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SHENGJING BANK CO., LTD.*

盛京銀行股份有限公司*

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

(Stock Code: 02066)

**DISCLOSEABLE TRANSACTION
ACQUISITION OF 20% OF THE ENTIRE ISSUED AND PAID-UP
SHARE CAPITAL OF HUAXIN TRUST**

SALE AND PURCHASE AGREEMENT

On 1 April 2015, the Bank and Huaxin Huiton Group entered into the Sale and Purchase Agreement, pursuant to which the Bank has agreed to acquire, and Huaxin Huiton Group has agreed to sell, 20% of the entire issued and paid-up share capital of Huaxin Trust. As at the date of this announcement, Huaxin Huiton Group holds 60% of the entire issued and paid-up share capital of Huaxin Trust.

The consideration for the Acquisition is RMB3,168 million (equivalent to approximately HK\$3,960 million), which was negotiated on an arm's length basis between the Bank and Huaxin Huiton Group and was arrived at after taking into account (i) the net asset value attributable to the Target Shares acquired through the Acquisition, and (ii) the price-to-net asset value comparison against comparable trust companies incorporated in the PRC.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Bank under the Listing Rules and will be subject to the reporting and announcement requirements, but are exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

INTRODUCTION

On 1 April 2015, the Bank and Huaxin Huiton Group entered into the Sale and Purchase Agreement, pursuant to which the Bank has agreed to acquire, and Huaxin Huiton Group has agreed to sell, 20% of the entire issued and paid-up share capital of Huaxin Trust. As at the date of this announcement, Huaxin Huiton Group holds 60% of the entire issued and paid-up share capital of Huaxin Trust.

SALE AND PURCHASE AGREEMENT

Date

1 April 2015

Parties

- (a) the Bank, as the purchaser; and
- (b) Huaxin Huiton Group, as the vendor.

Acquisition

The Bank has agreed to acquire, and Huaxin Huiton Group has agreed to sell, 20% of the entire issued and paid-up share capital of Huaxin Trust.

To the best of the Directors' knowledge, information and belief and after having made all reasonable enquiries, Huaxin Huiton Group and its ultimate beneficial owners are third parties independent of the Bank and are not connected persons of the Bank.

Consideration

The consideration for the Acquisition is RMB3,168 million (equivalent to approximately HK\$3,960 million), which was negotiated on an arm's length basis between the Bank and Huaxin Huiton Group and was arrived at after taking into account (i) the net asset value attributable to the Target Shares acquired through the Acquisition, and (ii) the price-to-net asset value comparison against comparable trust companies incorporated in the PRC.

The consideration will be settled by internal funds of the Bank. The Directors are of the view that the terms of the Acquisition are on normal commercial terms and are fair and reasonable and in the interests of the Bank and the Shareholders as a whole.

The consideration for the Acquisition is RMB3,168 million (equivalent to approximately HK\$3,960 million) and is payable by the Bank to Huaxin Huiton Group in the following manner:

- (a) an amount of RMB500 million (equivalent to approximately HK\$625 million) will be paid by cash as deposit (the “Deposit”) within five business days after the Sale and Purchase Agreement is signed;
- (b) an amount of RMB2,668 million (equivalent to approximately HK\$3,335 million), being the outstanding balance of the consideration for the Acquisition, will be paid by cash within 10 calendar days after all the necessary governmental approvals or filings in relation to the Acquisition have been obtained or made;
- (c) the Deposit will form part of the consideration for the Acquisition after (i) the Bank has performed its obligations under the Sale and Purchase Agreement, and (ii) the Target Shares have been transferred to the Bank, which will be evidenced by the update in the Bank’s interest in the register of members of Huaxin Trust; and
- (d) if the necessary governmental approvals or filings in relation to the Acquisition cannot be obtained or made, the Deposit, together with any interest accrued thereon (based on the interest rate for time deposit published by the People’s Bank of China for the same period), will be refunded to the Bank within 10 calendar days upon receipt of such notices, whether written or verbal, from the governmental authorities.

Completion

Completion will take place when the register of members of Huaxin Trust have been updated to reflect the Acquisition, which will take place within 10 calendar days after (i) all the necessary governmental approvals or filings in relation to the Acquisition have been obtained or made, and (ii) the Bank has paid the consideration for the Acquisition in full in accordance with the Sale and Purchase Agreement.

FINANCIAL INFORMATION ON HUAXIN TRUST

Huaxin Trust is primarily engaged in various types of trust businesses in the PRC, such as wealth management-oriented, investment-oriented, financing-oriented and specially-permitted trust businesses.

