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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**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 China Minsheng Banking Corp., Ltd., you should at once hand this circular and the accompanying form of proxy and reply slip to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**中國民生銀行股份有限公司**  
**CHINA MINSHENG BANKING CORP., LTD.**

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

**(Stock Code: 01988)**

**(USD Preference Shares Stock Code: 04609)**

**ANNUAL REPORT FOR 2019**  
**FINAL FINANCIAL REPORT FOR 2019**  
**PROPOSED PROFIT DISTRIBUTION PLAN FOR 2019**  
**ANNUAL BUDGETS FOR 2020**  
**WORK REPORT OF THE BOARD FOR 2019**  
**WORK REPORT OF THE BOARD OF SUPERVISORS FOR 2019**  
**REPORT OF REMUNERATION OF DIRECTORS FOR 2019**  
**REPORT OF REMUNERATION OF SUPERVISORS FOR 2019**  
**RE-APPOINTMENT AND REMUNERATION OF THE AUDITING FIRMS FOR 2020**  
**ISSUANCE OF UNDATED CAPITAL BONDS IN THE NEXT THREE YEARS**  
**EXTENSION OF THE VALIDITY PERIOD OF THE RESOLUTIONS**  
**ON THE PUBLIC ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS AND**  
**THE AUTHORIZATION PERIOD TO THE BOARD AND ITS AUTHORIZED PERSONS**  
**TO EXERCISE FULL POWER TO DEAL WITH MATTERS RELATING TO THE ISSUANCE**  
**IMPACTS ON DILUTION OF CURRENT RETURNS OF THE PUBLIC ISSUANCE**  
**OF A SHARE CONVERTIBLE CORPORATE BONDS AND THE REMEDIAL MEASURES**  
**ISSUANCE OF FINANCIAL BONDS AND TIER-2 CAPITAL BONDS**  
**IN THE NEXT THREE YEARS**  
**GRANTING OF GENERAL MANDATE FOR THE ISSUANCE OF SHARES TO THE BOARD**  
**REPORT ON UTILIZATION OF PROCEEDS FROM THE PREVIOUS ISSUANCE**  
**SHAREHOLDER RETURN PLAN FOR 2019 TO 2021**  
**CHANGE OF REGISTERED CAPITAL OF THE COMPANY**  
**AMENDMENTS TO CERTAIN PROVISIONS OF**  
**THE ARTICLES OF ASSOCIATION OF THE COMPANY**  
**AND**  
**NOTICE OF THE ANNUAL GENERAL MEETING FOR 2019**  
**NOTICE OF THE FIRST H SHARE CLASS MEETING FOR 2020**

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The Company will convene the AGM and the Class Meetings at 2:00 p.m. on Monday, 29 June 2020 at Conference Room No. 3, 1/F, Minsheng Bank East Gate, No. 28 Xirongxian Lane, Xicheng District, Beijing, the PRC. Notices convening the AGM and the H Share Class Meeting have been sent to the Shareholders pursuant to the Hong Kong Listing Rules on 13 May 2020.

If you intend to appoint a proxy to attend the AGM and/or the Class Meetings, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to Computershare Hong Kong Investor Services Limited (for holders of H Shares) and the office of the Board of the Company (for holders of A Shares) not less than 24 hours before the time fixed for holding the AGM and/or the Class Meetings (i.e. not later than 2:00 p.m. on Sunday, 28 June 2020) in person or by post. Completion and return of the form of proxy will not preclude you from attending the AGM and/or the Class Meetings and voting in person if you so wish.

If you intend to attend the AGM and/or the Class Meetings in person or by proxy, please complete the enclosed reply slip and return the same to Computershare Hong Kong Investor Services Limited (for holders of H Shares) and the office of the Board of the Company (for holders of A Shares) on or before Tuesday, 9 June 2020.

\* References to times and dates of this circular are to Hong Kong times and dates.

13 May 2020

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## CONTENTS

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	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE BOARD</b> .....	4
1. Annual Report for 2019 .....	6
2. Final Financial Report for 2019 .....	6
3. Proposed Profit Distribution Plan for 2019 .....	6
4. Annual Budgets for 2020 .....	9
5. Work Report of the Board for 2019 .....	10
6. Work Report of the Board of Supervisors for 2019 .....	10
7. Report of Remuneration of Directors for 2019 .....	10
8. Report of Remuneration of Supervisors for 2019 .....	11
9. Re-appointment and Remuneration of Auditing Firms for 2020 .....	12
10. Issuance of Undated Capital Bonds in the Next Three Years .....	12
11. Resolution on Extension of the Validity Period of the Resolutions on the Public Issuance of A Share Convertible Corporate Bonds and the Authorization Period to the Board and its Authorized Persons to Exercise Full Power to Deal with Matters Relating to the Issuance .....	13
12. Resolution on Impacts on Dilution of Current Returns of the Public Issuance of A Share Convertible Corporate Bonds and the Remedial Measures .....	19
13. Report on Use of Proceeds from the Previous Issuance .....	19
14. Resolution on Shareholder Return Plan for 2019 to 2021 .....	20
15. Granting of General Mandate for the Issuance of Shares to the Board .....	20
16. Issuance of Financial Bonds and Tier-2 Capital Bonds in the Next Three Years .....	22
17. Resolution on Change of Registered Capital .....	22
18. Resolution on Amendments to Certain Provisions of the Articles of Association .....	23
 <b>APPENDIX I PLAN OF PUBLIC ISSUANCE AND LISTING OF THE A SHARE CONVERTIBLE CORPORATE BONDS BY CHINA MINSHENG BANKING CORP., LTD.</b> .....	 25
 <b>APPENDIX II PROPOSAL IN RESPECT OF IMPACTS ON DILUTION OF CURRENT RETURNS OF ISSUANCE OF A SHARE CONVERTIBLE BONDS BY CHINA MINSHENG BANKING CORP., LTD. AND THE REMEDIAL MEASURES</b> .....	 34
 <b>APPENDIX III REPORT ON THE USE OF PROCEEDS FROM THE PREVIOUS ISSUANCE OF CHINA MINSHENG BANKING CORP., LTD.</b> .....	 45
 <b>APPENDIX IV SHAREHOLDER RETURN PLAN FOR 2019 TO 2021 OF CHINA MINSHENG BANKING CORP., LTD.</b> .....	 48
 <b>NOTICE OF THE ANNUAL GENERAL MEETING FOR 2019</b> .....	 50
 <b>NOTICE OF THE FIRST H SHARE CLASS MEETING FOR 2020.</b> .....	 53

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## DEFINITIONS

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

“A Shareholder(s)”	holder(s) of A Share(s)
“A Share(s)”	domestic ordinary Share(s) of RMB1.00 each issued by the Company which is/are subscribed for by domestic investors and are listed for trading on the SSE (stock code: 600016)
“A Share Class Meeting”	the first A Share class meeting of the Company for 2020 to be held after the conclusion of the AGM or any adjournment thereof on Monday, 29 June 2020 at Conference Room No. 3, 1/F, Minsheng Bank East Gate, No. 28 Xirongxian Lane, Xicheng District, Beijing, the PRC or any adjournment thereof
“A Share Convertible Bonds” or “Convertible Bonds”	convertible corporate bonds in the total amount of not more than RMB50 billion which are convertible into new A Shares, proposed to be issued by the Company
“AGM”	the annual general meeting of the Company for 2019 to be held at 2:00 p.m. on Monday, 29 June 2020 at Conference Room No. 3, 1/F, Minsheng Bank East Gate, No. 28 Xirongxian Lane, Xicheng District, Beijing, the PRC or any adjournment thereof, the notice of which is set out in this circular
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors of the Company
“Board of Supervisors”	the board of supervisors of the Company
“CBIRC”	the China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會)
“Former CBRC”	the former China Banking Regulatory Commission (原中國銀行業監督管理委員會)
“Class Meeting(s)”	A Share Class Meeting and/or H Share Class Meeting
“Company” or “Bank”	China Minsheng Banking Corp., Ltd. (中國民生銀行股份有限公司), a joint stock company incorporated with limited liability in accordance with the Company Law of the People’s Republic of China, the H Shares and A Shares of which are listed on the Hong Kong Stock Exchange and the SSE, respectively
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	director(s) of the Company

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## DEFINITIONS

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“cash dividend”	proposed payment of cash dividend of RMB3.70 (tax inclusive) for every 10 Shares to the A Shareholders and the H Shareholders whose names appear on the registers of members of the Company as at the close of business on the respective record date
“Group”	the Company and its subsidiaries
“H Share Class Meeting”	the first H Share class meeting of the Company for 2020 to be held after the conclusion of the AGM and the A Share Class Meeting or any adjournment thereof on Monday, 29 June 2020 at Conference Room No. 3, 1/F, Minsheng Bank East Gate, No. 28 Xirongxian Lane, Xicheng District, Beijing, the PRC or any adjournment thereof, the notice of which is set out in this circular
“H Shareholder(s)”	holder(s) of H Share(s)
“H Share(s)”	overseas listed foreign invested Share(s) of RMB1.00 each in the share capital of the Company, which are listed on the Hong Kong Stock Exchange (stock code: 01988) and are subscribed for in HK dollars
“HK\$” or “HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Issuance of A Share Convertible Bonds”	the proposed public issuance and listing of A Share Convertible Bonds by the Company in accordance with the Proposal in respect of the Issuance of A Share Convertible Bonds
“Issuance of Preference Shares” or “Issuance”	the issuance of the Offshore Preference Shares by the Company according to the preference shares issuance plan
“Latest Practicable Date”	8 May 2020, being the latest practicable date for ascertaining certain information contained in this circular
“Offshore Preference Shares” or “Preference Shares”	the 71,950,000 4.95% non-cumulative perpetual offshore preference Shares of an aggregate amount of US\$1,439,000,000 issued by the Company in the overseas market on 14 December 2016 and listed on the Hong Kong Stock Exchange on 15 December 2016 (stock code: 04609)
“PBOC”	the People’s Bank of China
“PRC” or “China”	the People’s Republic of China, but for the purposes of this circular only, excluding Hong Kong, Macau and Taiwan
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC

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## DEFINITIONS

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“SFO”	Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	the ordinary Share(s) of the Company, including A Share(s) and H Share(s)
“SSE”	Shanghai Stock Exchange
“Supervisor(s)”	supervisor(s) of the Company



中國民生銀行股份有限公司  
**CHINA MINSHENG BANKING CORP., LTD.**

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**(USD Preference Shares Stock Code: 04609)**

**Members of the Board:**

*Executive Directors:*

Mr. Hong Qi  
Mr. Zheng Wanchun

*Non-executive Directors:*

Mr. Zhang Hongwei  
Mr. Lu Zhiqiang  
Mr. Liu Yonghao  
Mr. Shi Yuzhu  
Mr. Wu Di  
Mr. Song Chunfeng  
Mr. Weng Zhenjie

*Independent Non-executive Directors:*

Mr. Liu Jipeng  
Mr. Li Hancheng  
Mr. Xie Zhichun  
Mr. Peng Xuefeng  
Mr. Liu Ningyu  
Mr. Tian Suning

**Registered Address:**

No. 2 Fuxingmennei Avenue,  
Xicheng District,  
Beijing, China 100031

13 May 2020

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## LETTER FROM THE BOARD

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*To the Shareholders*

Dear Sir or Madam,

**ANNUAL REPORT FOR 2019  
FINAL FINANCIAL REPORT FOR 2019  
PROPOSED PROFIT DISTRIBUTION PLAN FOR 2019  
ANNUAL BUDGETS FOR 2020  
WORK REPORT OF THE BOARD FOR 2019  
WORK REPORT OF THE BOARD OF SUPERVISORS FOR 2019  
REPORT OF REMUNERATION OF DIRECTORS FOR 2019  
REPORT OF REMUNERATION OF SUPERVISORS FOR 2019  
RE-APPOINTMENT AND REMUNERATION OF THE AUDITING FIRMS FOR 2020  
ISSUANCE OF UNDATED CAPITAL BONDS IN THE NEXT THREE YEARS  
EXTENSION OF THE VALIDITY PERIOD OF THE RESOLUTIONS  
ON THE PUBLIC ISSUANCE OF A SHARE CONVERTIBLE CORPORATE BONDS AND  
THE AUTHORIZATION PERIOD TO THE BOARD AND ITS AUTHORIZED PERSONS  
TO EXERCISE FULL POWER TO DEAL WITH MATTERS RELATING TO THE ISSUANCE  
IMPACTS ON DILUTION OF CURRENT RETURNS OF THE PUBLIC ISSUANCE  
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AMENDMENTS TO CERTAIN PROVISIONS OF  
THE ARTICLES OF ASSOCIATION OF THE COMPANY  
AND  
NOTICE OF THE ANNUAL GENERAL MEETING FOR 2019  
NOTICE OF THE FIRST H SHARE CLASS MEETING FOR 2020**

### **INTRODUCTION**

The purpose of this circular is to provide you (among other things) with additional information to enable you to make informed decisions on whether to vote for or against the resolutions to be proposed at the AGM and the Class Meetings for the following issues (special resolutions are marked by \*):

#### **AT THE AGM**

1. The resolution regarding the annual report for 2019 of the Company
2. The resolution regarding the final financial report for 2019 of the Company
3. The resolution regarding the proposed profit distribution plan for 2019 of the Company
4. The resolution regarding the annual budgets for 2020 of the Company
5. The resolution regarding the work report of the Board for 2019 of the Company
6. The resolution regarding the work report of the Board of Supervisors for 2019 of the Company
7. The resolution regarding the report of remuneration of Directors for 2019

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## LETTER FROM THE BOARD

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8. The resolution regarding the report of remuneration of Supervisors for 2019
9. The resolution regarding the re-appointment and remuneration of auditing firms for 2020
10. \*The resolution regarding the issuance of undated capital bonds in the next three years
11. \*The resolution regarding the extension of the validity period of the resolutions on the public issuance of A Share Convertible Corporate Bonds and the authorization period to the Board and its authorized persons to exercise full power to deal with matters relating to the issuance
12. \*The resolution regarding the report on utilization of proceeds from the previous issuance
13. The resolution regarding the Shareholder return plan for 2019 to 2021
14. The resolution regarding the impacts on dilution of current returns of the public issuance of A share convertible corporate bonds and the remedial measures
15. \*The resolution regarding the granting of general mandate for the issuance of Shares to the Board
16. \*The resolution regarding the proposed issuance of financial bonds and tier-2 capital bonds in the next three years
17. \*The resolution regarding the proposed change of registered capital of the Company
18. \*The resolution regarding the proposed amendments to certain provisions of the articles of association of the Company

### AT THE H SHARE CLASS MEETING

1. \*The resolution regarding the extension of the validity period of the resolutions on the public issuance of A Share Convertible Corporate Bonds and the authorization period to the Board and its authorized persons to exercise full power to deal with matters relating to the issuance

#### **1. Annual Report for 2019**

Please refer to the annual report for 2019 issued by the Company.

This resolution has been considered and approved at the Board meeting held on 30 March 2020 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

#### **2. Final Financial Report for 2019**

Please refer to the financial report set out in the annual report for 2019 of the Company.

This resolution has been considered and approved at the Board meeting held on 30 March 2020 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

#### **3. Proposed Profit Distribution Plan for 2019**

Please refer to the 2019 annual report of the Company (H Shares) for details of the proposed profit distribution plan for 2019.



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## LETTER FROM THE BOARD

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According to the financial statements of the Company for 2019, net profit of the Company was RMB52,507 million and the paid dividend of the Offshore Preference Shares was RMB558 million. 10% of the net profit of the Company for 2019, being RMB5,251 million, was allocated to the statutory surplus reserve. A general provision for risks of RMB7,095 million, representing 1.5% of the balance of the risky assets as at the end of 2019, was made. The profits distributable to ordinary Shareholders as at the end of December 2019 was RMB212,393 million.

According to the relevant requirements under the Articles of Association in respect of profit distribution, having considered various factors including the capital adequacy ratio required by the regulatory authorities and the sustainable development of business of the Company, the Company proposes to distribute to the A Shareholders and the H Shareholders whose names appear on the registers as at the record dates a cash dividend of RMB3.70 (tax inclusive) for every 10 Shares being held. Based on the number of Shares of the Company issued as at the end of 2019, being 43,782 million Shares, the total cash dividend was approximately RMB16,199 million.

