are convertible or exchangeable into Shares, nor has it entered into any agreement for the issue of such options, warrants, derivatives or securities which are convertible or exchangeable into Shares.

Caidatong Capital, a wholly-owned subsidiary of the Offeror, has undertaken with the Offeror to pay on its behalf the cash consideration payable under the H Share Offer. The consideration payable under the Offers will be financed by the Offeror's own resources and/or external financing.

The Offeror has appointed CICC as its financial adviser in respect of the Offers. CICC, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror to satisfy its payment obligations on full acceptance of the Offers in accordance with their terms.

6. INFORMATION ON THE OFFEROR AND COMMITTED CONCERT PARTIES

The Offeror is a limited liability company incorporated in the PRC on 26 October 1999. Its scope of business includes: industrial investment; capital operation; asset management; enterprise management services; equity investment and management; property leasing; financial and investment consulting services. (For business activities requiring approval in accordance with the law, the business activities can only be commenced after approval by the relevant authorities in the PRC.) The controlling shareholder of the Offeror is the State-owned Assets Supervision and Administration Commission of Shenyang Municipal Government, which directly and indirectly controls in aggregate approximately 91.51% of the shares in the Offeror as at the Latest Practicable Date. The remaining shares in the Offeror is held by Shenyang Shengjin Investment Management Center (Limited Partnership)* (瀋陽盛金投資管理中心(有限合夥)) (which directly holds approximately 4.81% of the shares in the Offeror) and Department of Finance of Liaoning Province (which directly holds approximately 3.68% of the shares in the Offeror).

On 25 August 2025, the Offeror and the Committed Concert Parties executed the Concert Party Agreement to implement the Offers to delist the Bank from the Stock Exchange to enable (1) the Bank to save costs associated with maintaining the listing status and the Bank and to redeploy the relevant resources used for maintaining the listing status to the Bank's operations; and (2) the Bank to, depending on the actual circumstances, focus on the development direction of its operations to drive a sustainable and healthy development of the Banks's operations.

Pursuant to the Concert Party Agreement, the Offeror and the Committed Concert Parties have agreed to act in concert in relation to the Bank in connection with the Offers, and that the Offeror shall be solely responsible for the conduct of the Offers.

As at the Latest Practicable Date:

Shenyang Hengxin, a limited liability company incorporated in the PRC on 10 April 2002, is one of the parties acting in concert with the Offeror. Its scope of business includes asset management; capital operation; bidding agency and consulting services; property leasing, industrial investment, equipment leasing, and idle equipment adjustment (excluding financing leasing); business agency services, maintenance of power transmission and transformation equipment, maintenance of refrigeration equipment, and maintenance of communication equipment. (For business activities requiring approval in accordance with the law, the business activities can only be commenced after approval by the relevant authorities in the PRC.) Its ultimate beneficial owner is the State-owned Assets Supervision and Administration Commission of Shenyang Municipal Government, which directly holds approximately 98.16% of the shares in Shenyang Industrial Investment Development Group Co., Ltd., which in turn directly holds 100% of the shares in Shenyang Hengxin, as at the Latest Practicable Date.

Northeast Pharmaceutical Group Co., Ltd.* (東北製藥集團有限責任公司), a limited liability company incorporated in the PRC on 28 August 1990, is one of the parties acting in concert with the Offeror. Its scope of business includes raw materials and preparations; manufacturing and sales of medicinal glass bottles, glass tubes, sanitary materials, and chemical products co produced during the pharmaceutical process; the export of chemical raw materials, preparation products, traditional Chinese patent medicines and simple preparations pieces and health products, medical equipment and instruments produced by the enterprise; the import of raw and auxiliary materials, mechanical equipment, instruments, and spare parts required for the production and scientific research of this enterprise (limited to subsidiary operations); property and equipment leasing. (For business activities requiring approval in accordance with the law, the business activities can only be commenced after approval by the relevant authorities in the PRC.) Its ultimate beneficial owner is the State-owned Assets Supervision and Administration Commission of Shenyang Municipal Government, which directly holds approximately 98.16% of the shares in Shenyang Industrial Investment Development Group Co., Ltd., which in turn directly holds 100% of the shares in Northeast Pharmaceutical Group Co., Ltd., as at the Latest Practicable Date.

