

---

## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

---

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.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



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)**

**PROPOSED NON-PUBLIC ISSUANCE OF THE OFFSHORE PREFERENCE SHARES  
PROPOSED AUTHORIZATION TO THE BOARD AND ITS AUTHORIZED PERSONS TO  
EXERCISE FULL POWER TO DEAL WITH MATTERS RELATING TO THE  
NON-PUBLIC ISSUANCE OF THE OFFSHORE PREFERENCE SHARES  
CAPITAL MANAGEMENT PLAN FOR 2018 TO 2020 OF  
CHINA MINSHENG BANKING CORP., LTD.  
EXTENSION OF VALIDITY PERIOD OF THE RESOLUTION OF SHAREHOLDERS'  
GENERAL MEETING IN RESPECT OF THE NON-PUBLIC ISSUANCE OF THE DOMESTIC  
PREFERENCE SHARES AND AUTHORIZATION PERIOD TO THE BOARD AND  
ITS AUTHORIZED PERSONS TO DEAL WITH RELEVANT MATTERS  
ISSUANCE OF DOMESTIC AND FOREIGN NON-FIXED TERM CAPITAL BONDS  
IN THE NEXT THREE YEARS  
AND  
NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING FOR 2019  
NOTICE OF THE FIRST H SHARE CLASS MEETING FOR 2019  
NOTICE OF THE FIRST PREFERENCE SHARE CLASS MEETING FOR 2019**

---

The Company will convene the EGM and the Class Meetings at 2:00 p.m. on Tuesday, 26 February 2019 at Xihua Hall, 11/F, Beijing Minzu Hotel, No.51 Fuxingmennei Avenue, Xicheng District, Beijing, the PRC. Notices convening the EGM and the Class Meetings are set out in this circular.

**A Shareholders and H Shareholders**

If you intend to appoint a proxy to attend the EGM and/or the A Share Class Meeting and/or H Share Class Meeting, 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 EGM and/or the A Share Class Meeting and/or H Share Class Meeting (i.e. not later than 2:00 p.m. on Monday, 25 February 2019) or any adjournment thereof in person or by post. To be effective, all forms of proxy must be lodged with Computershare Hong Kong Investor Services Limited before the deadline. Completion and return of the form of proxy will not preclude you from attending the EGM and/or the A Share Class Meeting and/or H Share Class Meeting and voting in person if you so wish.

If you intend to attend the EGM and/or the A Share Class Meeting and/or H Share Class Meeting 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 Monday, 11 February 2019.

**Existing Offshore Preference Shareholders**

Details of attendance and voting procedures of Existing Offshore Preference Shareholders are set out in the notice of the First Preference Share Class Meeting for 2019.

1 February 2019

---

## CONTENTS

---

	<i>Page</i>
<b>DEFINITIONS .....</b>	<b>1</b>
<b>LETTER FROM THE BOARD .....</b>	<b>3</b>
<b>APPENDIX I    Proposal in respect of the Plan of the Non-public Issuance of                     the Offshore Preference Shares of China Minsheng Banking Corp., Ltd. . . .</b>	<b>13</b>
<b>APPENDIX II    Proposal to the Shareholders' General Meeting                     on the Authorization to the Board and its Authorized Persons                     to Exercise Full Power to Deal with Matters relating to the                     Non-public Issuance of the Offshore Preference Shares. ....</b>	<b>22</b>
<b>APPENDIX III   Capital Management Plan for 2018 to 2020 of                     China Minsheng Banking Corp., Ltd. ....</b>	<b>24</b>
<b>APPENDIX IV    Proposal on Extension of Validity Period of the Resolution                     of Shareholders' General Meeting of                     China Minsheng Banking Corp., Ltd. in respect                     of the Non-public Issuance of the Domestic Preference Shares                     and Authorization Period to the Board and its                     Authorized Persons to Deal with Relevant Matters .....</b>	<b>28</b>
<b>APPENDIX V    Resolution on Proposal in respect of Non-Public Issuance                     of Domestic Preference Shares of                     China Minsheng Banking Corp., Ltd. ....</b>	<b>31</b>
<b>NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING FOR 2019 .....</b>	<b>41</b>
<b>NOTICE OF THE FIRST H SHARE CLASS MEETING FOR 2019. ....</b>	<b>44</b>
<b>NOTICE OF THE FIRST PREFERENCE SHARE CLASS MEETING FOR 2019. ....</b>	<b>47</b>