The actual amount of total cash dividend to be paid will be subject to the total number of Shares recorded on the registers as at the record dates. The cash dividend will be denominated and declared in RMB, and will be paid in RMB to A Shareholders and in Hong Kong dollar to H Shareholders. The actual amount of dividend to be paid in Hong Kong dollar shall be calculated based on the benchmark exchange rate of RMB against Hong Kong dollar as quoted by the PBOC on the date of the AGM.

The cash dividend is expected to be paid to H Shareholders on 27 July 2020.

The Independent Non-executive Directors of the Company are of the view that the profit distribution proposal for 2019 of the Company is in line with the actual condition of the Company, in the interests of the Company and its Shareholders and in compliance with the relevant laws, regulations and the Articles of Association, and is favourable to the sustainable, stable and sound development of the Company.

The formulation and implementation of the cash dividend policy by the Company are in compliance with the stipulations of the Articles of Association and the requirements stated in the resolutions approved by the Shareholders' general meeting of the Company. The basis and proportion of profit distribution are clearly specified. Effective determination and approval procedures and mechanisms are in place. The said distribution has been considered and approved by the Independent Non-executive Directors. Legitimate rights and interests of minority Shareholders are well protected by being entitled to attend the AGM to exercise their voting rights and make proposals or enquiries on the operations of the Company.

### ***Taxation***

According to the Enterprise Income Tax Law of the PRC (《中華人民共和國企業所得稅法》) and its implementation regulations (the “**EIT Law**”), the tax rate of the enterprise income tax applicable to the income of a non-resident enterprise deriving from the PRC is 10%. For this purpose, any H Shares registered under the name of non-individual enterprise, including the H Shares registered under the name of HKSCC Nominees Limited, other nominees or trustees, or other organizations or entities, shall be deemed as Shares held by non-resident enterprise Shareholders (as defined under the EIT Law). The Company will distribute the dividend to those non-resident enterprise Shareholders subject to a deduction of 10% enterprise income tax withheld and paid by the Company on their behalf.

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## LETTER FROM THE BOARD

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Any resident enterprise (as defined under the EIT Law) which has been legally incorporated in the PRC or which was established pursuant to the laws of foreign countries (regions) but has established effective administrative entities in the PRC, and whose name appears on the Company's H share registrar should deliver a legal opinion ascertaining its status as a resident enterprise furnished by a qualified PRC lawyer (with the official chop of the law firm issuing the opinion affixed thereon) and relevant documents to Company's H share registrar, Computershare Hong Kong Investor Services Limited, in due course, if they do not wish to have the 10% enterprise income tax withheld and paid on their behalf by the Company.

Pursuant to the Notice on the Issues on Levy of Individual Income Tax after the Abolishment of Guoshuifa (1993) No. 045 Document (《關於國稅發(1993)045號文件廢止後有關個人所得稅徵管問題的通知》) (the "Notice") issued by the State Administration of Taxation on 28 June 2011, the dividend to be distributed by the PRC non-foreign invested enterprise which has issued shares in Hong Kong to the overseas resident individual Shareholders, is subject to the individual income tax with a tax rate of 10% in general.

However, the tax rates for respective overseas resident individual Shareholders may vary depending on the relevant tax agreements between the countries of their residence and Mainland China. Thus, 10% individual income tax will be withheld from the dividend payable to any individual Shareholders of H Shares whose names appear on the H share register of members of the Company on the record date, unless otherwise stated in the relevant taxation regulations, tax treaties or the Notice.

### *Profit Distribution to Investors of Northbound Trading*

For investors of the Hong Kong Stock Exchange (including enterprises and individuals) investing in the A Shares of the Company listed on the SSE (the "Northbound Trading"), their dividends will be distributed in RMB by the Company through the Shanghai Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominee holding such Shares. The Company will withhold and pay income taxes at the rate of 10% on behalf of those investors and will report to the tax authorities for the withholding. For investors of Northbound Trading who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may, or may entrust a withholding agent to, apply to the competent tax authorities for the entitlement of the rate under such tax treaty. Upon approval by the tax authorities, the paid amount in excess of the tax payable based on the tax rate according to such tax treaty will be refunded. The record date and the date of distribution of cash dividends and other arrangements for the investors of Northbound Trading will be the same as those for the holders of A Shares of the Company.

### *Profit Distribution to Investors of Southbound Trading*

- For investors of the SSE and the Shenzhen Stock Exchange (including enterprises and individuals) investing in the H Shares of the Company listed on the Hong Kong Stock Exchange (the "Southbound Trading"), the cash dividends for the investors of H Shares of Southbound Trading will be paid in RMB. The record date and the date of distribution of cash dividends and other arrangements for the investors of Southbound Trading will be the same as those for the holders of H Shares of the Company. Below are relevant taxation policies: Shanghai-Hong Kong Stock Connect: Pursuant to the relevant requirements under the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Caishui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2014]81號)》), for dividends received by domestic individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the company of

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## LETTER FROM THE BOARD

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such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

- Shenzhen-Hong Kong Stock Connect: Pursuant to the relevant requirements under the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Caishui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2016]127號)》), for dividends received by domestic individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in H shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

Shareholders are suggested to consult their tax consultants regarding the tax impacts in China, Hong Kong and other countries (regions) for holding and selling the Company's Shares.

This resolution has been considered and approved at the Board meeting held on 30 March 2020 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval. The proposed profit distribution plan for 2019 shall be subject to the approval of the Shareholders at the AGM.

#### **4. Annual Budgets for 2020**

##### ***(1) Additional fixed asset investment budget***

The additional fixed asset investment budget of the Group is RMB4.428 billion (excluding fixed assets held under operating lease). Details are as follows:

##### ***A. Properties and buildings***

It is expected that properties and buildings for 2020 will be increased by RMB3.321 billion, of which RMB1.968 billion will be used for the purchase of new properties, RMB0.676 billion will be transferred from ongoing constructions, and the remaining RMB0.677 billion will be used for conversion of debt assets to fixed assets.

##### ***B. Operating equipment***

It is expected that operating equipment for 2020 will be increased by RMB0.483 billion, which will be used mainly for the purchase of business equipment and office facilities, etc.

##### ***C. Transportation equipment***

It is expected that transportation equipment for 2020 will be increased by RMB0.061 billion, which will be used mainly for the purchase of office vehicles, etc.

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## LETTER FROM THE BOARD

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### *D. Technical equipment*

It is expected that technical equipment for 2020 will be increased by RMB0.563 billion, which will be used mainly for the purchase of technical equipment.

### *(2) The regulatory requirements of major regulatory indicators such as capital adequacy ratio has been fulfilled*

This resolution has been considered and approved at the Board meeting held on 30 March 2020 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

## **5. Work Report of the Board for 2019**

Please refer to the relevant part in the annual report for 2019 of the Company for the main content of the work report of the Board for 2019.

This resolution has been considered and approved at the Board meeting held on 30 March 2020 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

## **6. Work Report of the Board of Supervisors for 2019**

Please refer to the relevant part in the annual report for 2019 of the Company for the main content of the work report of the Board of Supervisors for 2019.

This resolution has been considered and approved at the meeting of the Board of Supervisors held on 30 March 2020 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

## **7. Report of Remuneration of Directors for 2019**

The Company prepared the Report of Remuneration of Directors of China Minsheng Bank for 2019 in accordance with the Remuneration System of Directors and Supervisors of China Minsheng Banking Corp., Ltd. (Revised in 2008) (《中國民生銀行股份有限公司董事、監事薪酬制度(2008修訂案)》) (approved at the first extraordinary general meeting in 2008) and based on the annual performances and evaluation results of the Directors. The implementation of remuneration of Directors for 2019 is reported as follows:

### *(1) Major provisions*

Directors' remuneration consists of annual fees, special committee allowances, conference fees and research fees. Among which, annual fees and special committee allowances shall be paid on monthly basis according to the remuneration level stipulated by the system. For Directors serving various special committees, the special committee allowances shall be accumulatively paid according to their positions. Conference fees and research fees shall be paid in the following month based on actual participation.

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## LETTER FROM THE BOARD

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### (2) Disclosure of remuneration of Directors for 2019

Remuneration payable to Directors for 2019 was as follows:

Unit: RMB10 thousand

Name	Remuneration payable in 2019				Total
	Annual Fees	Special Committee Allowances	Conference Fees	Research Fees	
Hong Qi	90.00	9.00	13.00	—	112.00
Zhang Hongwei	72.00	6.00	12.50	—	90.50
Lu Zhiqiang	72.00	6.00	13.00	—	91.00
Liu Yonghao	72.00	6.00	12.50	—	90.50
Zheng Wanchun	60.00	7.75	15.00	—	82.75
Shi Yuzhu	60.00	6.00	12.00	—	78.00
Wu Di	60.00	7.75	15.50	—	83.25
Song Chunfeng	60.00	7.75	16.50	—	84.25
Weng Zhenjie	60.00	6.00	15.00	—	81.00
Liu Jipeng	60.00	9.00	16.50	3.00	88.50
Li Hancheng	60.00	13.75	18.50	25.50	117.75
Xie Zhichun	60.00	12.00	14.50	—	86.50
Peng Xuefeng	60.00	12.00	13.00	1.50	86.50
Liu Ningyu	60.00	12.00	17.50	16.00	105.50
Tian Suning	60.00	12.00	16.00	—	88.00

Note: Remuneration of Executive Directors shown in the above table does not include operation and management remuneration.

This resolution has been considered and approved at the Board meeting held on 7 May 2020 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

### 8. Report of Remuneration of Supervisors for 2019

The Company prepared the Report of Remuneration of Supervisors of China Minsheng Bank for 2019 in accordance with the Remuneration System of Directors and Supervisors of China Minsheng Banking Corp., Ltd. (Revised in 2008) (《中國民生銀行股份有限公司董事、監事薪酬制度 (2008修訂案)》) (approved at the first extraordinary general meeting in 2008). The implementation of remuneration of Supervisors for 2019 is reported as follows:

#### (1) Major provisions

Supervisors' remuneration consists of annual fees, special committee allowances and conference fees. Among which, annual fees and special committee allowances shall be paid on monthly basis according to the remuneration level stipulated by the system. For Supervisors serving various special committees, the special committee allowances shall be accumulatively paid according to their positions. Conference fees shall be paid in the following month based on actual participation.

## LETTER FROM THE BOARD

### (2) Disclosure of remuneration of Supervisors for 2019

*Unit: RMB10 thousand*

Name	Position	Annual Fees	Special Committee Allowances	Conference Fees	Total Remuneration of Supervisors (before tax)
Zhang Juntong	Chairman of the Board of Supervisors and Employee Supervisor	72.00	6.00	18.50	96.50
Guo Dong	Vice Chairman of the Board of Supervisors and Employee Supervisor	57.60	3.00	16.00	76.60
Wang Hang	Shareholder Supervisor	48.00	6.00	19.00	73.00
Zhang Bo	Shareholder Supervisor	48.00	3.00	18.00	69.00
Lu Zhongnan	Shareholder Supervisor	48.00	6.00	18.50	72.50
Wang Yugui	External Supervisor	48.00	6.00	18.50	72.50
Bao Jiming	External Supervisor	48.00	3.00	15.50	66.50
Zhao Fugao	External Supervisor	24.00	3.00	7.50	34.50
Wang Jiazhi	Former Vice Chairman of the Board of Supervisors and Former Employee Supervisor	57.60	3.00	16.00	76.60

*Note:* Remuneration of Employee Supervisors shown in the above table does not include operation and management remuneration.

This resolution has been considered and approved at the meeting of the Board of Supervisors held on 7 May 2020 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

### 9. Re-appointment and Remuneration of Auditing Firms for 2020

Reference is made to the announcement of the Company dated 30 March 2020 in respect of the proposed re-appointment of auditing firms for 2020.

It is proposed to appoint PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers as the auditors of the Company for 2020 with a term of one year. The audit fee for 2020 will be RMB9.5 million (comprising audit service charges for financial reports (domestic and overseas), review service charges for interim report, agreed-upon-procedure service charges for quarterly financial reports, audit service charges for internal control and audit service charges for tier-two capital bonds and financial bonds) with value added tax and various charges such as training and travelling expenses included, of which the fee for review of effectiveness of internal control is RMB1.0 million.

This resolution has been considered and approved at the Board meetings held on 30 March 2020 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

### 10. Issuance of Undated Capital Bonds in the Next Three Years

To further improve the capital adequacy and to replenish the capital to maintain the healthy development of the Company, the Company has prepared a plan for the issuance of undated capital bonds in the next three years.

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## LETTER FROM THE BOARD

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Subject to approval of the regulatory authorities, capital requirement of the Company and market conditions, the Company proposes to issue undated capital bonds of not more than RMB80 billion, or equivalent foreign currency, in domestic and overseas markets in the next three years. The bonds shall be valid as long as the Company is in operation. The proceeds of the issue shall be used to replenish the tier-one capital of the Company. The terms of the bonds shall contain the provision for reduction and conversion when loss incurred. When a triggering event specified in the issue document occurs, the nominal value of the bonds will be reduced or converted into shares of the Company to absorb the loss. The bonds will be issued during the validity period of the resolution and can be issued by tranches.

Approval of the Shareholders' general meeting is sought to authorize the Board which can in turn delegate the authority to the management to deal with the matters in relation to the issue on the basis of the framework and principle adopted by Shareholders' general meeting and in accordance with the requirements and approval of the regulatory authorities, including the determination of the timing, method, times and interval, size, interest rate, duration, market, subscriber, currency and use of proceeds of the issue as well as the settlement and redemption of the bonds and all other matters in relation to the undated bonds.

The authorization shall be valid for 36 months from the date of approval by Shareholders' general meeting.

This resolution has been considered and approved at the Board meeting held on 30 March 2020 and is hereby proposed to the AGM as a special resolution for consideration and approval.

### **11. Resolution on Extension of the Validity Period of the Resolutions on the Public Issuance of A Share Convertible Corporate Bonds and the Authorization Period to the Board and its Authorized Persons to Exercise Full Power to Deal with Matters Relating to the Issuance**

References are made to, among other things, the Resolution regarding the Proposal in respect of the Plan of Public Issuance and Listing of A Share Convertible Corporate Bonds, the Resolution regarding the Proposal in respect of Feasibility Analysis Report of the Use of Proceeds from Public Issuance of the A Share Convertible Corporate Bonds, the Resolution regarding the Proposal in respect of Impacts on Dilution of Current Returns of Public Issuance of A Share Convertible Corporate Bonds and the Remedial Measures, the Resolution regarding the Report of the Use of Proceeds from the Previous Issuance and the Resolution regarding the Proposal in respect of the Authorization to the Board of Directors of the Company and its Authorized Persons to Exercise Full Power to Deal with Matters relating to the Public Issuance and Listing of A Share Convertible Corporate Bonds considered and passed at the annual general meeting for 2016, the second A share class meeting for 2017 and the second H share class meeting for 2017 of Company held on 16 June 2017, as well as, among other things, the Resolution regarding the Extension of the Validity Period of the Resolutions on the Public Issuance of A Share Convertible Corporate Bonds and the Authorization Period to the Board and its Authorized Persons to Exercise Full Power to Deal with Matters relating to the Issuance and Listing of A Share Convertible Corporate Bonds considered and passed at the annual general meeting for 2018, the second A share class meeting for 2019 and the second H share class meeting for 2019 of the Company held on 21 June 2019 (the “**Relevant Resolutions on the Public Issuance of A Share Convertible Bonds**” or the “**Relevant Resolutions on the Convertible Bonds**”).

