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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)**

## **SUPPLEMENTAL ANNOUNCEMENT OF CONTINUING CONNECTED TRANSACTIONS**

### **BUSINESS COOPERATION FRAMEWORK AGREEMENT FOR AGENCY SALES OF FINANCIAL PRODUCTS WITH DAJIA LIFE INSURANCE CO., LTD.**

Reference is made to the announcement of China Minsheng Banking Corp., Ltd. (the “**Company**”) dated 28 December 2021 in relation to the business cooperation framework agreement for agency sales of financial products (the “**Business Cooperation Framework Agreement for Agency Sales of Financial Products**”) entered into by the Company and Dajia Life Insurance. Unless the context otherwise requires, terms used in this announcement shall have the same meanings as those defined in the announcement.

The Company hereby provides further information on the Business Cooperation Framework Agreement for Agency Sales of Financial Products as follows:

#### **Pricing Criterion of Business Cooperation Framework Agreement for Agency Sales of Financial Products**

As for the pricing of Service Fees under the Business Cooperation Framework Agreement for Agency Sales of Financial Products, no government-specified price or government-guided price is applicable at current stage. When entering into the Business Cooperation Framework Agreement for Agency Sales of Financial Products every year with Dajia Life Insurance, the Company determined the pricing range for specific transactions mainly referring to the quotations of products of the same type from other insurance companies that are independent of the Company and its connected persons in the year, the research on the interbank situation and taking the type of financial products consigned and the number of transactions between investors and the Company, feedbacks and opinions from the financial product issuer on the pricing into account. Specific pricing is determined after arm's length negotiation between both parties on the basis of the above considerations. The service fee charged by the Company to Dajia Life Insurance for the agency sales of financial products is no lower than that charged to independent third parties for similar services.

## **Basis of Determination of Proposed Annual Caps for Business Cooperation Framework Agreement for Agency Sales of Financial Products**

The Company determines the proposed annual caps by reference to the historical transaction amount. The financial Service Fees charged by the Company to Dajia Life Insurance in 2019, 2020 and 2021 are approximately RMB250 million, RMB206 million and RMB189 million, respectively.

In addition to referring to the number of historical transactions, the Company has also considered the following key factors: the Company will provide agency sales services of financial products to Dajia Life Insurance, including but not limited to insurance products, asset management products, fund products and securities products, for Service Fees. The business covered by the agency sales agreement of financial products is subject to change from year to year due to certain external reasons, including but not limited to unexpected fluctuations in the financial market, the fact that financial product investment transactions are market-driven and generally determined by the customers' decision on the wealth management portfolio, which is beyond the Company's control, and the potential changes that may occur in the current and expected operating conditions of the continuing connected transactions between the Company and Dajia Life Insurance, with reference to prevailing market conditions, the expected growth of the relevant transaction volume and service fees. Given the increase in Service Fees for the sale of financial products is market-driven, the Company, therefore, believes that it is reasonable to set the proposed annual cap of Service Fees of RMB300 million in 2022, which allows the Company and Dajia Life Insurance effect higher transaction amount, thereby enabling the Company to benefit from the growth of the PRC economy and financial investment market and maximize its revenue generated from these Service Fees.

By order of the Board  
**CHINA MINSHENG BANKING CORP., LTD.**  
**Gao Yingxin**  
*Chairman*

Beijing, PRC  
7 January 2022

*As at the date of this announcement, the Executive Directors of the Company are Mr. Gao Yingxin, Mr. Zheng Wanchun and Mr. Yuan Guijun; the Non-Executive Directors are Mr. Zhang Hongwei, Mr. Lu Zhiqiang, Mr. Liu Yonghao, Mr. Shi Yuzhu, Mr. Wu Di, Mr. Song Chunfeng, Mr. Yang Xiaoling and Mr. Zhao Peng; and the Independent Non-Executive Directors are Mr. Liu Jipeng, Mr. Li Hancheng, Mr. Xie Zhichun, Mr. Peng Xuefeng, Mr. Liu Ningyu and Mr. Qu Xinjiu.*