Shenyang Heping District State-owned Assets Operation Co., Ltd.* (瀋陽市和平區國有資產經營有限公司), a limited liability company incorporated in the PRC on 25 December 2002, is one of the parties acting in concert with the Offeror. Its scope of business includes district owned state-owned asset management, capital operation, land consolidation, real estate development, municipal engineering construction, industrial investment, management of the invested assets of the enterprise, equity investment, property leasing, property management, parking lot services, processing and sales of grain and agricultural and sideline products, self operated and agency import and export of various commodities and technologies, except for commodities and technologies that are restricted or prohibited from import and export by the state. (For business activities requiring approval in accordance with the law, the business activities can only be commenced after approval by the relevant authorities in the PRC.) Its ultimate beneficial owner is the State-owned Assets Supervision and Administration Bureau of Shenyang Municipal Heping District Government, which directly holds 100% of the shares in Shenyang Heping Urban Development Investment Co., Ltd., which in turn directly holds 100% of the shares in Shenyang Heping District State-owned Assets Operation Co., Ltd., as at the Latest Practicable Date.

Shenyang Hi-Tech Development Investment Holding Group Co., Ltd.* (瀋陽高新發展投資控股集團有限公司), a limited liability company incorporated in the PRC on 23 March 2020, is one of the parties acting in concert with the Offeror. Its scope of business includes: licensed business activities: real estate development and operation (For business activities requiring approval in accordance with the law, the business activities can only be commenced after approval by the relevant authorities in the PRC.); general business activities: land consolidation services, park management services, non residential real estate leasing, entrepreneurial space services, conference and exhibition services, software development, technical services, technical development, technical consulting, technical exchange, technology transfer, technology promotion, property leasing,

information consulting services (excluding licensed information consulting services), socio-economic consulting services. (Except for business activities that require approval according to law, business activities can be carried out independently according to law with the business license.) Its ultimate beneficial owner is the State-owned Assets Supervision and Administration Bureau of Shenyang Municipal Hunnan District Government, which directly holds 100% of the shares in Shenyang Hunnan Investment Holding Group Co., Ltd., which in turn directly holds 100% of the shares in Shenyang Hi-Tech Development Investment Holding Group Co., Ltd., as at the Latest Practicable Date.

Shenyang Wu'ai Industry Co., Ltd.* (瀋陽五愛實業有限公司), a limited liability company incorporated in the PRC on 10 March 2000, is one of the parties acting in concert with the Offeror. Its scope of business includes: licensed business activities: power supply business; food and beverages (For business activities requiring approval in accordance with the law, the business activities can only be commenced after approval by the relevant authorities in the PRC. Specific business activities are subject to the approval documents or licenses from relevant authorities in the PRC.); general business activities: technology import and export; import and export of goods; import and export agency; parking lot services; non residential real estate leasing; rental services for storage equipment; property management; advertising release; advertising design and agency; advertising production. (Except for business activities that require approval according to law, business activities can be carried out independently according to law with the business license.) Its ultimate beneficial owner is the State-owned Assets Supervision and Administration Bureau of Shenyang Municipal Shenhe District Government, which directly holds 100% of the shares in Shenyang Wu'ai Industrial Development Group Co., Ltd., which in turn directly holds approximately 98.74% of the shares in Shenyang Wu'ai Industry Co., Ltd., as at the Latest Practicable Date.