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## LETTER FROM THE BOARD

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The issuance of A Share Convertible Bonds is subject to the approval by relevant regulatory authorities in the PRC. Since the approval of the issuance plan of the A Share Convertible Bonds and the extension of authorisation at the annual general meeting for 2018 held on 21 June 2019, the Company obtained the Approval of the CBIRC on the Public Issuance of A Share Convertible Corporate Bonds by Minsheng Bank (Yin Bao Jian Fu [2020] No. 5) (《中國銀保監會關於民生銀行公開發行A股可轉換公司債券的批覆》(銀保監覆[2020]5號)) on 6 January 2020, pursuant to which, the CBIRC approved the Company to issue A Share Convertible Corporate Bonds with a total amount of not exceeding RMB50 billion, which will be included in core tier-one capital after the conversion in accordance with applicable regulatory requirements. The Company intends to submit the application for the issuance of A Share Convertible Bonds to the CSRC, while the time of obtaining such approval is unpredictable to the Company. The validity period of the Relevant Resolutions on the Convertible Bonds and the authorization period for the Board and its authorized persons upon proposal to the AGM and the Class Meetings to exercise full power to deal with the matters relating to the Issuance of the Convertible Bonds will expire on 20 June 2020. In accordance with the regulatory requirements of the CSRC, the Company shall ensure that the validity period of the resolutions on the public issuance of A Share Convertible Bonds and the authorisation period to the Board and its authorised persons to exercise full power to deal with matters relating to the issuance has remained valid at any time during the period commencing from the submission of the application of A Share Convertible Bonds by the Company to the CSRC until the completion of the issuance and listing of Convertible Bonds on the SSE. It is estimated that the Company will not complete the listing of A Share Convertible Bonds by 20 June 2020. In order to ensure the implementation of the Issuance of A Share Convertible Bonds, the Board will propose at Shareholders' general meeting of the Company for, the extension of the validity period of the Relevant Resolutions on the Convertible Bonds for twelve months and the authorization period for the Board and its authorized persons from Shareholders' general meeting to exercise full power to deal with matters relating to the issuance of the Convertible Bonds for twelve months. Details of the resolution are as follows:

***1. Validity period of the resolutions***

The extended validity period of the Relevant Resolutions on the Convertible Bonds shall be twelve months upon approval at Shareholders' general meeting.

***2. Authorization for the Issuance of the Convertible Bonds***

The Board proposes to Shareholders' general meeting to authorize the Board, which in turn can delegate authority to the chairman, Board secretary, president and other personnel of the senior management, to jointly or solely handle the relevant matters of the Issuance of the Convertible Bonds with full discretions within the framework and principles approved by Shareholders' general meeting. The term of the authorization shall be twelve months from the date on which the resolution of Shareholders' general meeting takes effect. Before the expiry of the authorization, the Board will propose to Shareholders' general meeting of the Company the approval of a new authorization, taking into account the actual situation of the Issuance of the Convertible Bonds. The specific terms and scope of the authorization include but are not limited to:

- (I) Within the scope permitted by the relevant laws and regulations and the resolutions of Shareholders' general meeting, and in accordance with the requirements of the relevant regulatory authorities and the actual situation of the Company, before the Issuance come



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## LETTER FROM THE BOARD

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into effect, the specific terms and conditions of the issuance and the issuance plan shall be clearly defined, and the final plan of the Issuance shall be formulated and implemented, which include but are not limited to the determination of the size, format and target investor(s) of the Issuance, interest rate of the bonds, the conversion terms, the terms on redemption, the size of the preferential allotment to the existing A Shareholders, rating arrangements and others, so as to determine the timing and all other matters related to the Issuance;

- (II) If there are changes in the national laws and regulations, or in the policies governing the issuance of Convertible Bonds of relevant regulatory authorities, or if there are changes in market conditions, unless such changes are related to the relevant laws and regulations, the regulations in the Articles of Association and matters required by the regulatory authorities to be re-voted by Shareholders' general meeting, appropriate revisions, adjustments and supplements can be carried out on the specific arrangements for the Issuance within the scope permitted by the relevant laws and regulations, and in accordance with the opinions of the regulatory authorities and the actual conditions of the Company and the market;
- (III) The establishment of the special account for fund-raising for the Issuance;
- (IV) The handling of the matters related to the listing of the Convertible Bonds after the completion of the Issuance; modification of the terms in Articles of Association in connection with the Issuance in a timely manner after taking into account the situation of the Issuance and conversion; the handling of the matters related to the approval and business filing of the amendments of the Articles of Association and changes in registered capital;
- (V) The analysis, research and demonstration of the dilution effects of the Issuance of the Convertible Bonds on current returns, in accordance with the relevant laws and regulations and requirements of regulatory authorities; the formulation and implementation of relevant measures to make up for the current returns, or the modifications, supplements and improvements of the relevant analysis and measures under the existing framework according to the new policies and regulations, regulations on implementation, or self-disciplinary regulations to be introduced in the future, and to handle other relevant matters with full discretion;
- (VI) The Company shall determine which intermediary to hire for the Issuance, and, in accordance with the requirements of the regulatory authorities, handle matters related to the reporting of the Issuance; produce, prepare, modify, perfect, sign and submit all the documents related to the Issuance and the listing; and sign, modify, supplement, execute and suspend all relevant contracts, agreements and other important documents related to the Issuance (including but not limited to the sponsor agreement, the underwriting agreement, the fund-raising regulatory agreement, the agreements on the appointment of intermediary, etc.), and handle matters related to the information disclosure of the Issuance in accordance with regulatory requirements;
- (VII) Within the scope permitted by laws and regulations, and in accordance with the opinions of the regulatory authorities and the actual situation of the Company, to carry out the appropriate revisions, adjustments and supplements on the specific terms and conditions of the Convertible Bonds in the Issuance;

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## LETTER FROM THE BOARD

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(VIII) In circumstances permitted by the relevant laws and regulations, take all necessary actions to determine/handle other matters related to the Issuance.

To propose to Shareholders' general meeting to authorize the Board to handle the following matters with full discretion during the period the Convertible Bonds in the Issuance are outstanding, in a manner in accordance with the laws and regulations, permitted by the Articles of Association and the relevant regulatory authorities, and within the framework and principles approved by Shareholders' general meeting:

- (I) Matters related to redemption: to authorize the Board to handle all matters related to redemption with full discretion, in a manner in accordance with the requirements of laws and regulations, the approval of the relevant regulatory authorities (if required), the requirements in the Articles of Association and market conditions, such matters include but are not limited to the timing of redemption, redemption ratio and the execution procedures;
- (II) Matters related to conversion: to authorize the Board to handle all matters related to conversion with full discretion, in a manner in accordance with the requirements of laws and regulations, the requirements in the Articles of Association and market conditions, such matters include but are not limited to the adjustments of the Conversion Price; the timely amendments to the relevant provisions related to registered capital in the Articles of Association taking into account the conversion situation of the Convertible Bonds; the handling of approval and business filing of the amendments of the Articles of Association; and matters related to the approval and registration of business changes with respect to the changes in registered capital.

### **Hong Kong Listing Rules Implications**

As certain existing A Shareholders are considered associates of Mr. Zhang Hongwei, Mr. Lu Zhiqiang, Mr. Shi Yuzhu and Mr. Liu Yonghao, being the Non-executive Directors of the Company, such existing A Shareholders constitute connected persons of the Company. In addition, Dajia Life Insurance Co., Ltd., a substantial Shareholder of the Company, is also an existing A Shareholder. The subscription of the A Share Convertible Bonds initially by existing A Shareholders on a pro rata basis (the “**Existing Shareholders’ Tranche**”) and the subscription of the portion to be offered to the market generally (which could be participated in by existing Shareholders or non-Shareholders) through a combination of offline placement to institutional investors and online issuance to public investors (the “**Excess Applications Tranche**”) by Mr. Zhang Hongwei, Mr. Lu Zhiqiang, Mr. Shi Yuzhu, Mr. Liu Yonghao and Dajia Life Insurance Co., Ltd. and/or their respective associates (the “**Connected A Shareholders**”) and the subscription of the A Share Convertible Bonds under the Excess Applications Tranche by any connected person of the Company would constitute connected transactions under Chapter 14A of the Hong Kong Listing Rules, subject to the announcement, circular, independent Shareholders' approval (including independent financial advice) and reporting requirements under the Hong Kong Listing Rules.

Hence, the right of any Connected A Shareholder to make applications under the Existing Shareholders' Tranche or the Excess Applications Tranche will be subject to the Company's compliance with the necessary requirements under Chapter 14A of the Hong Kong Listing Rules, including the obtaining of approval from independent Shareholders separately. If the connected transaction resolution is not approved by the independent Shareholders at the separate general meeting, the existing independent A Shareholders would still have a pre-emptive right to subscribe for the A Share Convertible Bonds under the Excess Applications Tranche and all connected persons (including the Connected A Shareholders) would not be allowed to subscribe for any A Share Convertible Bonds.

## LETTER FROM THE BOARD

### Effect on Shareholding Structure of the Company

The initial conversion price of the Convertible Bonds shall not be lower than the average trading price of A Shares for the 20 trading days preceding the date of publication of the offering document and the average trading price of A Shares on the trading day preceding the date of the offering document of the Convertible Bonds and the lower of the most recent audited net asset value per Share and the average trading price of the A Shares for the five trading days preceding the date of the resolution of the first extraordinary meeting of the seventh session of the Board (being 2 May 2017). The actual initial conversion price shall be determined by the Board of the Company with reference to the market conditions, according to the authorization of the AGM and the Class Meetings. The above complies with the principle for determining the initial conversion price stated in the Administrative Measures for the Issuance of Securities by Listed Companies of the China Securities Regulatory Commission (《中國證券監督管理委員會上市公司證券發行管理辦法》). The actual initial conversion price will be determined before the Issuance of A Share Convertible Bonds. As of the Latest Practicable Date of this circular, the Company has fixed a minimum initial conversion price of RMB7.81 per Share, which represents the average trading price of the A Shares for the five trading days preceding the date of the resolution of the first extraordinary meeting of the seventh session of the Board (being 2 May 2017).

The initial conversion price can only be determined before the date of publication of the offering document according to the pricing mechanism. In practise, the initial conversion price would be higher than RMB7.81 per Share, having adopted the fixed minimum initial conversion price. Using the minimum initial conversion price of RMB7.81 per Share and given the total size of the Issuance will not be more than RMB50 billion, the maximum number of A Shares to be converted would be 6,402,048,655 A Shares.

Set out below are the Company's shareholdings structure (i) as of the Latest Practicable Date, and (ii) immediately upon completion of the full conversion of the A Shares Convertible Bond into A Shares (based on the initial conversion price of RMB7.81 per Share and assuming (a) an offering of RMB50 billion A Share Convertible Bonds; (b) with full exercise of pre-emptive rights by all the Connected A Shareholders in proportion to the shareholding percentage in the Company's A Shares as at the date of the resolution of the first extraordinary meeting of the seventh session of the Board (being 2 May 2017); and (c) the full conversion of the A Shares Convertible Bonds into A Shares):

Shareholders	As of the Latest Practicable Date			Immediately upon completion of the full conversion of the A Shares		
	Number of Shares	Approximately percentage of relevant class of issued Shares (%)	Approximately percentage of total issued ordinary Shares (%)	Number of Shares	Approximately percentage of relevant class of issued Shares (%)	Approximately percentage of total issued ordinary Shares (%)
<b>A Shares</b>						
Dajia Life Insurance Co., Ltd. <sup>(Note 1)</sup> and its close associates	7,352,284,689	20.73%	16.79%	8,679,607,478	20.73%	17.30%
Zhong Hongwei <sup>(Note 2)</sup> and his close associates	3,048,721,959	8.60%	6.96%	3,599,113,885	8.60%	7.17%
Lu Zhiqiang <sup>(Note 3)</sup> and his close associates	2,019,182,618	5.69%	4.61%	2,383,709,730	5.69%	4.75%
Liu Yonghao <sup>(Note 4)</sup> and his close associates	1,930,715,189	5.44%	4.41%	2,279,271,097	5.44%	4.54%
Shi Yuzhu <sup>(Note 5)</sup> and his close associates	1,379,679,587	3.89%	3.15%	1,628,755,926	3.89%	3.25%
Public Shareholders of A Shares <sup>(Note 6)</sup>	19,731,539,171	55.64%	45.07%	23,293,713,749	55.64%	46.42%
Total issued A Shares	35,462,123,213	100.00%	81.00%	41,864,171,868	100.00%	83.42%

## LETTER FROM THE BOARD

Shareholders	As of the Latest Practicable Date			Immediately upon completion of the full conversion of the A Shares		
	Number of Shares	Approximately percentage of relevant class of issued Shares (%)	Approximately percentage of total issued ordinary Shares (%)	Number of Shares	Approximately percentage of relevant class of issued Shares (%)	Approximately percentage of total issued ordinary Shares (%)
<b>H Shares</b>						
Dajia Life Insurance Co., Ltd. <sup>(Note 1)</sup> and its close associates	457,930,200	5.50%	1.05%	457,930,200	5.50%	0.91%
Lu Zhiqiang <sup>(Note 3)</sup> and his close associates	1,020,538,470	12.27%	2.33%	1,020,538,470	12.27%	2.03%
Liu Yonghao <sup>(Note 4)</sup> and his close associates	113,009,000	1.36%	0.26%	113,009,000	1.36%	0.23%
Shi Yuzhu <sup>(Note 5)</sup> and his close associates	713,501,653	8.58%	1.63%	713,501,653	8.58%	1.42%
Public Shareholders of H Shares <sup>(Note 6)</sup>	6,015,315,966	72.30%	13.74%	6,015,315,966	72.30%	11.99%
Total issued H Shares	8,320,295,289	100.00%	19.00%	8,320,295,289	100.00%	16.58%
Total Shares held by public Shareholders	25,746,855,137	58.81%	58.81%	29,309,029,715	58.40%	58.40%
<b>Total issued Shares</b>	<u>43,782,418,502</u>	<u>100.00%</u>	<u>100.00%</u>	<u>50,184,467,157</u>	<u>100.00%</u>	<u>100.00%</u>

*Notes:*

- As at the Latest Practicable Date, Dajia Life Insurance Co., Ltd. held approximately 17.84% of the Shares in the Company and was a substantial Shareholder of the Company. Dajia Life Insurance Co., Ltd was thus a core connected person of the Company, and the shareholding of Dajia Life Insurance Co., Ltd and its close associates in the Company would not be deemed as part of the public float.
- As at the Latest Practicable Date, Zhang Hongwei was a Non-executive Director of the Company and was thus a core connected person of the Company, and the shareholding of Zhang Hongwei and his close associates in the Company would not be deemed as part of the public float.
- As at the Latest Practicable Date, Lu Zhiqiang was a Non-executive Director of the Company and was thus a core connected person of the Company, and the shareholding of Lu Zhiqiang and his close associates in the Company would not be deemed as part of the public float.
- As at the Latest Practicable Date, Liu Yonghao was a Non-executive Director of the Company and was thus a core connected person of the Company, and the shareholding of Liu Yonghao and his close associates in the Company would not be deemed as part of the public float.
- As at the Latest Practicable Date, Shi Yuzhu was a Non-executive Director of the Company and was thus a core connected person of the Company, and the shareholding of Shi Yuzhu and his close associates in the Company would not be regarded as part of the public float.
- The Shares held by the public referred to in this circular are based on relevant definition under the Hong Kong Listing Rules.

\* The above numbers of shares reflected the interests and short positions of the relevant core connected persons and substantial Shareholders as at the Latest Practicable Date as well as to the reasonable knowledge of the Company. However, these numbers of shares may not be reported in the disclosure forms completed by these persons because the changes in their interests did not result in a disclosure obligation in accordance with Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

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## LETTER FROM THE BOARD

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The Plan of Issuance of the A Share Convertible Bonds as approved by the annual general meeting for 2016, the second A share class meeting for 2017 and the second H share class meeting for 2017 is disclosed in Appendix I to this circular for Shareholders' reference.

This resolution has been considered and approved at the Board meeting held on 30 March 2020 and is hereby proposed to the AGM and the Class Meetings as a special resolution for consideration and approval. As of the Latest Practicable Date, Dajia Life Insurance Co., Ltd., Mr. Lu Zhiqiang, Mr. Liu Yonghao, Mr. Shi Yuzhu and their respective close associates, holding both A Shares and H Shares of the Company, will abstain from voting in the AGM and the H Share Class Meeting on the Resolution regarding the Extension of the Validity Period of the Resolutions on the Public Issuance of A Share Convertible Corporate Bonds and the Authorization Period to the Board and its Authorized Persons to Exercise Full Power to Deal with Matters relating to the Issuance.