---

## DEFINITIONS

---

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

“A Share(s)”	domestic ordinary share(s) of RMB1.00 each issued by the Company which is/are subscribed for by domestic investors in Renminbi and are listed for trading on the Shanghai Stock Exchange (stock code: 600016)
“A Share Class Meeting”	the first A Share class meeting for 2019 of the Company to be held after the conclusion of the EGM or any adjournment thereof on Tuesday, 26 February 2019 at Xihua Hall, 11/F, Beijing Minzu Hotel, No.51 Fuxingmennei Avenue, Xicheng District, Beijing, the PRC or any adjournment thereof
“A Shareholder(s)”	holder(s) of A Share(s)
“Articles of Association”	the articles of association of the Company
“Board”	the board of directors of the Company
“CBRC”	the China Banking Regulatory Commission (中國銀行業監督管理委員會), currently known as the China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會)
“CBIRC”	the China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會)
“Class Meeting(s)”	A Share Class Meeting and/or H Share Class Meeting and/or Existing Preference Share Class Meeting
“Company”	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 Shanghai Stock Exchange, 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
“Domestic Preference Shares”	the preference shares of an aggregate amount of not more than RMB20 billion, proposed to be issued by the Company in the PRC pursuant to the Plan of Non-public Issuance of Domestic Preference Shares by China Minsheng Banking Corp., Ltd. approved at the first extraordinary general meeting for 2016, the first A Share class meeting for 2016 and the first H Share class meeting for 2016
“EGM”	the first extraordinary general meeting for 2019 of the Company to be held at 2:00 p.m. on Tuesday, 26 February 2019 at Xihua Hall, 11/F, Beijing Minzu Hotel, No.51 Fuxingmennei Avenue, Xicheng District, Beijing, the PRC or any adjournment thereof, the notice of which is set out in this circular

---

## DEFINITIONS

---

“Existing 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 on 14 December 2016 and listed on the Hong Kong Stock Exchange on 15 December 2016 (stock code: 04609)
“Existing Preference Share Class Meeting”	the first Existing Preference Share class meeting for 2019 of the Company to be held after the conclusion of the EGM, A Share Class Meeting and H Share Class Meeting or any adjournment thereof on Tuesday, 26 February 2019 at Xihua Hall, 11/F, Beijing Minzu Hotel, No.51 Fuxingmennei Avenue, Xicheng District, Beijing, the PRC or any adjournment thereof, the notice of which is set out in this circular
“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
“H Share Class Meeting”	the first H Share class meeting for 2019 of the Company to be held after the conclusion of the EGM and A Share Class Meeting or any adjournment thereof on Tuesday, 26 February 2019 at Xihua Hall, 11/F, Beijing Minzu Hotel, No.51 Fuxingmennei Avenue, 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)
“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
“Latest Practicable Date”	25 January 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein
“Offshore Preference Shares”	the non-public offshore preference shares proposed to be issued by the Company pursuant to the plan of the non-public issuance of the offshore preference shares
“Ordinary Share(s)”	A Share(s) and/or H Share(s)
“PRC”	the People’s Republic of China, but for the purposes of this circular only, excluding Hong Kong, Macau and Taiwan
“Preference Shares”	the Offshore Preference Shares and/or the Domestic Preference Shares
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Share(s)”	the Ordinary Share(s) of the Company, including A Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)