Shenyang Ruijin Assets Operation Co., Ltd.* (瀋陽銳金資產經營有限公司), a limited liability company incorporated in the PRC on 13 November 2015, is one of the parties acting in concert with the Offeror. Its scope of business includes asset management; capital operation; industrial investment and management; real estate development; design, construction, and maintenance of communication engineering, municipal engineering, and pipeline engineering; land consolidation; consultation on economic and property information; property and equipment leasing; idle equipment adjustment. (For business activities requiring approval in accordance with the law, the business activities can only be commenced after approval by the relevant authorities in the PRC.). Its ultimate beneficial owner is the State-owned Assets Supervision and Administration Bureau of Shenyang Municipal Shenhe District Government, which directly holds approximately 85% of the shares in Shenyang Ruijin Assets Operation Co., Ltd. (the remaining 15% shares in which are held by Shenyang Guoguan Investment Co., Ltd.* (瀋陽國貫投資有限公司) (in which China Development Fund Co., Ltd.* (國開發基金有限公司) holds a 99.24% equity interest) as at the Latest Practicable Date.

Shun Yi International Trade Co., Limited, a limited liability company incorporated in Hong Kong on 15 November 2013, is one of the parties acting in concert with the Offeror. Its scope of business includes product trading, import and export trading, investment management, project management and business services, etc. Its ultimate beneficial owner is the State-owned Assets Supervision and Administration Commission of Shenyang Municipal Government, which directly holds 100% of the shares in Shenyang State-owned Assets Trusteeship Center Co., Ltd., which in turn directly holds 100% of the shares in Liaoning Honglue Enterprise Management Co., Ltd., which in turn directly holds 100% of the shares in Shun Yi International Trade Co., Limited as at the Latest Practicable Date.

7. REASONS AND BENEFITS OF THE OFFERS

- (1) The Offers provide an opportunity for the Shareholders to realise their investment. Since the beginning of 2025 to the Last Trading Date, the Hang Seng Index (HSI. HI) rose by 30.05%, and the Hang Seng Mainland Banks Index (HSMBI. HI) increased by 28.39%. During the same period, however, the Bank's stock price declined by 4.20%. As stated in the paragraph headed "5. VALUE OF THE OFFERS" above, the Final H Share Offer Price represents a premium over the closing price of the H Shares of the Bank as quoted on the Stock Exchange on the Last Trading Date and the average closing price of the H Shares of the Bank as quoted on the Stock Exchange for the 5, 30, 60, 90, 120 and 180 trading days immediately prior to and including the Last Trading Date. The Offeror believes that the Offers, if implemented, will provide an excellent opportunity for all Shareholders (excluding the Offeror and its Concert Parties) to realise their investment for a cash consideration which represents an attractive premium over the closing price of the H Shares of the Bank as quoted on the Stock Exchange on the Last Trading Date and the average closing price of the H Shares as quoted on the Stock Exchange for the 5, 30, 60, 90, 120 and 180 trading days immediately prior to and including the Last Trading Date.
- (2) Delisting of the Bank through the Offers is conducive to optimizing resource allocation. The average daily trading volume of the H Shares in the last 90 trading days, 180 trading days and 360 trading days up to and including the Last Trading Date represents only around 0.0025%, 0.0345% and 0.0196% of the total issued H Shares. The relatively low trading volume of the Bank's stock rendered the Bank's ability to raise funds effectively from the equity market extremely limited and the current listing status no longer provides a viable financing channel to the Bank's operations. Upon implementation of the Offers, the H Shares will be delisted from the Stock Exchange, which, on one hand, is conducive to saving costs associated with maintaining the listing status and the Bank will also be able to redeploy such resources to the Bank's operations, enabling the Bank to leverage regional advantages and to promote its high quality development; on the other hand, the delisting will also enable the Bank to, depending on the actual circumstances, focus on the development direction of its operations to drive a sustainable and healthy development of the Banks's operations.

8. INTENTIONS OF THE OFFEROR WITH REGARD TO THE GROUP

After the implementation of the Offers, the Offeror has no intention of listing the Shares in other markets. Considering that the Bank is a regional commercial bank, after delisting, it will continue to leverage regional advantages, establish specialized operations and focus on its primary responsibilities and business. The Offeror may still, as needed based on actual circumstances, make suggestions to the business, structure, and/or direction of the Group. Save as disclosed above in this paragraph 8, the Offeror will strive to maintain the Bank's existing business as much as possible and has no intention to introduce major changes to the Bank's existing business (including redeploying fixed assets of the Group).