### **12. Resolution on Impacts on Dilution of Current Returns of the Public Issuance of A Share Convertible Corporate Bonds and the Remedial Measures**

In accordance with the Several Opinions of the State Council on Further Promoting the Healthy Development of Capital Market (Guo Fa [2014] No. 17) (《國務院關於進一步促進資本市場健康發展的若干意見》(國發[2014]17號)), Opinions of the Office of State Council on Further Strengthening the Protection of Legal Interests of Small and Medium Investors in Capital Market (Guo Ban Fa [2013] No. 110) (《國務院辦公廳關於進一步加強資本市場中小投資者合法權益保護工作的意見》(國辦發[2013]110號)) and the Guidelines on Matters relating to Impacts of Dilution of Current Returns of Initial Offering and Re-financing and Major Asset Reorganization (CSRC Notice [2015] No. 31) (《關於首發及再融資、重大資產重組攤薄即期回報有關事項的指導意見》(證監會公告[2015]31號)), the Board shall form a proposal with an analysis on whether the current returns would be diluted by the proposed public issuance of RMB50 billion of A Share convertible Corporate Bonds on SSE, remedial measures to be adopted and relevant commitment and submit the resolution for review and approval at Shareholders' general meeting. Accordingly, the Company has prepared the Impacts on Dilution of Current Returns of the Public Issuance of A Share Convertible Corporate Bonds and the Remedial Measures of China Minsheng Banking Corp., Ltd. The Company has conducted the analysis of the effects of the public issuance and listing of the Convertible Bonds on ordinary Shareholders' equity and current returns, and formulated relevant remedial measures in accordance with actual situation.

Details of the proposal in respect of Impacts on Dilution of Current Returns of the Public Issuance of A Share Convertible Corporate Bonds and the Remedial Measures of China Minsheng Banking Corp., Ltd. are set out in Appendix II to this circular.

This resolution has been considered and approved at the Board meeting held on 30 March 2020 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

### **13. Report on Use of proceeds from the Previous Issuance**

According to the requirement under the Administrative Measures on the Issuance of Securities of Listed Companies (《上市公司證券發行管理辦法》) by the CSRC and the Report of the Use of Proceeds from the Previous Issuance (《關於前次募集資金使用情況報告的規定》), for the purpose of the public issuance of RMB50 billion A Share Convertible Bonds on the SSE, the Company shall submit the report of the use of proceeds from the previous issuance to the CSRC. The reporting period shall cover the five financial years immediately prior to the cut-off date of the latest audited financial report. The previous issuances included: 1. US\$1.439 billion Offshore Preference Shares issued by the Company in December 2016; 2. RMB20 billion Domestic Preference Shares issued by the Company in October 2019. Accordingly, the Company has prepared the Report of the Use of Proceeds from the Previous Issuance of China Minsheng Banking Corp., Ltd., which is submitted to the general meeting for consideration.

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## LETTER FROM THE BOARD

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The Report of the Use of Proceeds from the Previous Issuance of China Minsheng Banking Corp., Ltd. is set out in Appendix III to this circular.

This resolution has been considered and approved at the Board meeting held on 30 March 2020 and is hereby proposed to the AGM as a special resolution for consideration and approval.

### **14. Resolution on Shareholder Return Plan for 2019 to 2021**

According to the Guideline No. 3 on Regulation of Listed Companies — Cash Dividend of Listed Companies issued by the CSRC on 30 November 2013, the Company has prepared the Shareholder Return Plan for 2019 to 2021 of China Minsheng Banking Corp., Ltd.

The Shareholder Return Plan for 2019 to 2021 is set out in Appendix IV to this circular.

This resolution has been considered and approved at the Board meeting held on 30 March 2020 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

### **15. Granting of General Mandate for the Issuance of Shares to the Board**

In order to fulfill the capital requirement for sustainable business development of the Company by flexibly and effectively utilizing the financing platform of the place where the Company is listed, according to the actual situation of the securities market, the Company proposes to Shareholders' general meeting to grant the general mandate to the Board to allot, issue and/or deal with, separately or concurrently, newly issued Shares (including ordinary Shares and Preference Shares) not exceeding 20% of the respective number of issued A Shares and/or H Shares of the Company on the date of approval by the Shareholders' general meeting to grant the general mandate and enter into or grant offers, agreements, share subscription rights or conversion rights (including warrants, convertible bonds and other securities which carry rights to subscribe for or convert into Shares) that are required or may be required for the allotment and issuance of the Shares. Details are as follows:

- (1) In accordance with the applicable laws and regulations of the PRC, Hong Kong Listing Rules (as amended from time to time) and the Articles of Association, the Board is hereby granted, during the Relevant Period (as hereafter defined), an unconditional general mandate to separately or concurrently allot, issue and/or deal with newly issued Shares (including ordinary and preference shares) of the Company, and to make or grant offers, agreements, options or conversion rights (including warrants, convertible bonds and other securities which carry rights to subscribe for or are convertible into Shares), which would or might require the allotment of Shares, subject to the conditions stated in this paragraph:

- A. such mandate shall not extend beyond the Relevant Period save that the Board and/or the authorized persons of the Board may, during the Relevant Period, make or grant offers, agreements, share subscription rights or conversion rights which would or might require the implementation or exercise of such powers upon or beyond the end of the Relevant Period;

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## LETTER FROM THE BOARD

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- B. the respective amounts of newly issued Shares (including ordinary and preference shares) proposed to be allotted, issued and/or dealt with or agreed conditionally or unconditionally to be allotted, issued and/or dealt by the Board and/or the authorized persons of the Board and offers, agreements, Share subscription rights or conversion rights (including warrants, convertible bonds and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the allotment of Shares and are made or granted by the Board, shall not exceed 20% of the respective amounts of the A Shares and/or H Shares in issue of the Company as at the date of the passing of this resolution at Shareholders' general meeting (among others the class and number of preference shares which are convertible into ordinary shares to be issued shall be subject to those of ordinary shares after conversion); and
- C. the Board and/or the authorized persons of the Board shall only exercise the above authorization in accordance with the Company Law of the PRC and the Hong Kong Listing Rules (as amended from time to time) or any applicable laws, regulations and rules of any other competent governments or regulatory authorities, and only if all necessary approvals from the CSRC and/or other relevant PRC government authorities are obtained.
- (2) for the purposes of this resolution, the "Relevant Period" means the period from the time of the passing of this resolution until whichever is the earliest of:
- A. the conclusion of the next annual general meeting of the Company following the passing of this resolution; or
- B. the expiration of the 12-month period following the passing of this resolution at the Shareholders' general meeting; or
- C. the revocation or variation of the authority given to the Directors under this resolution by a special resolution of the Company's Shareholders by way of a Shareholders' general meeting.
- (3) based on the actual conditions such as the method, class and number of Shares issued and the Company's structure of share capital after such issuance, the Board and/or the authorized persons of the Board shall be authorized to make, at the appropriate time, such amendments to the Articles of Association as appropriate and necessary to reflect the new structure of share capital and the registered capital (if applicable) of the Company, and to make any other action and complete any formality required (including but not limited to obtaining the approvals from the relevant regulatory authorities and the handling of any registration and filing procedures) to give effect to the issuance of Shares pursuant to this resolution.
- (4) for the purpose of enhancing efficiency of the decision making process, the Board may delegate such authorization to relevant parties to take charge of all matters related to the issue of Shares.

This resolution has been considered and approved at the Board meeting held on 30 March 2020 and is hereby proposed to the AGM as a special resolution for consideration and approval.

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## LETTER FROM THE BOARD

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### **16. Issuance of Financial Bonds and Tier-2 Capital Bonds in the Next Three Years**

The business of the Company has been growing in recent years. Our operating results are outstanding and our professional management has been improving continuously. The risk management, internal control and corporate governance of the Company have also been enhanced. In order to promptly secure funds from the capital market and effectively increase working capital and replenish capital at low costs for higher profitability when necessary, the Company proposes the issuance of financial bonds and tier-2 capital bonds in the next three years for consideration and approval by Shareholders' general meeting.

#### ***A. Proposed issuance of financial bonds in the next three years***

The Company intends to issue financial bonds (other than tier-2 capital bonds, undated capital bonds and convertible bonds) in domestic and overseas markets the next three years, subject to a maximum of 10% of the total liabilities of the Group at the end of 2019. The proceeds of the issuance will be used for business development of the Company. The financial bonds may include Renminbi and foreign currencies bonds issued inside and outside China and in off-shore markets. The financial bonds will be issued in tranches during the validity period of the resolution.

#### ***B. Proposed issuance of tier-2 capital bonds in the next three years***

The Company intends to issue tier-2 capital bonds in domestic and overseas markets in the next three years in accordance with the regulatory requirements, the capital requirement of the Company and market conditions. The size of issuance shall be subject to regulatory requirements. The tier-2 capital bonds shall include Renminbi and foreign currency bonds to be issued in domestic and overseas markets. The tier-2 capital bonds will be issued in tranches during the validity period of the resolution.

#### ***C. Approval of Shareholders' general meeting for issuance of financial bonds and tier-2 capital bonds***

Approval of Shareholders' general meeting is sought to authorize the Board which can in turn delegate the authority to the management to deal with the matters in relation to the issue on the basis of the framework and principle adopted by Shareholders' general meeting and in accordance with the requirements and approval of the regulatory authorities, including the determination of the timing, method, times and interval, size, interest rate, duration, market, subscriber, currency and use of proceeds of the issue of financial bonds and tier-2 capital bonds as well as the settlement and redemption of the bonds and all other matters in relation to the undated bonds.

The authorization shall be valid for 36 months from the date of approval by Shareholders' general meeting.

The resolution has been considered and approved at the Board meeting held on 30 March 2020 and is hereby proposed to the AGM as a special resolution for consideration and approval.

### **17. Resolution on Change of Registered Capital**

In accordance with the relevant regulation on changing enterprises' registered capital by the Enterprise Registration Bureau of the State Administration of Industry and Commerce, the Company shall apply to change its registered capital after the share capital changes.



## LETTER FROM THE BOARD

On 15 March 2013, the Company conducted public issuance of A Share convertible corporate bonds with a total nominal value of RMB20 billion. Due to the exercise of conversion rights of the convertible bonds by the bond-holders, total share capital of the Company increased from 34,039,654,172 Shares to 36,485,348,752 Shares. As a result of the early redemption of the convertible corporate bonds of the Company, the Minsheng Convertible Bonds (“民生轉債”) were delisted from the SSE.

As a result of the implementation of the Plan of Capital Reserve Capitalisation for 2017, total share capital of the Company increased from 36,485,348,752 Shares to 43,782,418,502 Shares.

Based on the changes of share capital, the Company proposes to apply to change its registered capital from RMB34,039,654,172 to RMB43,782,418,502.

The resolution has been considered and approved at the Board meeting held on 30 March 2020 and is hereby proposed to the AGM as a special resolution for consideration and approval.

### 18. Resolution on Amendments to certain provisions of the Articles of Association

The Company conducted public issuance of convertible bonds on 15 March 2013 and the conversion period commenced on 16 September 2013. On 1 July 2015, the Company exercised the right of early redemption and the convertible bonds were delisted. In July 2018, the Company implemented the Plan of Capital Reserve Capitalisation for 2017. The total share capital of the Company changed accordingly. Based on the changes of total share capital, the Company will change its registered capital and the relevant provisions under the Articles of Association shall be amended correspondingly.

No.	Existing article (as considered and approved by the annual general meeting for 2017)	Amendment	Basis of amendment
	<b>Chapter 3</b> <b>Share and registered capital</b>	<b>Chapter 3</b> <b>Share and registered capital</b>	
1	<p><b>Article 27</b> As at 31 December 2016, the share capital of the Bank comprised 36,485,348,752 ordinary shares in issue, including 29,551,769,344 domestically listed shares and 6,933,579,408 H shares, representing approximately 81.00% and 19.00% of the total issuable ordinary shares of the Bank, respectively, and 71,950,000 non-cumulative perpetual offshore preference shares in issue.</p> <p>The above calculation includes bonus shares distributed by the Bank, shares issued upon capitalization of capital reserve and shares issued upon the exercise of convertible bonds by creditors up to 31 December 2016.</p>	<p><b>Article 27</b> As at <b>31 March 2020</b>, the share capital of the Bank comprised <b>43,782,418,502</b> ordinary shares in issue, including <b>35,462,123,213</b> domestically listed shares and <b>8,320,295,289</b> H shares, representing approximately 81.00% and 19.00% of the total issuable ordinary shares of the Bank, respectively, and 71,950,000 non-cumulative perpetual offshore preference shares in issue.</p> <p>The above calculation includes bonus shares distributed by the Bank, shares issued upon capitalization of capital reserve and shares issued upon the exercise of convertible bonds by creditors up to <b>31 March 2020</b>.</p>	Change of registered capital
2	<p><b>Article 30</b> The registered capital of the Bank is RMB28,365,585,227 which is equal to the paid-up capital.</p>	<p><b>Article 30</b> The registered capital of the Bank is <b>RMB43,782,418,502</b> which is equal to the paid-up capital.</p>	Change of registered capital

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## LETTER FROM THE BOARD

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The Company proposes to amend two articles. No addition or deletion of articles are proposed and the number of articles will remain the same. The existing Articles of Association shall remain effective until the proposed amendments are effective.

The resolution has been considered and approved at the Board meeting held on 30 March 2020 and is hereby proposed to the AGM as a special resolution for consideration and approval.

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Saturday, 30 May 2020 to Monday, 29 June 2020 (both days inclusive), during which period no transfer of Shares will be effected. For unregistered H Shareholders who intend to attend the AGM and/or the H Share Class Meeting, all Share certificates and the relevant transfer documents must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, 29 May 2020. H Shareholders whose names appear on the register of members of the Company on Saturday, 30 May 2020 will be entitled to attend and vote at the AGM and/or the H Share Class Meeting.

The register of members of the Company will be closed from Saturday, 4 July 2020 to Thursday, 9 July 2020 (both days inclusive), during which period no transfer of Shares of the Company will be effected. For unregistered H Shareholders who wish to be eligible to receive the cash dividend, all Share certificates and the transfer documents must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, 3 July 2020. H Shareholders whose names appear on the register of members of the Company on Thursday, 9 July 2020 will be entitled to receive the dividend (subject to the approval by Shareholders at the AGM).

### VOTING BY POLL AT AGM AND THE CLASS MEETINGS

Pursuant to rule 13.39(4) of the Hong Kong Listing Rules, all votes of the Shareholders at the AGM and the Class Meetings of the Company must be taken by poll. As such, the chairman of the meeting will require a poll for all resolutions proposed at the AGM and the Class Meetings.

On a poll, every Shareholder present in person or by proxy or, being a corporation, by its duly authorized representative, shall have one vote for each Share registered in his/her/its name in the register of members. Shareholders entitled to more than one vote need not cast all their votes or cast all their voting rights in the same way in accordance with Article 127 of the Articles of Association.

### RECOMMENDATION

The Board considers that all the resolutions mentioned above are in the best interests of the Company and its Shareholders. As such, the Board recommends the Shareholders to vote in favour of the resolutions to be proposed at the AGM and the Class Meetings.

By Order of the Board  
**CHINA MINSHENG BANKING CORP., LTD.**  
**Hong Qi**  
*Chairman*

PLAN OF PUBLIC ISSUANCE AND  
LISTING OF THE A SHARE CONVERTIBLE CORPORATE BONDS BY  
CHINA MINSHENG BANKING CORP., LTD.**I. TYPE OF SECURITIES TO BE ISSUED**

The securities to be issued by the Company are convertible bonds convertible into A Shares. The Convertible Bonds and A Shares to be converted from the Convertible Bonds will be listed on the Shanghai Stock Exchange.

**II. ISSUE SIZE**

The total amount of the proposed Convertible Bonds will not exceed RMB50 billion. The actual size of the Issuance of A Share Convertible Bonds shall be determined by the Board within the above range, subject to the authorization by the Shareholders in general meeting.

**III. PAR VALUE AND ISSUE PRICE**

The Convertible Bonds will be issued at par of RMB100 each.

**IV. TERM**

The term of the Convertible Bonds will be six years from the date of issue.

**V. INTEREST RATE**

The Board proposes to the Shareholders in general meeting to authorize the Board to determine the methods for determination of coupon rate and the effective interest rate for the interest accrual year in accordance with government policies, market conditions and the conditions of the Company, prior to the issuance of the Convertible Bonds.