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)**

**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

**Registered Address:**

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

*Independent Non-executive Directors:*

Mr. LIU Jipeng

Mr. LI Hancheng

Mr. XIE Zhichun

Mr. PENG Xuefeng

Mr. LIU Ningyu

Mr. TIAN Suning

1 February 2019

---

## LETTER FROM THE BOARD

---

*To the Shareholders*

Dear Sir or Madam,

**PROPOSED NON-PUBLIC ISSUANCE OF THE OFFSHORE PREFERENCE SHARES  
PROPOSED AUTHORIZATION TO THE BOARD AND ITS AUTHORIZED PERSONS TO  
EXERCISE FULL POWER TO DEAL WITH MATTERS RELATING TO THE  
NON-PUBLIC ISSUANCE OF THE OFFSHORE PREFERENCE SHARES  
CAPITAL MANAGEMENT PLAN FOR 2018 TO 2020 OF  
CHINA MINSHENG BANKING CORP., LTD.  
EXTENSION OF VALIDITY PERIOD OF THE RESOLUTION OF SHAREHOLDERS'  
GENERAL MEETING IN RESPECT OF THE NON-PUBLIC ISSUANCE OF THE DOMESTIC  
PREFERENCE SHARES AND AUTHORIZATION PERIOD TO THE BOARD AND  
ITS AUTHORIZED PERSONS TO DEAL WITH RELEVANT MATTERS  
ISSUANCE OF DOMESTIC AND FOREIGN NON-FIXED TERM CAPITAL BONDS  
IN THE NEXT THREE YEARS  
AND  
NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING FOR 2019  
NOTICE OF THE FIRST H SHARE CLASS MEETING FOR 2019  
NOTICE OF THE FIRST PREFERENCE SHARE CLASS MEETING FOR 2019**

### INTRODUCTION

The purpose of this circular is to give you the notices of the EGM, H Share Class Meeting and Existing Preference Share Class Meeting and provide you (among other things) with additional information to enable you to make informed decisions on whether to vote for or against the proposals to be proposed at the EGM, the H Share Class Meeting and the Existing Preference Share Class Meeting as follows:

**1. Proposal in respect of the Plan of the Non-Public Issuance of the Offshore Preference Shares by China Minsheng Banking Corp., Ltd.**

References are made to the announcements of the Company dated 14 December 2016 and 30 October 2018 in relation to (among others) the issuance of the Existing Preference Shares and the Offshore Preference Shares, respectively.

In order to improve the capital structure of the Company, provide capital support for effective implementation of the corporate strategy, increase the level of capital adequacy ratio and enhance the sustainable development of the Company, the Company proposed to issue the Offshore Preference Shares in a non-public method to replenish additional tier-1 capital. For details of the Proposal in respect of the Plan of the Non-Public Issuance of the Offshore Preference Shares by China Minsheng Banking Corp., Ltd., please see Appendix I to this circular. The Offshore Preference Shares will not be issued to connected persons of the Company. If the Offshore Preference Shares are to be issued to any connected person of the Company, the Company will comply with the relevant requirements under Chapter 14A of the Hong Kong Listing Rules, including but not limited to independent Shareholders' approval.

The average trading price of the ordinary H Shares of the Company in 20 trading days preceding the announcement date (i.e. 30 October 2018) of the Board resolution on the relevant issuance proposal = the total trading amount of the Company's ordinary H Shares in these 20 trading days/the total trading volume of the Company's ordinary H Shares in these 20 trading days, i.e. HK\$5.57 per Share, which is equivalent to RMB4.9287259 per Share (based on an exchange rate of RMB0.88487 to

---

## LETTER FROM THE BOARD

---

HK\$1.00, being the central parity rate of Hong Kong Dollars to RMB published by the People's Bank of China on the trading day immediately preceding the announcement date of the Board resolution in respect of the issuance plan of the Offshore Preference Shares)).

The conversion price of HK\$5.57 represents:

- (a) a discount of approximately 2.28% to the closing price of HK\$5.70 per Share as quoted on the Hong Kong Stock Exchange on 30 October 2018, being the date of the Board meeting approving the issuance of the Offshore Preference Shares;
- (b) a discount of approximately 1.24% to the average closing price of approximately HK\$5.64 per Share as quoted on the Hong Kong Stock Exchange for the last five consecutive trading days up to and including 30 October 2018, being the date of the Board meeting approving the issuance of Offshore Preference Shares;
- (c) a discount of approximately 4.79% to the closing price of HK\$5.85 per Share as quoted on the Hong Kong Stock Exchange on 25 January 2019, being the Latest Practicable Date; and
- (d) a discount of approximately 46.88% to the Group's unaudited net asset value of RMB8.84 (equivalent to HK\$10.49 based on an exchange rate of RMB0.84310 to HK\$1.00, being the central parity rate of Hong Kong Dollars to RMB published by the People's Bank of China on 29 June 2018) as at 30 June 2018.