The Offeror does not intend to make any significant changes to the continued employment of the employees of the Group. Following completion of the Offers, the employment contracts of all employees of the Group will continue.

9. GENERAL MATTERS RELATING TO THE OFFERS

Effect of accepting the Offers

By validly accepting the Offers, each Shareholder will sell to the Offeror their tendered Offer Shares and each Shareholder warrants to the Offeror that the Offer Shares, when acquired (for avoidance of doubt, no later than 4:00 p.m. on Offer Closing Date (or such later time and/or date as the Offeror may decide, subject to the requirements of the Takeovers Code)), would be acquired by the Offeror and would be sold by such Shareholder as fully paid and free from all liens, charges, encumbrances, pre-emptive rights and any other third party rights of any nature and together with all rights and benefits attaching to them as at the date on which such Offer Shares are transferred to the Offeror or subsequently becoming attached to them, including the right to receive all dividends, other distributions and return of capital, if any, announced, declared, made or paid after the date on which such Offer Shares are transferred to the Offeror.

Stamp duty, taxation and independent advice

Seller's ad valorem stamp duty at the rate of 0.10% of (i) the value of the consideration arising on acceptances of the H Share Offer payable by the Offeror or (ii) if higher, the market value of the relevant Offer Shares, will be payable by the H Shareholders who accept the H Share Offer (where the stamp duty calculated includes a fraction of HK\$1.00, the stamp duty would be rounded up to the nearest HK\$1.00). The relevant amount of stamp duty payable by the H Shareholders who accept the H Share Offer will be deducted from the consideration payable to them under the H Share Offer.

The Offeror will bear buyer's ad valorem stamp duty in respect of acceptances of the H Share Offer and will be responsible to account to the Stamp Office of Hong Kong for all the stamp duty payable for the sale and purchase of the H Shares in respect of which the H Share Offer is accepted.

A PRC stamp duty arising in connection with acceptances of the Domestic Share Offer will be payable by the relevant Shareholders and the Offeror respectively at a rate of 0.05% of the consideration in respect of the relevant acceptances of the Domestic Share Offer, in accordance with the Stamp Duty Law of the PRC.

Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offers. It is emphasised that none of the Offeror, the Bank, CICC and their respective ultimate beneficial owners, directors, officers, agents, advisers or associates or any other person involved in the Offers accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

Overseas Shareholders

If you are an overseas Shareholder, please see the important information in the section headed “Overseas Shareholders” in Appendix I to this Composite Document.

Settlement of consideration

Settlement of the consideration under the H Share Offer will be made as soon as possible, but in any event no later than seven (7) Business Days after the later of (i) the Offer Unconditional Date and (ii) the date of receipt of a duly completed acceptance in respect of the H Share Offer. Relevant documents of title of the H Shares must be received by the Offeror to render such acceptance complete and valid.

As settlement of consideration under the Domestic Share Offer, which will be made via wire transfer by the Offeror, is subject to certain transfer and registration formalities and procedures imposed by CSDCC in the PRC, which may require cooperation by the Domestic Shareholders and are not within the control of the Offeror, as such settlement arrangements would require more than seven (7) Business Days to complete, the Offeror has applied to the Executive for, and the Executive has indicated that it is minded to grant, a waiver from strict compliance with Rule 20.1(a) of the Takeovers Code for the Domestic Share Offer.

Duly completed acceptance forms and the relevant documents in respect of such acceptance must be received by the Offeror to render such acceptance of the Domestic Share Offer complete and valid. Settlement of the consideration under the Domestic Share Offer will be made no later than seven (7) Business Days following the later of (i) the date on which the Domestic Share Offer becomes or is declared unconditional in all respects and (ii) the date on which the registration and transfer to the Offeror of all the Domestic Shares tendered for acceptance under the Domestic Share Offer by the relevant Domestic Shareholder has been completed.