**VI. TIMING AND METHOD OF INTEREST PAYMENT****(I) Calculation of annual interest**

The interest of each interest accrual year (the “**Annual Interest**”) means the interest accrued to the holder of the Convertible Bonds (the “**Convertible Bond Holder**”) in each year on each anniversary of the date of issuance of the Convertible Bonds, calculated based on the aggregate nominal value of the Convertible Bonds.

The formula for calculating the Annual Interest is:  $I = B \times i$

“**I**”: denotes the Annual Interest;

“**B**”: denotes the aggregate nominal value of the Convertible Bonds held by a Convertible Bond Holder as at the record date for interest payment in an interest accrual year (“**that year**” or “**each year**”); and

“**i**”: denotes the interest rate of the Convertible Bonds of that year.

**(II) Method of interest payment**

1. Interest of the Convertible Bonds will be paid annually, accruing from the date of issuance of the Convertible Bonds.
2. Interest payment date: The interest is payable annually on each anniversary of the date of issuance of the Convertible Bonds. If such day falls on a statutory holiday or rest day, the interest payment date shall be postponed to the first working day immediately thereafter, provided that no additional interest will be accrued during the period of postponement. The period between an interest payment date and the immediately following interest payment date will be an interest accrual year.
3. Record date for interest payment: The record date for interest payment in each year will be the last trading day preceding the interest payment date. The Company will pay the interest accrued in that year within five trading days from the interest payment date. The Company will not pay any interest for that year and subsequent interest accrual years to the Convertible Bond Holders whose Convertible Bonds have been applied for conversion into A Shares on or before the record date for interest payment.
4. Tax payable on the interest income of a Convertible Bond Holder shall be borne by such Convertible Bond Holder.

**VII. CONVERSION PERIOD**

The conversion period of the Convertible Bonds commences on the first trading day immediately following the expiry of a six-month period from the date of issuance of the Convertible Bonds and ends on the maturity date of the Convertible Bonds.

**VIII. DETERMINATION AND ADJUSTMENT OF THE CONVERSION PRICE OF THE CONVERTIBLE BONDS****(I) Basis for determining the initial conversion price for the Convertible Bonds (the “Conversion Price”)**

The initial Conversion Price of the Convertible Bonds shall not be lower than the average trading price of A Shares for the 20 trading days preceding the date of publication of the offering document and the average trading price of A Shares on the trading day preceding the date of the offering document of the Convertible Bonds and the lower of the most recent audited net asset value per Share and the average trading price of A Shares for the five trading days preceding the date of the Board resolution. The actual initial Conversion Price shall be determined by the Board of the Company with reference to the market conditions, subject to the authorization by the Shareholders in general meeting.

**(II) Method of adjustments of Conversion Price**

The Conversion Price is subject to adjustment after the issue in case of certain events which affect the share capital of the Company and lead to distribution of cash dividends, such as bonus issue, capitalization, issuance of new Shares or rights issue (excluding the increase in the share capital as a result of conversion of the Convertible Bonds). The Company shall adjust the Conversion Price based on the actual situation and in accordance with the principles of fairness, justice, equality and full protection of the Convertible Bond Holders' interests. The specific formulas for adjustments of Conversion Price shall be determined by the Board of the Company pursuant to relevant requirements as set out in the offering document.

Upon occurrence of any of the abovementioned changes in shareholding and/or Shareholder's interests, the Company shall adjust the Conversion Price in accordance with the methods determined, and an announcement of the adjustment of Conversion Price shall be made on the publications designated by the CSRC for information disclosure of listed companies. The announcement shall indicate the date of adjustment of Conversion Price, adjustment method and suspension period of share conversion (if necessary). An announcement shall also be published (if necessary) in the Hong Kong market in accordance with the Hong Kong Listing Rules (as amended from time to time) and the Articles of Association. If the Conversion Price adjustment date is on or after the date on which a Convertible Bond Holder applies for conversion of his Convertible Bonds but before the registration date of the Shares to be issued upon conversion, such conversion will be executed based on the adjusted Conversion Price.

In the event that the Convertible Bond Holders' creditor's interests, or the interests derived from the share conversion are affected by the change in the Company's share class, quantity and/or Shareholders' interests due to any possible share repurchase, consolidation, division or any other shall adjust the Conversion Price based on the actual situation and in accordance with the principles of fairness, justice and equality so as to fully protect of the Convertible Bond Holders' interests. The details of adjustments of Conversion Price and its implementation measures shall be determined in accordance with the prevailing relevant PRC laws and regulations and the relevant requirements of the securities regulatory authorities.

**IX. DOWNWARD ADJUSTMENT OF CONVERSION PRICE****(I) Limitation of adjustment right and the magnitude of adjustment**

If, during the term of the Convertible Bonds issued hereunder, the closing prices of the A Shares in any 15 trading days out of any 30 consecutive trading days are lower than 80% of the prevailing Conversion Price, the Company may propose a downward adjustment of the Conversion Price to the Shareholders in general meeting for their consideration and approval within ten business days from the date of occurrence of the abovementioned circumstance.

In the event that an adjustment of the Conversion Price by the Company is made due to ex-rights or ex-dividend during the aforementioned trading days, in respect of the trading days prior to the adjustment of the Conversion Price, the calculation shall be based on the unadjusted Conversion Price and the closing price of the Shares on each such day, and in respect of the days on which adjustment of the Conversion Price is made and the trading days afterwards, the calculation shall be based on the adjusted Conversion Price and the closing price of the shares on each such day.

The abovementioned proposal is subject to approval of no less than two-thirds of the participating Shareholders with voting rights. Shareholders who hold the Convertible Bonds issued hereunder shall abstain from voting. The adjusted Conversion Price shall be no less than the average trading price of the A Shares for 20 trading days immediately before the Shareholders' general meeting for consideration and approval of the aforementioned proposal and the average trading price of the A Shares on the trading day immediately prior to Shareholders' general meeting for the consideration and approval of the aforementioned proposal, and shall also be no less than the latest audited net asset value per Share and the nominal value per Share.

**(II) Procedure of adjustment**

If the Company decides to make a downward adjustment of the Conversion Price, the Company will publish an announcement in the print media and the website designated by the CSRC. The information disclosed shall include the resolutions of Shareholders' general meeting in relation to the magnitude of the adjustment, the registration date of Shares and the suspension period of share conversion. An announcement shall also be published (if necessary) in the Hong Kong market if so required by the Hong Kong Listing Rules and the Articles of Association. Application for conversion of the Convertible Bonds at adjusted Conversion Price shall be resumed upon the first trading day after the registration date, i.e. the Conversion Price adjustment date.

If the adjustment date of the Conversion Price is on or after the date on which a Convertible Bond Holder applies for conversion of the Convertible Bonds but before the date of registration of the Shares to be issued upon such conversion, such conversion shall be executed based on the adjusted Conversion Price.

**X. METHOD FOR DETERMINING THE NUMBER OF SHARES FOR CONVERSION**

Where a Convertible Bond Holder applies for conversion of Convertible Bonds held by him/her during the conversion period, the formula for calculating number of the Shares to be issued upon conversion:  $Q = V/P$ . Any fractional Share shall be rounded down to the nearest whole number.

In the aforesaid formula, "V" denotes the aggregate nominal value of the Convertible Bond in respect of which the Convertible Bond Holder applies for conversion, and "P" denotes the prevailing Conversion Price as at the date of application for conversion.

Within five trading days from the conversion of the Convertible Bonds, the Company will pay the Convertible Bond Holder in cash an amount equal to the nominal value of the remaining balance of such Convertible Bonds which are insufficient to be converted into one Share and the interest accrued on such balance in accordance with the relevant requirements of the Shanghai Stock Exchange and such other authorities (please refer to "XII. Terms of Redemption" for details of the method of calculation of the interest accrued).

**XI. ENTITLEMENT TO DIVIDEND IN THE YEAR OF CONVERSION**

The new Shares of the Company to be issued as a result of the conversion of the Convertible Bonds shall rank pari passu with all the existing Shares of the Company, and all Shareholders whose names are recorded on the register of members of the Company on the record dates for dividend distribution shall be entitled to receive the dividend of that period.

**XII. TERMS OF REDEMPTION****(I) Terms of redemption at maturity**

Within five trading days upon the maturity of the Convertible Bonds, the Company will redeem all the Convertible Bonds from investors which have not been converted into Shares by then, at a price calculated at a premium (including the interest accrued in the last interest accrual year) in addition to the nominal value of the Convertible Bonds. The actual premium shall be determined by the Board with reference to the market conditions, subject to the authorization at the Shareholders' general meeting.

**(II) Terms of conditional redemption**

During the conversion period of the Convertible Bonds, if the closing price of the A Shares in at least 15 trading days out of any 30 consecutive trading days is equal to or higher than 130% of the prevailing Conversion Price, the Company shall have the right to redeem all or part of the outstanding Convertible Bonds, at a price equal to the nominal value of the Convertible Bonds plus then accrued interest, subject to the approval from relevant regulatory authorities (if necessary)<sup>(1)</sup>. In the event that an adjustment to the Conversion Price is made due to ex-rights or ex-dividend during the aforementioned trading days, the calculation shall be made based on unadjusted Conversion Price relating to, and the closing price of, the trading day prior to such adjustment, and on the adjusted Conversion Price relating to, and the closing price of, the trading day after such adjustment.

In addition, when the aggregate nominal value of the balance of the outstanding Convertible Bonds issued hereunder is less than RMB30 million, the Company shall have the right to redeem all the Convertible Bonds which have not been converted into Shares at a price equal to the nominal value plus then accrued interest.

Formula for calculating then accrued interest is:

$$IA = B \times i \times t/365$$

IA : Accrued interest for the current period;

B : Aggregate nominal value of the Convertible Bonds issued hereunder that are held by the Convertible Bond Holder and will be redeemed;

i : Interest rate of the Convertible Bonds for current year; and

t : Number of days on which interest is accrued, meaning the actual number of calendar days from the last interest payment date to the redemption date (excluding the redemption date).

<sup>(1)</sup> The right to redeem all or part of the outstanding Convertible Bonds, provided that the Company has obtained the approval of the CBIRC, shall arise when the terms of conditional redemption have been satisfied and the Company decides to exercise the right to redeem all or part of the outstanding Convertible Bonds.

**XIII. TERMS OF SALE BACK**

If the actual usage of the proceeds from the issuance of the Convertible Bonds by the Company differs from the undertaking of the use of proceeds set out by the Company in the offering document, and such difference is considered by the CSRC as a deviation in the use of the proceeds, the Convertible Bond Holder will be entitled to a one-off right to sell the Convertible Bonds back to the Company at the nominal value plus then accrued interest. Under this scenario, the Convertible Bond Holder may sell their Convertible Bonds back to the Company during the sale back declaration period after it is announced by the Company. If the Convertible Bond Holders do not exercise their sale back rights during the sale back declaration period, such rights to sell back the Convertible Bonds shall automatically lapse. Save as the aforesaid, the Convertible Bonds cannot be sold back at the option of the Convertible Bond Holder.

**XIV. METHOD OF ISSUANCE AND TARGET INVESTORS**

The method of the issuance of the Convertible Bonds will be determined by the Board, subject to the authorization at the Shareholders' general meeting. The target investors are natural persons, legal persons, securities investment funds and other investors that are in compliance with the laws, who have maintained securities accounts with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited, except those prohibited by PRC laws and regulations.

**XV. SUBSCRIPTION BY EXISTING A SHAREHOLDERS**

The existing A Shareholders shall have pre-emptive rights to subscribe for the Convertible Bonds to be issued. They shall, however, also have the right to waive such rights of subscription. The actual amount of the Convertible Bonds to be preferentially allocated to existing A Shareholders shall be determined by the Board with reference to the market conditions before the issuance, subject to the authorization at the Shareholders' general meeting, and shall be disclosed in the offering document of the Convertible Bonds. The exercise of such preferential allocation is subject to the Company Law of the PRC, the Hong Kong Listing Rules and all other applicable laws, rules and regulations (including but not limited to the regulations and requirements related to connected transactions) of government or regulatory authorities.

**XVI. CONVERTIBLE BONDS HOLDERS AND THEIR MEETINGS****(I) Rights and obligations of Convertible Bond Holders****1. Rights of Convertible Bond Holders**

- (1) to receive agreed interests in accordance with the number of the Convertible Bonds held by Convertible Bond Holders;
- (2) to convert the Convertible Bonds held by Convertible Bond Holders into A Shares of the Company according to the agreed conditions;
- (3) to exercise right of sale back on agreed conditions;
- (4) to assign, bestow or pledge the Convertible Bonds held by Convertible Bond Holders in accordance with the laws, administrative regulations and the Articles of Association;



- (5) to receive relevant information in accordance with the laws and the Articles of Association;
- (6) to request the Company to repay the principal and interest of the Convertible Bonds within the agreed period and by the agreed manner;
- (7) other rights as creditors of the Company prescribed by applicable laws, administrative regulations and Articles of Association.

**2. *Obligations of the Convertible Bond Holders***

- (1) to abide by the relevant terms of the Convertible Bonds;
- (2) to pay the subscription amount in accordance with the number of Convertible Bonds subscribed for;
- (3) not to request the Company to make prepayment of the principal and interest of the Convertible Bonds, unless otherwise required by applicable laws and regulations, or otherwise agreed in the offering document of the Convertible Bonds;
- (4) other obligations of the Convertible Bond Holder prescribed by applicable laws, administrative regulations and the Articles of Association.

**(II) Convertible Bond Holders' Meetings**

**1. *Circumstances under which Convertible Bonds Holders' meetings shall be convened***

A Convertible Bond Holders' meeting shall be convened by the Board upon the occurrence of any of the following events:

- (1) the Company proposes to change the terms of the offering document;
- (2) the Company defaults in paying principal amount and interests under the Convertible Bonds on time;
- (3) the Company undertakes a capital reduction, merger, division, dissolution or files for bankruptcy;
- (4) other matters which may affect the material interests of the Convertible Bond Holders.

The following entities or persons may propose a Convertible Bond Holders' meeting:

- (1) the Board of the Company;
- (2) upon written proposal by the holders of 10% and more of the total par value of the outstanding Convertible Bonds;
- (3) other entities or persons prescribed by the CSRC.

**2. Convening of Convertible Bond Holders' meetings**

- (1) A Convertible Bond Holders' meeting shall be convened and chaired by the Board;
- (2) The Board of the Company shall, within 30 days after the proposal of the meeting has been raised or received by the Board, convene the meeting of Convertible Bond Holders. The Board of the Company shall publish a notice in at least one designated media for information disclosure of listed companies at least 15 days prior to the meeting, which shall specify the specific time, venue, agenda, and methods, etc. as confirmed by the Board.

**3. Attendance of the Convertible Bond Holders' meetings**

Unless otherwise required by applicable laws and regulations, the Convertible Bond Holders have the right to attend the Convertible Bond Holders' meeting in person or by proxy to exercise their voting rights.

The following entities or persons may attend the Convertible Bond Holders' meetings as non-voting attendees and submit proposals at the meetings for discussion and decision of the meeting:

- (1) the issuer of the Bonds;
- (2) other key related parties.

The Board should engage attorneys to attend the Convertible Bond Holders' meetings and issue legal opinions in relation to the calling and convening of the meetings, voting procedures, and qualifications of the attendees of the meetings.

**4. Procedures of the Convertible Bond Holders' meetings**

- (1) The chairman of the meeting shall announce the rules of procedure of the meeting and important notice, nominate and announce a scrutineer, and present the proposals. Voting will be commenced after discussion of the proposals. The resolution of the Convertible Bond Holders' meetings will be effective upon witness by an attorney;
- (2) A Convertible Bond Holders' meeting shall be chaired by the Chairman of the Board. In the absence of the Chairman of the Board, the meeting shall be chaired by a director authorized by the Chairman of the Board. If neither the Chairman of the Board nor the director authorized by the Chairman of the Board is able to chair the meeting, the meeting shall be chaired by a Convertible Bond Holder elected by Convertible Bond Holders representing more than 50% of par value of Convertible Bonds present at the meeting;
- (3) The convener shall record the attendees of the meeting, which shall indicate the name (or entity name), identity card number, domicile, the par value of the Convertible Bonds with voting rights held or represented by the attendee and the name (or entity name) of Convertible Bonds Holder being represented.