The issuance of the Offshore Preference Shares is subject to various conditions, which include, among other things, the Shareholders' approval, the approvals from the CBIRC and the CSRC and the granting of listing approval by the Hong Kong Stock Exchange, as well as multiple factors including market conditions. As of the Latest Practicable Date, this proposal has been considered and approved at the meeting of the Board held on 30 October 2018 and is now submitted as a special resolution for consideration and approval at the EGM and the Class Meetings. Upon approval by the EGM and the Class Meetings, the Company shall also seek to obtain the approvals from the CBIRC and the CSRC and the granting of listing approval by the Hong Kong Stock Exchange.

Assuming that the issuance of the Offshore Preference Shares of a total amount of RMB20 billion (without taking into account of any issuance of the Domestic Preference Shares) and all of such Offshore Preference Shares being converted, and based on the initial mandatory conversion price of the abovementioned non-public issuance of the Offshore Preference Shares (being HK\$5.57 per Share), the maximum number of new ordinary H Shares which can be issued upon the full exercise of the conversion right of the Offshore Preference Shares will not exceed approximately 4,057,843,833 shares. Assuming that there is no change in the Company's issued share capital after the Latest Practicable Date and immediately before the completion of the issuance of the Offshore Preference Shares, the maximum number of new ordinary H Shares which can be issued upon the exercise of the conversion right of the Offshore Preference Shares will represent: (i) 48.77% of the total issued H ordinary Shares and 9.27% of the total issued share capital of the Company, respectively, before the issuance and full conversion of the Offshore Preference Shares; and (ii) 32.78% of the total issued H ordinary Shares and 8.48% of the total issued share capital of the Company, respectively, after the issuance and full conversion of the Offshore Preference Shares.

---

## LETTER FROM THE BOARD

---

For the impact on the shareholding structure of the Company upon completion of issuance and full conversion of the Offshore Preference Shares, please refer to the table set out in the section headed “IMPACT OF THE NON-PUBLIC ISSUANCE OF THE PREFERENCE SHARES ON THE CAPITAL STRUCTURE OF THE COMPANY” in this circular.

As at 30 September 2018, the Company’s core tier-1 capital adequacy ratio was 8.77%.

The Directors of the Company are of the opinion that the terms of the non-public issuance of the Offshore Preference Shares are fair and reasonable and in the interests of the Company and its Shareholders as a whole. The proposal was approved at the meeting of the Board on 30 October 2018 and is hereby proposed at the EGM, A Share Class Meeting, H Share Class Meeting and Existing Preference Share Class Meeting, respectively, of the Company for approval of the following Plan of Non-public Issuance of the Offshore Preference Shares by way of special resolution. The proposal is also subject to the approvals of the CBIRC and CSRC.

- (1) Type and scale of securities to be issued
- (2) Maturity
- (3) Method of issuance
- (4) Places
- (5) Nominal value and issue price
- (6) Dividend distribution provisions
- (7) Conditional redemption
- (8) Mandatory conversion provisions
- (9) Restriction on and restoration of voting rights
- (10) Order of distribution on liquidation and basis for liquidation
- (11) Use of proceeds
- (12) Rating
- (13) Guarantee arrangement
- (14) Transferability
- (15) Compliance of latest regulatory requirements
- (16) Effective period of the resolution of the non-public issuance of preference shares



---

## LETTER FROM THE BOARD

---

### **2. Proposal to the Shareholders' General Meeting on the Authorization to the Board and its Authorized Persons to Exercise Full Power to Deal with Matters relating to the Non-public Issuance of the Offshore Preference Shares**

For the purpose of the Company's issuance of the Offshore Preference Shares, it is proposed by the Board at the Shareholders' general meeting to authorize the Board and its authorized persons to exercise the full power to deal with matters relating to the issuance of the Offshore Preference Shares under the framework and principles as deliberated and adopted at the Shareholders' general meeting and within the validity period of the resolution in respect of the issuance. For details about the proposal on the authorization, please see Appendix II to this circular.