No fractions of a cent will be payable and the amount of cash consideration payable to a Shareholder who validly accepts the Offers will be rounded up to the nearest cent.

For further information, please refer to the section headed “Settlement of the Offers” in Appendix I to this Composite Document.

Interests in Shares and derivatives

As at the Latest Practicable Date, the issued share capital of the Bank is 8,796,680,200 Shares divided into 2,340,742,500 H Shares and 6,455,937,700 Domestic Shares, and the Bank has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue.

The table below sets out the shareholding structure of the Bank as at the Latest Practicable Date and immediately after the completion of the Offers (assuming that the Offers are fully accepted by the Shareholders):

Name of Shareholders	As at the Latest Practicable Date			Immediately after completion of the Offers (assuming the Offers are fully accepted by the Shareholders)		
	Number of Shares	Approximate percentage of the same class of securities (%)	Approximate percentage of the total issued share capital (%)	Number of Shares	Approximate percentage of the same class of securities (%)	Approximate percentage of the total issued share capital (%)
Domestic Shares						
Offeror	1,829,225,327	28.33	20.79	5,103,082,000	79.04	58.01
Shenyang S&T Venture Capital Co., Ltd. ⁽ⁱ⁾	1,741,498	0.03	0.02	1,741,498	0.03	0.02
Shenyang Hengxin	479,933,014	7.43	5.46	479,933,014	7.43	5.46
Shenyang Heping District State-owned Assets Operation Co., Ltd.	250,000,000	3.87	2.84	250,000,000	3.87	2.84
Shenyang Hi-Tech Development Investment Holding Group Co., Ltd.	250,000,000	3.87	2.84	250,000,000	3.87	2.84
Northeast Pharmaceutical Group Co., Ltd.	137,833,335	2.13	1.57	137,833,335	2.13	1.57
Shenyang Wu'ai Industry Co., Ltd.	118,159,093	1.83	1.34	118,159,093	1.83	1.34
Shenyang Ruijin Assets Operation Co., Ltd.	115,188,760	1.78	1.31	115,188,760	1.78	1.31
The Offeror and its Concert Parties	3,182,081,027	49.29	36.17	6,455,937,700	100.00	73.39
Independent Domestic Shareholders	3,273,856,673	50.71	37.22	/	/	/
Sub-total	6,455,937,700	100.00	73.39	6,455,937,700	100.00	73.39

Name of Shareholders	As at the Latest Practicable Date			Immediately after completion of the Offers (assuming the Offers are fully accepted by the Shareholders)		
	Number of	Approximate	Approximate	Number of	Approximate	Approximate
	Shares	percentage of the same class (%)	percentage of the total issued share capital (%)	Shares	percentage of the same class (%)	percentage of the total issued share capital (%)
H Shares						
Offeror	/	/	/	2,247,958,500	96.04	25.55
Shun Yi International Trade Co. Limited	92,784,000	3.96	1.05	92,784,000	3.96	1.05
The Offeror and its Concert Parties	92,784,000	3.96	1.05	2,340,742,500	100.00	26.61
Independent H Shareholders	2,247,958,500	96.04	25.55	/	/	/
Sub-total	2,340,742,500	100.00	26.61	2,340,742,500	100.00	26.61
The Offeror and its Concert Parties (Domestic Shares and H Shares)	3,274,865,027	/	37.23	8,796,680,200	100.00	100.00
Total	8,796,680,200	100.00	100.00	8,796,680,200	100.00	100.00

Notes:

- (1) Shenyang S&T Venture Capital Co., Ltd. is a wholly-owned subsidiary of the Offeror.
- (2) The percentage figures as set out above are subject to rounding adjustments and may not add up to 100%.