**5. *Voting and resolution of the Convertible Bond Holders' meeting***

- (1) Each Convertible Bond represents one vote in the Convertible Bond Holders' meeting;
  - (2) Convertible Bond Holders shall vote by open ballot in the Convertible Bond Holders' meeting;
  - (3) A resolution of the Convertible Bond Holders' meeting shall be valid upon the affirmative votes representing at least two-thirds of par value of Convertible Bonds present at the meeting;
  - (4) All items and sub-items contained in the proposals at the Convertible Bond Holders' meetings should be considered and voted separately;
  - (5) A resolution of Convertible Bond Holders' meeting will be valid after it has been resolved by the Convertible Bond Holders at the Convertible Bond Holders' meeting, and for resolutions subject to approval by the CSRC or other regulatory authorities<sup>(2)</sup>, the resolution will be effective from the date of approval or confirmation of the relevant approval;
  - (6) Unless explicitly agreed that special compensation shall be made to the Convertible Bond Holders voting against the resolution or failing to attend the meeting, a resolution shall have equal effect on all Convertible Bond Holders;
  - (7) After a resolution is adopted by the Convertible Bond Holders' meeting, the Board of the Company shall notify the Convertible Bond Holders by an announcement and be responsible to execute such resolution.
6. The subscription or otherwise holding of the Convertible Bonds by the Convertible Bond Holders shall be deemed as their consent to the aforementioned procedures of the Convertible Bond Holders' meetings.

**XVII. USE OF PROCEEDS**

The proceeds from the Issuance of A Share Convertible Bonds will be utilised to support the future development of business, and after the conversion of the Convertible Bonds, the proceeds will be used to replenish the core tier-one capital of the Company in accordance with relevant regulatory requirements.

**XVIII. GUARANTEE AND SECURITY**

There is no guarantee or security in relation to the Issuance of A Share Convertible Bonds.

**XIX. VALIDITY PERIOD OF THE RESOLUTIONS**

The resolutions in respect of the Issuance of A Share Convertible Bonds will be valid for 12 months from the date on which the relevant resolutions are passed at the Shareholders' general meeting and the Class Meetings.

<sup>(2)</sup> Depending on the contents and the nature of such resolutions passed by Convertible Bond Holders at the Convertible Bond Holders' meeting, such resolutions may be subject to approval by different regulatory authorities including but not limited to the CBIRC and the PBOC

**Impacts on Dilution of Current Returns of the Public Issuance of  
A Share Convertible Corporate Bonds of  
China Minsheng Banking Corp., Ltd. and the Remedial Measures**

In accordance with the Several Opinions of the State Council on Further Promoting the Healthy Development of Capital Market (Guo Fa [2014] No.17) (《國務院關於進一步促進資本市場健康發展的若干意見》(國發[2014]17號)), Opinions of the Office of State Council on Further Strengthening the Protection of Legal Interests of Small and Medium Investors in Capital Market (Guo Ban Fa [2013] No.110) (《國務院辦公廳關於進一步加強資本市場中小投資者合法權益保護工作的意見》(國辦發[2013]110號)) and the Guidelines on Matters relating to Impacts of Dilution of Current Returns of Initial Offering and Re-financing and Major Asset Reorganisation (CSRC Notice [2015] No.31) (《關於首發及再融資、重大資產重組攤薄即期回報有關事項的指導意見》(證監會公告[2015]31號)), the Board of China Minsheng Banking Corp., Ltd. (the “**Company**” or the “**Bank**”) shall form a proposal with an analysis on whether the current returns would be diluted by the financing of the Company, remedial measures to be adopted and relevant commitment and submit the resolution for review and approval at the Shareholders’ meeting. The Company has conducted the analysis of the effects of the public issuance and listing of the A Share Convertible Bonds (the “**Convertible Bonds**”) on ordinary Shareholders’ equity and current returns, and formulated relevant remedial measures in accordance with actual situation.

**I. Analysis on the Impacts of the Dilution of Current Rate of Return of the Issuance of the Convertible Bonds**

**(I) Assumptions**

The impacts of the Issuance of the Convertible Bonds on the Company’s key financial figures and financial indicators are measured mainly on basis of the following assumptions:

1. The Company assumes no material negative changes in the macroeconomic environment, industry development trend and the Company’s operation in 2020.
2. The Company assumes that the Issuance of the Convertible Bonds will be completed by the end of November 2020 and the proceeds of the Issuance will be received in full by then. The timing is chosen for calculating the impacts of the dilution of the current rate of return resulting from the Issuance of the Convertible Bonds on the key financial figures and financial indicators, subject to the approval of China Securities Regulatory Commission and the time of completion of the Issuance of the Convertible Bonds by the Company.
3. The Company assumes that the proceeds from the Company’s Issuance of the Convertible Bonds will be no more than RMB50 billion, without consideration of the impact of the issuance expenses. The proceeds actually generated from the Issuance of the Convertible Bonds will be determined on basis of factors including the approval of the regulatory authorities, the subscription of the Issuance and the issuance expenses.

4. According to the Plan of Public Issuance and Listing of A Share Convertible Corporate Bonds by China Minsheng Banking Corp., Ltd. (《關於中國民生銀行股份有限公司公開發行 A 股可轉換公司債券並上市方案》)<sup>1</sup>, the Company assumes that the minimum initial Conversion Price of the Convertible Bonds is RMB7.81 per Share with 1 March 2020 as the pricing benchmark date, which shall not be lower than the average trading price of the Company's A Shares in the 20 trading days prior to the date of the publication of the offering documents and the average trading price of the Company's A Shares on the trading day prior to the date of the offering documents, and the lower of the latest audited net asset value per Share and the average trading price of the Company's A Shares in the five trading days prior to the date of the announcement regarding the resolution of the first extraordinary meeting of the seventh session of the Board of the Company. The Conversion Price aforesaid is only used to calculate the impacts of the dilution of the current rate of return resulting from the Issuance of the Convertible Bonds on the key financial figures and financial indicators, and the final initial Conversion Price shall be determined by the Board of the Company, under the authorisation of the Shareholders' general meeting, based on the market conditions prior to the offering, possibly with ex-rights, ex-dividend adjustment or downward revisions.
5. The Company assumes that the coupon rate of the Convertible Bonds for each of the six years are 0.2%, 0.5%, 1.0%, 1.5%, 1.8% and 2.0%, respectively. The coupon rate is only derived by simulation and does not constitute any forecast of the numerical value of the effective coupon rate. It is assumed that coupon rate of non-convertible bonds in the market is 3.71%.
6. At the moment, the Company has not taken into account the impacts of the proceeds generated from the Issuance on the Company's production, operation and financial conditions (e.g. financial expenses, efficiency in the use of capital).
7. The Company completed the issuance of Offshore Preference Shares of US\$1.439 billion on 14 December 2016. The dividend rate of the preference shares is 4.95% and the effective dividend rate is 5.5% after deduction of income tax withheld by the issuer. Assuming that the dividends of preference shares is paid for a full interest-bearing year of 2020, the total dividends shall be RMB559 million, calculated at an exchange rate as at the date of the announcement of the proposed dividend distribution of the offshore preference shares for 2019 (US\$1 in exchange for RMB7.0582).

<sup>1</sup> The plan was considered and approved by the annual general meeting for 2016, the second A share class meeting for 2017 and the second H share class meeting for 2017 of the Company.

The Company completed the issuance of domestic preference shares of RMB20 billion on 21 October 2019. The dividend rate of the preference shares is 4.38%. Assuming that the dividends of domestic preference shares is paid for a full interest-bearing year of 2020, the total dividends shall be RMB876 million.

The Company completed the issuance of undated capital bonds of RMB40 billion on 4 June 2019. The coupon rate of the bonds is 4.85%. Assuming that the interest of the capital bonds is paid for a full interest-bearing year of 2020, the total interest of the undated capital bonds shall be RMB1,940 million, without consideration of impacts of policies relating to income tax.

8. The Company assumes no major changes in the macroeconomic environment, the development of the banking industry and the Company's business environment. While measuring, the Company assumes a growth of 0%, 3% and 6% as compared with 2019, respectively, in the net profit attributable to the Company's Shareholders and in the net profit attributable to the Company's Shareholders after non-recurring profit and loss in 2020.
9. The Company assumes no other factors (including profit distribution, mandatory conversion of preference shares) which may cause changes to the ordinary share capital, other than the conversion of the Convertible Bonds to ordinary shares.
10. The earnings per share (the "EPS") is calculated according to relevant provision in the Preparation Rules for Information Disclosure by Companies Offering Securities to the Public No. 9 — Calculation and Disclosure of Return on Equity and Earnings Per Share.

**(II) Impacts on the Company's key financial indicators**

Based on the above assumptions, the impacts of the Issuance of the Convertible Bonds on the Company's key financial figures and financial indicators are as follows:

- Scenario 1: 0% year-on-year growth in both the net profit attributable to the Company's Shareholders and the net profit attributable to the Company's Shareholders after non-recurring profit and loss.

Item	For the year of 2019/as at 31 December 2019	For the year of 2020/ as at 31 December 2020	
		Before the issuance of Convertible Bonds	After the issuance of Convertible Bonds
Total ordinary share capital (million shares) . . .	43,782	43,782	43,782
Weighted average ordinary share capital (million shares) . . . . .	43,782	43,782	43,782
Net profit attributable to the Shareholders of the Company (RMB million) . . . . .	53,819	53,819	53,719
Net profit attributable to the Shareholders of the Company, after non-recurring profit and loss (RMB million) . . . . .	53,720	53,720	53,620
Net profit attributable to the ordinary Shareholders of the Company (RMB million) . . . . .	53,261	50,444	50,344
Net profit attributable to the ordinary Shareholders of the Company, after non-recurring profit and loss (RMB million) . . . . .	53,162	50,345	50,245
Basic EPS attributable to the ordinary Shareholders of the parent company (RMB) . . . . .	1.22	1.15	1.15
Diluted EPS attributable to the ordinary Shareholders of the parent company (RMB) . . . . .	1.22	1.15	1.14
Basic EPS attributable to the ordinary Shareholders of the parent company, after non-recurring profit and loss (RMB) . . .	1.21	1.15	1.15
Diluted EPS attributable to the ordinary Shareholders of the parent company, after non-recurring profit and loss (RMB) . . .	1.21	1.15	1.14

2. Scenario 2: 3% year-on-year growth in both the net profit attributable to the Company's Shareholders and the net profit attributable to the Company's Shareholders after non-recurring profit and loss.

Item	For the year of 2019/as at 31 December 2019	For the year of 2020/ as at 31 December 2020	
		Before the issuance of Convertible Bonds	After the issuance of Convertible Bonds
Total ordinary share capital (million shares) . . .	43,782	43,782	43,782
Weighted average ordinary share capital (million shares) . . . . .	43,782	43,782	43,782
Net profit attributable to the Shareholders of the Company (RMB million) . . . . .	53,819	55,434	55,333
Net profit attributable to the Shareholders of the Company, after non-recurring profit and loss (RMB million) . . . . .	53,720	55,332	55,232
Net profit attributable to the ordinary Shareholders of the Company (RMB million) . . . . .	53,261	52,059	51,959
Net profit attributable to the ordinary Shareholders of the Company, after non-recurring profit and loss (RMB million) . . . . .	53,162	51,957	51,857
Basic EPS attributable to the ordinary Shareholders of the parent company (RMB) . . . . .	1.22	1.19	1.19
Diluted EPS attributable to the ordinary Shareholders of the parent company (RMB) . . . . .	1.22	1.19	1.17
Basic EPS attributable to the ordinary Shareholders of the parent company, after non-recurring profit and loss (RMB) . . .	1.21	1.19	1.18
Diluted EPS attributable to the ordinary Shareholders of the parent company, after non-recurring profit and loss (RMB) . . .	1.21	1.19	1.17



3. Scenario 3: 6% year-on-year growth in both the net profit attributable to the Company's Shareholders and the net profit attributable to the Company's Shareholders after non-recurring profit and loss.

Item	For the year of 2019/as at 31 December 2019	For the year of 2020/ as at 31 December 2020	
		Before the issuance of Convertible Bonds	After the issuance of Convertible Bonds
Total ordinary share capital (million shares) . . .	43,782	43,782	43,782
Weighted average ordinary share capital (million shares) . . . . .	43,782	43,782	43,782
Net profit attributable to the Shareholders of the Company (RMB million) . . . . .	53,819	57,048	56,948
Net profit attributable to the Shareholders of the Company, after non-recurring profit and loss (RMB million) . . . . .	53,720	56,943	56,843
Net profit attributable to the ordinary Shareholders of the Company (RMB million) . . . . .	53,261	53,674	53,573
Net profit attributable to the ordinary Shareholders of the Company, after non-recurring profit and loss (RMB million) . . . . .	53,162	53,569	53,468
Basic EPS attributable to the ordinary Shareholders of the parent company (RMB) . . . . .	1.22	1.23	1.22
Diluted EPS attributable to the ordinary Shareholders of the parent company (RMB) . . . . .	1.22	1.23	1.21
Basic EPS attributable to the ordinary Shareholders of the parent company, after non-recurring profit and loss (RMB) . . .	1.21	1.22	1.22
Diluted EPS attributable to the ordinary Shareholders of the parent company, after non-recurring profit and loss (RMB) . . .	1.21	1.22	1.21

### (III) Notes to the measurement

The above assumptions and measurement in relation to the impacts of the Issuance of the Convertible Bonds on the Company's key financial figures and financial indicators are not representative of the Company's judgment of the operation and development trend in 2020, and do not constitute the Company's earnings forecasts. Investors shall not rely on this when making decisions on investment. The Company assumes no liability for the losses incurred therefrom.

## **II. Risks in Relation to the Dilution of Current Rate of Return Due to the Issuance of the Convertible Bonds**

After the Issuance of the Convertible Bonds is completed, the number of all the Company's outstanding dilutive potential ordinary shares will increase correspondingly. Without regard to the financial return of the proceeds, the diluted EPS and the diluted EPS after non-recurring profit and loss may both decline in the year when the Issuance of the Convertible Bonds of the Company is completed.

After the Issuance of the Convertible Bonds is completed and before the conversion of the Convertible Bonds, the Company needs to pay interests at the pre-set coupon rate with regard to the Convertible Bonds which are not converted to Shares. Since the coupon rate of the Convertible Bonds is generally low, the earnings growth as a result of the Company's use of proceeds will exceed the interest paid to Convertible Bonds investors in normal cases, which will not lead to reduction of the Company's overall income. In extreme cases, the Company may face risk of a decline in its after-tax profit and dilution impacts on the current rate of return of the holders of the Company's ordinary shares, if the earnings growth as a result of the Company's use of proceeds is unable to cover the interests paid to Convertible Bonds investors.

After the Convertible Bonds held by the investors are converted to Shares in part or in full, the Company's total share capital will increase correspondingly, which will dilute the shareholding of the existing Shareholders, the return on equity and the EPS of the Company.

In addition, the clause of Conversion Price and downward revision has been provided under the Convertible Bonds. Where the clause is triggered, the Company may apply for downward revision of the Conversion Price, which may expand the share capital as a result of the Convertible Bonds conversion and hence increase the potential dilution of the Convertible Bonds conversion on the existing Shareholders of the Company.

## **III. Necessity and Rationality of the Issuance of the Convertible Bonds**

Upon conversion, the Convertible Bonds will further replenish the capital base and improve the capital adequacy ratio of the Company, further strengthen the Company's capability to resist risks, consolidate the capital foundation for the sustainable business development of the Company, and contribute to enhancing the core competitiveness of the Company and achieving its strategic goals.

### **(I) Improving the capital adequacy ratio to meet the regulatory requirements**

With the official implementation of the Basel III and the Rules Governing Capital Management of Commercial Banks (Provisional) (《商業銀行資本管理辦法(試行)》), the Company is experiencing more stringent capital regulatory requirements for its operation. The core tier-one capital adequacy ratio, tier-one capital adequacy ratio and capital adequacy ratio of local commercial banks in China shall meet the regulatory requirements of 7.5%, 8.5% and 10.5%, respectively, while those of systematically important commercial banks shall reach 8.5%, 9.5% and 11.5%, respectively. As of 31 December 2019, the core tier-one capital adequacy ratio, tier-one capital adequacy ratio and capital adequacy ratio of the Company were 8.89%, 10.28% and 13.17%, respectively.