The validity period of the resolution relating to the issuance of Offshore Preference Shares will be 24 months upon approval at the Shareholders' general meeting. The validity period of the authorization to the Board in relation to the issuance and authorization of the Offshore Preference Shares will be 12 months from the date on which the proposed issuance is passed at the Shareholders' general meeting. If the proposed issuance of the Offshore Preference Shares is not completed before the expiry of the validity period of authorization to the Board, the Board may seek the Shareholders' approval on the renewal of the authorization to the Board to proceed further with the issuance of the Offshore Preference Shares during the validity period of the relevant resolution.

The proposal was approved at the meeting of the Board on 30 October 2018 and is hereby proposed at the EGM, A Share Class Meeting, H Share Class Meeting and Existing Preference Share Class Meeting of the Company for approval by way of special resolution.

### **3. Capital Management Plan for 2018 to 2020 of China Minsheng Banking Corp., Ltd.**

In order to strengthen the capital management and utilization and to comply with the capital regulatory policy, the Company formulated the Capital Management Plan for 2018 to 2020 of China Minsheng Banking Corp., Ltd. For details, please refer to Appendix III to this circular.

The proposal was approved at the meeting of the Board on 30 October 2018 and is hereby proposed at the EGM of the Company for approval by way of ordinary resolution.

### **4. Extension of Validity Period of the Resolution of Shareholders' General Meeting in respect of the Non-Public Issuance of the Domestic Preference Shares and Authorization Period to the Board and its Authorized Persons to Deal with Relevant Matters**

The issuance of the Domestic Preference Shares is subject to various conditions which include, among other things, the approval from the CSRC and the granting of approval on listing for sale by the Shanghai Stock Exchange, as well as multiple factors including market conditions. The issuance of the Domestic Preference Shares has been considered and approved at the meeting of the Board held on 11 December 2015 and the first extraordinary general meeting for 2016 of the Company, the first A share class meeting for 2016 of the Company and the first H share class meeting for 2016 of the Company held on 1 February 2016, and has been approved by the CBRC (currently known as the CBIRC). As of the Latest Practicable Date, the application for the non-public issuance of Domestic Preference Shares was still under vetting process by the CSRC, and the Company will file reports and documentation as required by the CSRC for the application of the non-public issuance of Domestic Preference Shares from time to time during the vetting process. Since the application for the non-public issuance of the Domestic Preference Shares of the Company is still pending, and the validity period of the resolution in respect of the non-public issuance of the Domestic Preference Shares

---

## LETTER FROM THE BOARD

---

passed at the first extraordinary general meeting for 2018, the first A Share class meeting for 2018 and the first H Share class meeting for 2018 on 26 February 2018 and the authorization period of the authorization by the Shareholders' general meeting to the Board and its authorized persons to exercise full power to deal with matters relating to the issuance of the Domestic Preference Shares will soon expire, the Board hereby proposes at the EGM, the A Share Class Meeting and the H Share Class Meeting for an extension of the validity period of the resolution in respect of the non-public issuance of the Domestic Preference Shares for 12 months and the authorization period of the authorization by the Shareholders' general meeting to the Board and its authorized persons to exercise full power to deal with matters relating to the issuance of the Domestic Preference Shares for 12 months. For further details about the Proposal on Extension of Validity Period of the Resolution of Shareholders' General Meeting of China Minsheng Banking Corp., Ltd. in respect of the Non-public Issuance of the Domestic Preference Shares and Authorization Period to the Board and its Authorized Persons to Deal with Relevant Matters, please see Appendix IV to this circular.

The proposal was approved at the meeting of the Board on 30 October 2018 and is hereby proposed at the EGM, A Share Class Meeting and H Share Class Meeting of the Company for approval by way of special resolution.

The Plan of Non-public Issuance of Domestic Preference Shares by China Minsheng Banking Corp., Ltd. as approved by the first extraordinary general meeting for 2016 of the Company, the first A share class meeting for 2016 of the Company and the first H share class meeting for 2016 of the Company is disclosed in Appendix V of the circular for Shareholders' reference. The plan is still subject to the final version as approved by regulatory authorities.

In the event that the non-public issuance of Domestic Preference Shares could not be completed within the extended period, the proposal in respect of extension of validity period of the resolution of Shareholders' general meeting in respect of the non-public issuance of the Domestic Preference Shares and authorization period to the Board and its authorized persons to deal with relevant matters will be resubmitted to the Shareholders' general meeting and class meetings of the Company for consideration and approval.