Based on the audited financial information of Huaxin Trust provided by Huaxin Huiton Group, the net asset value of Huaxin Trust as at 31 December 2014 was RMB7,180 million (equivalent to approximately HK\$8,975 million).

The audited net profit (both before and after taxation) for the year ended 31 December 2014 and the audited net profit (both before and after taxation) for the year ended 31 December 2013 of Huaxin Trust were as follows:

	For the year ended 31 December	
	2014	2013
	(audited)	(audited)
	(RMB'000)	(RMB'000)
Net profit before taxation	2,116,134.4	1,521,161.5
	(equivalent to	(equivalent to
	approximately	approximately
	HK\$2,645,168,000)	HK\$1,901,451,875)
Net profit after taxation	1,680,400.5	1,178,661.9
	(equivalent to	(equivalent to
	approximately	approximately
	HK\$2,100,500,625)	HK\$1,473,327,375)

INFORMATION ON HUAXIN HUITON GROUP

Huaxin Huiton Group is primarily engaged in the businesses of equity investment, project investment and investment consultancy services.

INFORMATION ON THE BANK

The Bank is primarily engaged in corporate banking, retail banking and treasury businesses.

REASONS FOR AND BENEFITS OF THE ACQUISITION

In view of the rapid development of liberalisation of interest rates, financial disintermediation and internet finance, it becomes a critical strategy for commercial banks in China to implement the integrated business strategy and accelerate strategic transformation. The Bank believes that the Acquisition is in the interests of the Bank and the Shareholders as a whole as the Bank is expected to benefit from the implementation of the integrated business strategy through the Acquisition in terms of integration of resources, expansion of businesses, improvement of services and enhancement of overall competitiveness, which would promote the growth of commercial banking business.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Bank under the Listing Rules and will be subject to the reporting and announcement requirements, but are exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

As completion of the Acquisition is on the condition that all the necessary governmental approvals or filings in relation to the Acquisition have been obtained or made, the Acquisition may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Bank.

DEFINITIONS

Unless otherwise stated, the following expressions have the following meanings in this announcement:

“Acquisition”	the acquisition of 20% of the entire issued and paid-up share capital of Huaxin Trust pursuant to the Sale and Purchase Agreement
“Bank”	Shengjing Bank Co., Ltd. (盛京銀行股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited
“Board”	the board of Directors of the Bank

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Deposit”	as defined in the section headed “Consideration” in this announcement
“Directors”	the directors of the Bank
“Huaxin Huiton Group”	Huaxin Huiton Group Limited (華信匯通集團有限公司), a company with limited liability duly incorporated in the PRC, with a registered capital of RMB3,300 million
“Huaxin Trust”	Huaxin Trust Co., Ltd. (華信信託股份有限公司), a company with limited liability duly incorporated in the PRC, with a registered capital of RMB3,300 million
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreement”	the sale and purchase agreement entered into between the Bank and Huaxin Huiton Group on 1 April 2015, pursuant to which the Bank has agreed to acquire, and Huaxin Huiton Group has agreed to sell, 20% of the entire issued and paid-up share capital of Huaxin Trust
“Shareholders”	shareholders of the Bank

“Target Shares” 660,000,000 shares in the share capital of Huaxin Trust to be transferred by Huaxin Huiton Group to the Bank pursuant to the Sale and Purchase Agreement, which account for 20% of the entire issued and paid-up share capital of Huaxin Trust

“%” per cent

For the purposes of this announcement, the exchange rate of HK\$1.00 = RMB0.80 have been used, where applicable, for purpose of illustration only and do not constitute a representation that any amount has been, could have been or may be exchanged at the above rate or at any other rates or at all.

By order of the Board
Shengjing Bank Co., Ltd.
ZHANG Yukun
Chairperson

Shenyang, Liaoning, China
1 April 2015

As at the date of this announcement, the executive Directors of the Bank are ZHANG Yukun, WANG Chunsheng, ZHAO Guangwei, WANG Yigong and WU Gang; the non-executive Directors of the Bank are LI Yuguo, LI Jianwei, ZHAO Weiqing, YANG Yuhua and LIU Xinfu; and the independent non-executive Directors of the Bank are YU Yongshun, LAU Chi Pang, BA Junyu, SUN Hang and DING Jiming.

* *Shengjing Bank 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 and/or deposit-taking business in Hong Kong.*