Therefore, the Company still needs to satisfy the regulatory requirements of capital adequacy on an ongoing basis by replenishing its capital through various channels including the issuance of the Convertible Bonds, in addition to its earnings retention. The public issuance of the Convertible Bonds can effectively replenish the Company's core tier-one capital, helping the Company to improve its capital adequacy and lay a solid capital foundation for the Company's sustainable healthy development.

**(II) Satisfying the business needs and strengthening the ability to withstand risks**

In recent years, the Company has improved its capital adequacy through various channels including internal accumulation, asset and liability management and external financing, providing strong supports to the Company's business operation and development. However, the Company needs to further replenish its capital due to the continued rapid business development and credit expansion. The Convertible Bonds to be issued this time, after converted to Shares, can be used to replenish the Company's core tier-one capital, provide sufficient capital support to the Company's business development, and ensure the smooth implementation of the Company's development strategies, which is important to enhance the Company's competitiveness and maintain stable earnings.

At the current level of capital adequacy, the Company possesses some ability to withstand general risks. As one of the major joint-stock commercial banks in China, however, in order to better respond to uncertainties in future development of macro-economy, the Company shall further improve its strength in serving the development of China's economy in the transition period and reinforce its risk resistance ability in response to the rapid changes in the complex international environment and domestic macro-economy, so as to achieve its goal of prudent operation and to better protect the interests of the depositors and investors. In this sense, it is necessary for the Company to further shore up its capital and capital adequacy ratio.

**IV. Relationship between the Investment Project Financed by the Proceeds and the Company's Existing Business, and the Company's Reserves for the Financing and Investment Projects in Terms of Personnel, Technology and Market****(I) Relationship between the Investment Project Financed by the Proceeds and the Company's Existing Business**

The proceeds from the Public Issuance of the Convertible Bonds will be used to finance the Company's continued and steady business development, which complies with the capital regulatory requirements and the Company's long-term development strategies, helping enhance the Company's business development momentum and risk resistance ability and improve the competitive edge and earnings, so as to provide sufficient credit supports to the development of the real economy and create reasonable and stable investment return for the Company's Shareholders.

**(II) The Company's Reserves for the Financing and Investment Projects in Terms of Personnel, Technology and Market**

The Company's management team has engaged in the financial and banking business for a long time. It is a prudent and specialised operation and management team, backed by the extensive financial knowledge and work experiences of its members. The Company strives to improve the input and output efficiency of the human resources, and continues to optimise the mechanism of human resource allocation, to ensure the concentration of human resources on key businesses, and to enhance the incentive and restriction mechanisms and the performance management. Furthermore, the Company actively expands the staff's career path by building a talent bank for reserve cadres and professionals at various levels, and a talent bank for its overseas institutions in response to the nation's "Going Global" strategy. The Company also pushes forward delicacy management to consolidate the foundation for human resource management and meet the Company's needs for talents in its pursuit of sustainable development.

**V. The Company's Measures for Replenishing the Rate of Return****(I) Operation conditions and development trend of the Company's existing business segments, major risks and improvement measures****1. Operation conditions and development trend of the Company's existing business segments**

In 2020, the Company accurately grasped the economic and financial situations under the correct leadership of the Board to further improve its corporate governance, organisation, efficiency for reformation. The Company further promoted reform and transformation, accelerated the modification of its business model and put more efforts in operation adjustment. The Company promoted the application of technologies and scalable innovation for higher quality of development and efficiency. The Company actively promoted the three major strategic positionings of becoming “a bank for the non-state-owned enterprises (NSOEs), a fintech-based bank and a bank of comprehensive services”. The Company further evolved to become a digitalised, light-capital and comprehensive business benchmark bank for higher quality, yield and efficiency.

**2. Major risks and improvement measures of the Company**

Major risks that the Company faces in its business operation include credit risk, liquidity risk, market risk, operation risk, reputation risk and country risk. The Company manages risks under the philosophy of “risk management creates value”. The Company enhances its risk management through the establishment and improvement of six risk management systems. The Company strengthens the system for risk management of money laundering to safeguard our business development and reformation. Our internal control system will be further improved for better operation of the Internal Control Committee. The joint management of audit, risk management and internal compliance functions was modified to regulate the daily management of audit, risk management and internal compliance. The Company establishes a specific system for the management of troubled assets to improve the collection and disposal of troubled assets. The internal compliance of subsidiaries is under stringent control to ensure the continuation of compliance.

Facing new opportunities and challenges, the Company will insist on putting risk prevention and control as the top priority. The Company will further enhance its overall comprehensive risk management and promote healthy and orderly development of business from the perspectives of philosophy, mechanism, culture, teams and techniques.

**(II) Specific measures for improving the Company's performance**

In response to the changes of external environment and the needs of organic growth, the Company continues to implement the Overall Implementation Scheme for Reform and Transformation and the Three-year Development Plan of China Minsheng Bank (2018–2020)(《中國民生銀行改革轉型暨三年發展規劃整體實施方案(2018–2020)》) and the three strategic positioning. The Company will focus on ten major events and 25 important initiatives of reform and transformation to promote changes in business models and management systems. The Company will strengthen the comprehensive and specified management for general improvement in risk management and continuous growth in its corporate value.

During the process of implementation of reform and transformation, the Company adhered to its general overall operation strategies of stabilising growth, increasing efficiency, promoting innovation, enhancing coordination and preventing risks. In order to strengthen its assets business and to expand our liabilities business as well as to improve its intermediary business, the Company further consolidated and strengthened its leading position in direct bank, small business finance, investment banking, credit card, supply chain finance, asset management and other strategic businesses. The Company will evolved into a benchmark bank with unique features focusing on value growth and continuous innovation. In particular, the Company will further explore business opportunities from existing customer base and focus on strategic and ecological medium and small and micro private enterprises. The Company will accelerate its establishment of service system for strategic private enterprises to meet their demands. We will enrich our differentiated customised financial solutions comprising transaction banking, investment banking and financial market agency services. The Company will continue the implementation of the Minsheng project for small and medium enterprises to enhance its comprehensive services through improvement of system platform, service process and introduction of efficient fist products in the areas of settlement, financing and asset management for medium and small enterprises. The Company will further improve its services for small and micro enterprises through business structural adjustment, product innovation, service channel improvement and acceleration of migration of service channel to online platform. The Company will speed up the application of fintech according to the core value and quality to enable the business development of the Bank by new technology. Through the application of fintech, the Company will introduce more customer services and revise its product design process and enhance the provision of financial products and customer service channels. The Company will improve the marketing management and control of sales based on big data through the establishment of online ecosystem and open banking system so that online marketing and service provision will be more precise. The application of technology can provide strong support to operational reform in retail customer base. We adhere to the operation philosophy of customer-centric (以客戶為中心) to focus on the demands of target customers through the provision of comprehensive products and streamlined service process. The internal management will be streamlined to support the “One Minsheng” Strategy for cross selling and the establishment of a collaboration system.

In the future, the Company will pay close attention to the opportunities and challenges arising from the changing business environment. Aiming to accomplish the three major strategic positioning, the Company will focus on serving the industries involved in supply-side reformation and serving our core customers. The Company will stay firm to the prevention of financial risks by complying with the rules and regulations. Various measures will be adopted to promote the development of the Company in terms of quality, efficiency and growth momentum for better service to the real economy.

**VI. Commitments of All Directors and Senior Management**

All Directors and senior management of the Company undertake to perform their duties faithfully and diligently, to safeguard the legitimate rights and interests of the Company and all the Shareholders. In accordance with the relevant requirements of the China Securities Regulatory Commission, Directors and senior management of the Company have undertaken the followings to ensure the concrete implementation of the measures for replenishing the rate of return:

- (I) They will not harm the Company's interests by tunnelling to other units or individuals free of charge or unfairly or in other manners;
- (II) They will act in a diligent and thrifty way, and restrict the position-related consumption strictly in accordance with the relevant stipulations of the nation, local government and the Company, so as to eliminate excessive consumption and extravagance and waste;
- (III) They will not use the Company's assets for investment or consumption that are unrelated with the performance of their duties;
- (IV) They will cause the remuneration policies formulated by the Board or the Remuneration Committee to be linked with the implementation of the Company's replenishment measures; and
- (V) They will cause the conditions for exercising the Company's ownership incentives to be linked with the implementation of the Company's replenishment measures, if the Company sets out ownership incentive plan in future.

**Report of the Use of Proceeds from the Previous Issuance  
of China Minsheng Banking Corp., Ltd.**

According to the requirement under the Administrative Measures on the Issuance of Securities of Listed Companies (《上市公司證券發行管理辦法》) by the China Securities Regulatory Commission, the report of the use of proceeds from the previous issuance is as follows:

**I. Amount and Availability of Proceeds from the Previous Issuance**

According to Replies of the China Banking Regulatory Commission on Private Placement of Preference Shares and the Modification of Articles of Association by Minsheng Bank (Yin Jian Fu [2016] No. 168) (《中國銀監會關於民生銀行非公開發行優先股及修改公司章程的批覆》(銀監覆[2016]168號)) received from the former China Banking Regulatory Commission (the “**former CBRC**”) and Replies of the China Securities Regulatory Commission on Approving Overseas Offering of Preference Shares by China Minsheng Banking Corp. Ltd. (Zheng Jian Xu Ke [2016] No. 2971) (《關於核准中國民生銀行股份有限公司境外發行優先股的批覆》(證監許可[2016]2971號)) received from the China Securities Regulatory Commission (the “**CSRC**”), the Company issued 71,950,000 shares of offshore preference shares by private placement on 14 December 2016 (the “**Issuance of Offshore Preference Shares**”), of which the face value is RMB100 per share and the issuance price is US\$20. Gross proceeds from the Issuance of Offshore Preference Shares were US\$1,439,000,000, or RMB9,933,129,200 at the central parity rate of Renminbi exchange rate published by China Foreign Exchange Trade System on 14 December 2016. With the issuance expenses of RMB41,154,507.57 deducted, the net proceeds from the Issuance of Offshore Preference Shares were RMB9,891,974,692.43. The availability of the proceeds has been examined by KPMG Huazhen LLP which issued the Report on the Capital Verification of Proceeds from Offshore Issuance of Preference Shares by China Minsheng Banking Corp. Ltd. (KPMG Huazhen Yan Zi No. 1700283) (《中國民生銀行股份有限公司境外發行優先股募集資金驗證報告》(畢馬威華振驗字第1700283號)) for purposes of verification and confirmation.

According to Replies of the China Banking Regulatory Commission on Private Placement of Preference Shares and the Modification of Articles of Association by Minsheng Bank (Yin Jian Fu [2016] No. 168) (《中國銀監會關於民生銀行非公開發行優先股及修改公司章程的批覆》(銀監覆[2016]168號)) received from the former CBRC and Replies of the China Securities Regulatory Commission on Approving Non-public Issuance of Preference Shares by China Minsheng Banking Corp. Ltd. (Zheng Jian Xu Ke [2019] No. 1158) (《關於核准中國民生銀行股份有限公司非公開發行優先股的批覆》(證監許可[2019]1158號)) received from the CSRC, the Company issued 200,000,000 shares of domestic preference shares by non-public issuance on 21 October 2019 (the “**Issuance of Domestic Preference Shares**”), of which the face value is RMB100 per share and issued at par value. Gross proceeds from the Issuance of Domestic Preference Shares were RMB20,000,000,000. With the issuance expenses of RMB26,550,000.00 deducted, the net proceeds from the Issuance of Domestic Preference Shares were RMB19,973,450,000.00 in total. The net proceeds and the input tax amount of VAT of RMB1,502,830.20, which can be used to deduct various expenses from the non-public issuance of Domestic Preference Shares, amounted to RMB19,974,952,830.20, which is recorded in other equity. The availability of the proceeds has been examined by KPMG Huazhen LLP which issued the Report on the Capital Verification of Proceeds from Non-public Issuance of Preference Shares by China Minsheng Banking Corp. Ltd. (KPMG Huazhen Yan Zi No. 1900491) (《中國民生銀行股份有限公司非公開發行優先股募集資金實收情況驗證報告》(畢馬威華振驗字第1900491號)) for purposes of verification and confirmation.

## II. Actual Use of Proceeds from the Previous Issuance

Pursuant to the Company's offering circular on the Issuance of Offshore Preference Shares, proceeds from the Company's previous Private Placement of the Issuance of Offshore Preference Shares, after deducting the issuance expenses, shall be used to replenish other tier-one capital of the Company, subject to the requirements under applicable laws and regulations and approvals from the former CBRC, the CSRC and other regulatory bodies. With the proceeds from the Issuance of Offshore Preference Shares available, the Company used the net proceeds of RMB9,891,974,692.43 (after deduction of the issuance expenses of RMB41,154,507.57) in the special account to replenish the other tier-one capital of the Company. As of 31 December 2019, the use of proceeds from the Issuance of Offshore Preference Shares was consistent with that as disclosed in the offering circular. The actual use of proceeds from the previous Private Placement of the Issuance of Offshore Preference Shares can be seen in the "Comparison of the Use of Proceeds from the Previous Issuance" below.

Pursuant to the Company's offering approval on the Issuance of Domestic Preference Shares, proceeds from the Company's previous non-public issuance of the Issuance of Domestic Preference Shares, after deducting the issuance expenses, shall be used to replenish other tier-one capital of the Company, subject to the requirements under applicable laws and regulations and approvals from the former CBRC, the CSRC and other regulatory bodies. The Company used the proceeds from the Issuance of Domestic Preference Shares of RMB19,974,952,830.20 in total (after deduction of fees payable to sponsors and underwriters and other issuance expenses of RMB26,550,000.00 in total and adding the deductible input tax amount of VAT of RMB1,502,830.20) to replenish the other tier-one capital of the Company. As of 31 December 2019, the use of proceeds from the Issuance of Domestic Preference Shares was consistent with that as undertaken during the Issuance of Domestic Preference Shares. The actual use of the proceeds from the previous non-public issuance of the Issuance of Domestic Preference Shares can be seen in the "Comparison of the Use of Proceeds from the Previous Issuance" below.

### Comparison of the Use of Proceeds from the Previous Issuance

#### Comparison of the use of proceeds from non-public issuance of Offshore Preference Shares in 2016

As of 31 December 2019, the use of proceeds from the previous issuance (non-public issuance of Offshore Preference Shares) of the Company is as follows:

*Unit: RMB*

Total proceeds: 9,891,974,692.43 Total proceeds with changes in the use: None Proportion of the proceeds with changes in the use: None	Total proceeds accumulatively used: 9,891,974,692.43 Total proceeds used in the corresponding year/period: 2016: 9,891,974,692.43 2017: — 2018: — 2019: —
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No.	Investment projects		Total investment with the proceeds		Cumulative investment with the proceeds as of the cut-off date				Proportion of actual investment to post-money commitments	Completion of the project by the cut-off date
	Investment project committed	Actual investment project	Pre-money commitment	Post-money commitment	Actual investment	Pre-money commitment	Post-money commitment	Actual investment		
1	Replenish other tier-one capital	Replenish other tier-one capital	9,891,974,692.43	9,891,974,692.43	9,891,974,692.43	9,891,974,692.43	9,891,974,692.43	9,891,974,692.43	—	100%

Note: The total amount of proceeds from the Offshore Preference Shares refers to the net proceeds from the issuance of proceeds actually collected after deducting the issuance expenses



**Comparison of the use of proceeds from non-public issuance of Domestic Preference Shares in 2019**

As of 31 December 2019, the use of proceeds from the previous issuance (non-public issuance of Domestic Preference Shares) of the Company is as follows:

*Unit: RMB*

Investment projects		Total investment with the proceeds		Cumulative investment with the proceeds as of the cut-off date				Proportion of actual investment to post-money commitments	Completion of the project by the cut-off date
Investment project No.	Actual investment project	Pre-money commitment	Post-money commitment	Actual investment	Pre-money commitment	Post-money commitment	Actual investment		
1	Replenish other tier-one capital	19,974,952,830.20	19,974,952,830.20	19,974,952,830.20	19,974,952,830.20	19,974,952,830.20	19,974,952,830.20	—	100%

Note: The total amount of proceeds from the Domestic Preference Shares refers to the net proceeds from the issuance of proceeds actually collected after deducting the issuance expenses (including VAT) and adding the input tax amount of VAT, which can be used to deducted various expenses from the non-public issuance of Domestic Preference Shares

### III. Conclusions

This report has been compiled according to the Rules of the China Securities Regulatory Commission on the Report of the Use of Previous Proceeds (Zheng Jian Fa Xing Zi [2007] No. 500) (《關於前次募集資金使用情況報告的規定》(證監發行字[2007]500號)). The Company has compared one by one the actual use of proceeds with that as disclosed in the related regular reports and other disclosure documents published since December 2016. The actual use of proceeds is consistent with the disclosure.