Assuming that the issuance of the Domestic Preference Shares of a total amount of RMB20 billion (without taking into account of any issuance of the Offshore Preference Shares) and all of such Domestic Preference Shares being converted, and based on the initial mandatory conversion price of the abovementioned non-public issuance of the Domestic Preference Shares (being RMB7.33 per Share), the maximum number of new ordinary A Shares which can be issued upon the full exercise of the conversion right of the Domestic Preference Shares will not exceed approximately 2,728,512,960 shares. Assuming that there is no change in the Company's issued share capital after the Latest Practicable Date and immediately before the completion of the issuance of the Domestic Preference Shares, the maximum number of new ordinary A Shares which can be issued upon the full exercise of the conversion right of the Domestic Preference Shares will represent: (i) 7.69% of the total issued A ordinary Shares and 6.23% of the total issued share capital of the Company, respectively, before the issuance and full conversion of the Domestic Preference Shares; and (ii) 7.14% of the total issued A ordinary Shares and 5.87% of the total issued share capital of the Company, respectively, after the issuance and full conversion of the Domestic Preference Shares.

For the impact on the shareholding structure of the Company upon completion of issuance and full conversion of the Domestic Preference Shares, please refer to the table set out in the section headed "IMPACT OF THE NON-PUBLIC ISSUANCE OF THE PREFERENCE SHARES ON THE CAPITAL STRUCTURE OF THE COMPANY" in this circular.

---

## LETTER FROM THE BOARD

---

### **5. Proposal on the Issuance of Domestic and Foreign Non-fixed Term Capital Bonds of China Minsheng Banking Corp., Ltd. in the Next Three Years**

To further enhance the capital adequacy of the Company and to support the sustainable and healthy development of the business through timely capital replenishment, the Company has formulated a plan for the issuance of domestic and foreign non-fixed term capital bonds in the next three years.

The Company plans to issue domestic and foreign non-fixed term capital bonds with a maximum amount of RMB40 billion or its equivalent foreign currencies in the next three years according to the regulatory requirements, demand of capital replenishment and market conditions. Such non-fixed term capital bonds shall comply with applicable requirements of the Capital Rules for Commercial Banks (Provisional) and the proceeds will be used for replenishment of the additional tier-1 capital of the Company. Such bonds contain loss absorption terms, pursuant to which upon the occurrence of triggering events specified in the offering documents, the loss will be absorbed by means of write-down or conversion to equity. Such bonds will be issued by phase and tranche within the validity period of the resolution.

It is proposed by the Board at the EGM that the Board be authorized and the Board will authorize the management to deal with matters relating to the abovementioned issuance of non-fixed term capital bonds and coordinate its implementation under the framework and principles as deliberated and adopted at the EGM, including but not limited to the determination of specific terms, such as timing, method, tranche, scale, interest rate, terms of bonds, market and target of issuance, currency and use of proceeds, as well as all matters relating to the non-fixed term capital bonds, including settlement and redemption in line with provisions and approval requirements of relevant regulatory authorities during the term of the bonds.

The authorization shall be valid for a period of 36 months from the date on which the proposal is passed at the EGM.

The proposal was approved at the meeting of the Board on 30 October 2018 and is hereby proposed at the EGM of the Company for approval by way of special resolution.

### **IMPACT OF THE NON-PUBLIC ISSUANCE OF THE PREFERENCE SHARES ON THE CAPITAL STRUCTURE OF THE COMPANY**

Set out below are the Company's shareholding structure as of the Latest Practicable Date and the impact on the Company's shareholding structure upon completion of issuance and full conversion of the Preference Shares based on the initial mandatory conversion prices and assuming that there is no change in the Company's issued share capital after the Latest Practicable Date and immediately before completion of the issuance of the Preference Shares (for illustrative purposes only):