CICC is the financial adviser to the Offeror in respect of the Offers. Accordingly, CICC and members of the CICC group are presumed to be acting in concert with the Offeror in respect of shareholdings of the CICC group in the Bank in accordance with class (5) of the definition of “acting in concert” under the Takeovers Code (except in respect of the Shares held by members of the CICC group which are exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code and excluding the Shares held on behalf of non-discretionary investment clients). As at the Latest Practicable Date, except for Shares held on behalf of non-discretionary investment clients and Shares held by member(s) of the CICC group acting in the capacity of exempt principal trader(s) and/or exempt fund manager(s), members of the CICC group did not own or control any Shares or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Bank.

Members of the CICC group which are exempt principal traders and exempt fund managers which are connected for the sole reason that they control, are controlled by or are under the same control as CICC are not presumed to be acting in concert with the Offeror. However: (a) Shares held by members of the CICC group acting in the capacity of exempt principal traders will not be voted at the H Share Class Meeting unless the Executive allows such Shares to be so voted; and (b) Shares held by members of the CICC group acting in the capacity of exempt principal traders may, subject to consent of the Executive, be allowed to be voted at the H Share Class Meeting if: (i) such member of the CICC group holds the relevant Shares as a simple custodian for and on behalf of non-discretionary clients; (ii) there are contractual arrangements in place between such member of the CICC group and such non-discretionary client that strictly prohibit such member of the CICC group from exercising any voting discretion over such Shares; (iii) all voting instructions shall originate from such non-discretionary client only (if no instructions are given, then no votes shall be cast for such Shares held by such member of the CICC group); and (iv) such non-discretionary client is entitled to vote at the H Share Class Meeting.

As at the Latest Practicable Date, the Directors did not have, directly or indirectly any interest (within the meaning of the SFO) in any Shares.

As at the Latest Practicable Date:

- (a) save as aforementioned in this section 9 relation to the Shares held by member(s) of the CICC group acting in the capacity of exempt principal trader(s) and/or exempt fund manager(s) on behalf of non-discretionary investment clients, there was no existing holding of voting rights and rights over Shares which is owned, controlled or directed by the Offeror or any of the Concert Parties;
- (b) there was no existing holding of voting rights and rights over Shares in respect of which the Offeror or any of the Concert Parties holds convertible securities, warrants or options;
- (c) none of the Offeror or any of the Concert Parties has received an irrevocable commitment in relation to the voting for or against the resolutions in respect of the Offers and/or acceptance of the Offers;
- (d) there was no outstanding derivative in respect of securities in the Bank entered into by the Offeror or any of the Concert Parties;
- (e) there was no arrangement (whether by way of option, indemnity or otherwise) in relation to the shares of the Offeror or the Shares and which might be material to the Offers;

- (f) there was no agreement or arrangement to which the Offeror is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a Condition; and
- (g) there were no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Bank which the Offeror or any of the Concert Parties has borrowed or lent.

As at the Latest Practicable Date, (1) there was no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeover Code) between (i) any Shareholder; and (ii) (a) the Offeror and any Concert Parties or (b) the Bank, its subsidiaries or associated companies; and (2) there was no special deal (as defined under Rule 25 of the Takeover Code) between (i) the Offeror and (ii) any of the Committed Concert Parties (and their respective ultimate beneficial owners).

According to an agreement dated 2 January 2025 between Shenyang Hengxin and Chinese Academy of Sciences Shenyang Branch, Chinese Academy of Sciences Shenyang Branch transferred the entirety of its shareholdings (being 96,680 Domestic Shares) to Shenyang Hengxin at nil consideration. The registration of such share transfer at the CSDCC was completed in April 2025. Save for such transaction, the Offeror has not, and no Concert Party has, acquired any Share during the Relevant Period.

10. ADDITIONAL INFORMATION

Your attention is drawn to the “Letter from the Board”, the “Letter from the Independent Board Committee” and the “Letter from Gram Capital” as set out in this Composite Document, the accompanying Forms of Acceptance and the additional information set out in the appendices to, and which forms part of, this Composite Document.

Yours faithfully

for and on behalf of
China International Capital Corporation Hong Kong Securities Limited

 2024.09.16

Name: David CHING
Title: Executive Director