Due to the specialty of the banking business, the proceeds, once available, were fully used to replenish other tier-one capital, while the benefits realised cannot be independently accounted. The proceeds, once available, have replenished the capital and improved the capital adequacy ratio.

### Shareholder Return Plan for 2019 to 2021 of China Minsheng Banking Corp., Ltd.

To further strengthen the sustainable, stable and scientific mechanism for Shareholder return of China Minsheng Banking Corp., Ltd. (the “**Company**”) and maintain the continuity and stability of the cash dividend distribution policy, the Board of the Company has formulated the Shareholder Return Plan for 2019 to 2021 of China Minsheng Banking Corp., Ltd. (the “**Shareholder Return Plan**”) in accordance with the applicable laws and regulations including the Company Law of PRC, Securities Law of PRC and the Articles of Association of China Minsheng Banking Corp., Ltd. as currently in effect, the requirements of People’s Bank of China, CSRC and CBIRC, as well as the operating conditions and long-term development needs of the Company.

#### I. Basic principles of the Shareholder Return Plan

1. Profit distribution of the Company aims to offer reasonable returns to the investors. The profit distribution policy shall be sustainable and stable. The Company shall distribute dividends in profitable years.
2. The Company should distribute dividends mainly in the form of cash after satisfying the normal needs for working capital.
3. The profit distribution policy should fully take into account of the opinions of the Company’s Shareholders, especially the minority Shareholders, institutional investors and Independent Directors to increase the transparency of cash dividend distribution and protect the legitimate interests of investors.
4. No Shareholders may take advantage of profit distribution to jeopardize the legitimate interests of the Company and public Shareholders.

#### II. Factors affecting the Shareholder Return Plan

In light of the long-term and sustainable development of the Company, based on the analysis of the operating conditions in the banking industry, demands and preference of Shareholders, financing costs, external financing environment and regulatory policies, the Company shall also duly consider the current and future capital positions, business development, profitability, current stage of development, capital requirements for investment and liquidity of the Company in order to strike a balance between sustainable and sound business development and comprehensive returns for Shareholders, and formulate a Shareholder Return Plan every three years.

#### III. Cash dividend distribution policy and decision making mechanism of the Company

According to Article 299 of the Articles of Association of China Minsheng Banking Corp., Ltd., dividend distribution of the Company aims to offer reasonable returns to investors. Therefore, the profit distribution policy shall be sustainable and stable. The Company shall distribute dividends in profitable years. In considering and discussing on its dividend policy, the Company shall consider opinions from its independent directors, external supervisors and public investors. The Company shall fully listen to opinions and requests of its minority Shareholders on the dividend policy before the consideration and approval at the general meeting. Dividends shall be distributed to ordinary Shareholders mainly in the form of cash after satisfying the normal needs for working capital, which shall be no less than 10% of the distributable profits attributable to the ordinary Shareholders of the year of the Company. The Company may distribute interim cash dividends.

In the event that the Company has recorded profits in the last accounting year but the Board of the Company has not proposed any profit distribution in cash after the end of the last accounting year, the Board of the Company shall explain the reason and the use of undistributed capital in the regular reports. Independent Directors shall also express their independent opinions. Online voting shall be provided at the Shareholders' meeting for the voting of such resolution.

If the Company determines that it is necessary to adjust the profit distribution policy according to its operating conditions and long-term development need, resolution regarding adjustments of profit distribution policy shall be subject to the prior review of the Independent Directors and the Supervisory Board and the comprehensive review of the opinions of minority Shareholders and, after consideration by the Board, be proposed to the general meeting of the Company for approval by the Shareholders. The adjustments of cash dividend policy should be approved by Shareholders representing at least two thirds of the voting rights attending the Shareholders' meeting. Online voting shall be provided at the Shareholders' meeting for the voting of such resolution. The voting results of the minority investors shall be disclosed separately.

The profit distribution policy shall comply with the Articles of Association of China Minsheng Banking Corp., Ltd. and the requirements of approval procedures and fully protect the legitimate interests of minority investors with clear standards and ratios of dividend distribution. Any adjustment of the policy or any change of the terms and procedures shall comply with the applicable regulations and shall be transparent.

#### **IV. Profit distribution plan for 2019 to 2021**

The Company shall maintain the continuity and stability of the profit distribution policy. The Company shall distribute cash dividends to ordinary Shareholders in any given year with distributable profits after making up the losses, appropriation to statutory surplus fund and general reserve according to laws, payment of interest of undated capital bonds to their holders and payment of dividends to Preference Shareholders, subject to the compliance with regulations regarding capital adequacy ratio.

Under the above conditions, profits distributed to ordinary Shareholders in cash by the Company for 2019 to 2021 shall be no less than 10% of the distributable profits attributable to the ordinary Shareholders for the relevant year.

#### **V. Duration of Shareholder Return Plan and relevant decision making mechanism**

The Board of the Company shall review the Shareholder Return Plan every three years. The Board of the Company may make any appropriate adjustment of profit distribution policy according to the operating conditions and cash flows of the Company, and reformulate the Shareholder Return Plan for the next three years, which shall be submitted to the Shareholders' general meeting for approval.

**VI. The return for Shareholders referred to in this plan means the return for ordinary Shareholders. Return for Preference Shareholders shall be based on the Articles of Association and the relevant terms of the proposed issuance plan of Preference Shares. Any matters not covered in this plan shall be implemented in accordance with the applicable laws and regulations, prescriptive documents and the Articles of Association of China Minsheng Banking Corp., Ltd. The interpretation of this plan shall be vested to the Board of the Company. This plan shall be effective from the date of passing of the resolution at the Shareholders' general meeting.**



中國民生銀行股份有限公司  
**CHINA MINSHENG BANKING CORP., LTD.**

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

**(Stock Code: 01988)**

**(USD Preference Shares Stock Code: 04609)**

**NOTICE OF THE ANNUAL GENERAL MEETING FOR 2019**

**NOTICE IS HEREBY GIVEN** that the 2019 annual general meeting (the “AGM”) of China Minsheng Banking Corp., Ltd. (the “Company”) will be held at 2:00 p.m. on Monday, 29 June 2020 at Conference Room No. 3, 1/F, Minsheng Bank East Gate, No. 28 Xirongxian Lane, Xicheng District, Beijing, the PRC, for the consideration and, if thought fit, passing of the following resolutions (special resolutions marked by \*):

1. The resolution regarding the annual report for 2019 of the Company
2. The resolution regarding the final financial report for 2019 of the Company
3. The resolution regarding the proposed profit distribution plan for 2019 of the Company
4. The resolution regarding the annual budgets for 2020 of the Company
5. The resolution regarding the work report of the Board for 2019 of the Company
6. The resolution regarding the work report of the Board of Supervisors for 2019 of the Company
7. The resolution regarding the report of remuneration of Directors for 2019
8. The resolution regarding the report of remuneration of Supervisors for 2019
9. The resolution regarding the re-appointment and remuneration of auditing firms for 2020
10. \*The resolution regarding the issuance of undated capital bonds in the next three years
11. \*The resolution regarding the extension of the validity period of the resolutions on the public issuance of A Share Convertible Corporate Bonds and the authorization period to the Board and its authorized persons to exercise full power to deal with matters relating to the issuance
12. \*The resolution regarding the report on utilization of proceeds from the previous issuance
13. The resolution regarding the Shareholder return plan for 2019 to 2021
14. The resolution regarding the impacts on dilution of current returns of the public issuance of A share convertible corporate bonds and the remedial measures
15. \*The resolution regarding the granting of general mandate for the issuance of Shares to the Board

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## NOTICE OF THE ANNUAL GENERAL MEETING FOR 2019

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16. \*The resolution regarding the proposed issuance of financial bonds and tier-2 capital bonds in the next three years
17. \*The resolution regarding the proposed change of registered capital of the Company
18. \*The resolution regarding the proposed amendments to certain provisions of the articles of association of the Company

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Saturday, 30 May 2020 to Monday, 29 June 2020 (both days inclusive), during which period no transfer of shares of the Company will be effected. For unregistered holders of H shares who intend to attend the AGM, all share certificates and the relevant transfer documents must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, 29 May 2020. H shareholders whose names appear on the register of members of the Company on Saturday, 30 May 2020 will be entitled to attend and vote at the AGM.

The register of members of the Company will be closed from Saturday, 4 July 2020 to Thursday, 9 July 2020 (both days inclusive), during which period no transfer of shares of the Company will be effected. For unregistered H shareholders who wish to be eligible to receive the cash dividend, all share certificates and the transfer documents must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, 3 July 2020. H shareholders whose names appear on the register of members of the Company on Thursday, 9 July 2020 will be entitled to receive the dividend (subject to the approval by shareholders at the AGM).

By Order of the Board  
**CHINA MINSHENG BANKING CORP., LTD.**  
**Hong Qi**  
*Chairman*

13 May 2020

*As at the date of this notice, the executive directors of the Company are Mr. Hong Qi and Mr. Zheng Wanchun; the non-executive directors are Mr. Zhang Hongwei, Mr. Lu Zhiqiang, Mr. Liu Yonghao, Mr. Shi Yuzhu, Mr. Wu Di, Mr. Song Chunfeng and Mr. Weng Zhenjie; and the independent non-executive directors are Mr. Liu Jipeng, Mr. Li Hancheng, Mr. Xie Zhichun, Mr. Peng Xuefeng, Mr. Liu Ningyu and Mr. Tian Suning.*

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## NOTICE OF THE ANNUAL GENERAL MEETING FOR 2019

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*Notes:*

1. Any member of the Company entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. Shareholders of the Company shall appoint their proxies in writing. The form of proxy shall be signed by the shareholder or his/her/its attorney who has been authorized in writing. If the shareholder is a corporation, the form of proxy shall be affixed with the corporation's seal or signed by its director, or its attorney duly authorized in writing. If the form of proxy is signed by the attorney of the shareholder, the power of attorney or other authorization document shall be notarized. For holders of A shares, the form of proxy together with the power of attorney or other authorization document notarially certified, if any, must be lodged with the office of the Board of the Company at Room 11, CMBC North Tower, No. 2 Fuxingmennei Avenue, Xicheng District, Beijing, PRC (postal code: 100031) not less than 24 hours before the time appointed for holding the AGM (i.e. not later than 2:00 p.m. on Sunday, 28 June 2020) in order for such documents to be valid. For holders of H shares, the aforementioned documents must be lodged with the H share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time appointed for holding the AGM (i.e. not later than 2:00 p.m. on Sunday, 28 June 2020) in order for such documents to be valid. Completion and delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. Shareholders who intend to attend the AGM (in person or by proxy) shall complete and deliver the reply slip of AGM to Computershare Hong Kong Investor Services Limited or the office of the Board of the Company by hand, post or fax on or before Tuesday, 9 June 2020.
4. Shareholders shall produce their identification documents when attending the AGM.
5. If a proxy attends the AGM on behalf of a shareholder, he/she shall produce his/her identification document and the power of attorney or other documents signed by the appointer or his/her attorney, which specify the date of its issuance. If a representative of a corporate shareholder attends the AGM, such representative shall produce his/her identification document and the notarized copy of the resolution passed by the board of directors or other authority or other notarized copy of any authorization documents issued by such corporate shareholder.
6. The AGM is expected to last for half a day. Shareholders who attend the AGM (in person or by proxy) shall bear their own travelling, accommodation and other expenses.
7. For details of the relevant resolutions, please refer to the Company's annual report for 2019 published on 28 April 2020 and the circular dated 13 May 2020.
8. References to times and dates of this notice are to Hong Kong times and dates.



中國民生銀行股份有限公司  
**CHINA MINSHENG BANKING CORP., LTD.**

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

**(Stock Code: 01988)**

**(USD Preference Shares Stock Code: 04609)**

**NOTICE OF THE FIRST H SHARE CLASS MEETING FOR 2020**

**NOTICE IS HEREBY GIVEN** that the first H share class meeting for 2020 (the “**H Share Class Meeting**”) of China Minsheng Banking Corp., Ltd. (the “**Company**”) will be held after the conclusion of the annual general meeting for 2019 and the first A share class meeting for 2020 on Monday, 29 June 2020 at Conference Room No. 3, 1/F, Minsheng Bank East Gate, No. 28 Xirongxian Lane, Xicheng District, Beijing, the PRC, for the consideration and, if thought fit, passing of the following resolution:

**SPECIAL RESOLUTION**

1. The resolution regarding the extension of the validity period of the resolutions on the public issuance of A Share Convertible Corporate Bonds and the authorization period to the Board and its authorized persons to exercise full power to deal with matters relating to the issuance

**CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Saturday, 30 May 2020 to Monday, 29 June 2020 (both days inclusive), during which period no transfer of shares of the Company will be effected. For unregistered holders of H shares of the Company who intend to attend the H Share Class Meeting, all share certificates and the relevant transfer documents must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, 29 May 2020. H shareholders whose names appear on the register of members of the Company on Saturday, 30 May 2020 will be entitled to attend and vote at the H Share Class Meeting.

By Order of the Board  
**CHINA MINSHENG BANKING CORP., LTD.**  
**Hong Qi**  
*Chairman*

13 May 2020

*As at the date of this notice, the executive directors of the Company are Mr. Hong Qi and Mr. Zheng Wanchun; the non-executive directors are Mr. Zhang Hongwei, Mr. Lu Zhiqiang, Mr. Liu Yonghao, Mr. Shi Yuzhu, Mr. Wu Di, Mr. Song Chunfeng and Mr. Weng Zhenjie; and the independent non-executive directors are Mr. Liu Jipeng, Mr. Li Hancheng, Mr. Xie Zhichun, Mr. Peng Xuefeng, Mr. Liu Ningyu and Mr. Tian Suning.*

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## NOTICE OF THE FIRST H SHARE CLASS MEETING FOR 2020

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*Notes:*

1. Any member of the Company entitled to attend and vote at the H Share Class Meeting is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. Shareholders of the Company shall appoint their proxies in writing. The form of proxy shall be signed by the shareholder or his/her/its attorney who has been authorized in writing. If the shareholder is a corporation, the form of proxy shall be affixed with the corporation's seal or signed by its director, or its attorney duly authorized in writing. If the form of proxy is signed by the attorney of the shareholder, the power of attorney or other authorization document shall be notarized. For holders of H shares, the aforementioned documents must be lodged with the H share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time appointed for holding the H Share Class Meeting (i.e. not later than 2:00 p.m. on Sunday, 28 June 2020) in order for such documents to be valid. Completion and delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. Shareholders who intend to attend the H Share Class Meeting (in person or by proxy) shall complete and deliver the reply slip of H Share Class Meeting to Computershare Hong Kong Investor Services Limited or the office of the Board of the Company at Room 11, CMBC North Tower, No. 2 Fuxingmennei Avenue, Xicheng District, Beijing, PRC (postal Code: 100031) by hand, post or fax on or before Tuesday, 9 June 2020.
4. Shareholders shall produce their identification documents when attending the H Share Class Meeting.
5. If a proxy attends the H Share Class Meeting on behalf of a shareholder, he/she shall produce his/her identification document and the power of attorney or other documents signed by the appointer or his/her attorney, which specify the date of its issuance. If a representative of a corporate shareholder attends the H Share Class Meeting, such representative shall produce his/her identification document and the notarized copy of the resolution passed by the board of directors or other authority or other notarized copy of any authorization documents issued by such corporate shareholder.
6. The H Share Class Meeting is expected to last for half day. Shareholders who attend the H Share Class Meeting (in person or by proxy) shall bear their own travelling, accommodation and other expenses.
7. For details of the relevant resolution, please refer to the Company's annual report for 2019 published on 28 April 2020 and the circular dated 13 May 2020.
8. References to times and dates of this notice are to Hong Kong times and dates.