# LETTER FROM THE BOARD

As at the Latest Practicable Date (25 January 2019), before the issuance of the Preference Shares												
Name of Shareholder	Approximate percentage of relevant class of Shares in issue (%)			Approximate percentage of relevant class of Shares in issue (%)			Approximate percentage of relevant class of Shares in issue (%)			Approximate percentage of relevant class of Shares in issue (%)		
	Approximate Number of Shares	Approximate percentage of relevant class of Shares in issue (%)	Approximate total issued Shares (%)	Approximate number of shares	Approximate percentage of relevant class of Shares in issue (%)	Approximate total issued Shares (%)	Approximate number of shares	Approximate percentage of relevant class of Shares in issue (%)	Approximate total issued Shares (%)	Approximate number of shares	Approximate percentage of relevant class of Shares in issue (%)	Approximate total issued Shares (%)
<b>A Shares</b>												
Anbang Life Insurance Co., Ltd and its associates <sup>(Note 3)</sup> .....	7,352,284,689	20.73%	16.79%	7,352,284,689	19.25%	15.81%	7,352,284,689	20.73%	15.37%	7,352,284,689	19.25%	14.54%
Zhang Hongwei and his associates <sup>(Note 4)</sup> .....	3,048,721,959	8.60%	6.96%	3,048,721,959	7.98%	6.55%	3,048,721,959	8.60%	6.37%	3,048,721,959	7.98%	6.03%
Lu Zhiqiang and his associates <sup>(Note 5)</sup> .....	2,019,182,618	5.69%	4.61%	2,019,182,618	5.29%	4.34%	2,019,182,618	5.69%	4.22%	2,019,182,618	5.29%	3.99%
Liu Yonghao and his associates <sup>(Note 6)</sup> .....	1,930,715,189	5.44%	4.41%	1,930,715,189	5.06%	4.15%	1,930,715,189	5.44%	4.04%	1,930,715,189	5.06%	3.82%
Shi Yuzhu and his associates <sup>(Note 7)</sup> .....	1,379,679,587	3.89%	3.15%	1,379,679,587	3.61%	2.97%	1,379,679,587	3.89%	2.88%	1,379,679,587	3.61%	2.73%
Wang Jiuzhi <sup>(Note 8)</sup> .....	911,664	0.00%	0.00%	911,664	0.00%	0.00%	911,664	0.00%	0.00%	911,664	0.00%	0.00%
Public Shareholders of A Shares .....	19,730,627,507	55.64%	45.07%	22,459,140,467	58.81%	48.29%	19,730,627,507	55.64%	41.24%	22,459,140,467	58.81%	44.41%
Total issued A Shares .....	35,462,123,213	100.00%	81.00%	38,190,636,173	100.00%	82.11%	35,462,123,213	100.00%	74.13%	38,190,636,173	100.00%	75.52%
<b>H Shares</b>												
Anbang Life Insurance Co., Ltd and its associates <sup>(Note 3)</sup> .....	457,930,200	5.50%	1.05%	457,930,200	5.50%	0.98%	457,930,200	3.70%	0.96%	457,930,200	3.70%	0.91%
Zhang Hongwei and his associates <sup>(Note 4)</sup> .....	415,188,600	4.99%	0.95%	415,188,600	4.99%	0.89%	415,188,600	3.35%	0.87%	415,188,600	3.35%	0.82%
Lu Zhiqiang and his associates <sup>(Note 5)</sup> .....	1,020,538,470	12.27%	2.33%	1,020,538,470	12.27%	2.19%	1,020,538,470	8.24%	2.13%	1,020,538,470	8.24%	2.02%
Public Shareholders of H Shares .....	6,426,638,019	77.24%	14.68%	6,426,638,019	77.24%	13.82%	10,484,481,852	84.70%	21.92%	10,484,481,852	84.70%	20.73%
Total issued H Shares .....	8,320,295,289	100.00%	19.00%	8,320,295,289	100.00%	17.89%	12,378,139,122	100.00%	25.87%	12,378,139,122	100.00%	24.48%
Total Shares held by public Shareholders .....	26,157,265,526	N/A	59.74%	28,885,778,486	N/A	62.11%	30,215,109,359	N/A	63.16%	32,943,622,320	N/A	65.15%
Total Shares in issue .....	43,782,418,502	N/A	100.00%	46,510,931,462	N/A	100.00%	47,840,262,335	N/A	100.00%	50,568,775,296	N/A	100.00%

---

## LETTER FROM THE BOARD

---

---

*Notes:*

1. Without taking into account the issuance and full conversion of the Offshore Preference Shares and for reference only.
2. Without taking into account the issuance and full conversion of the Domestic Preference Shares and for reference only.
3. As at the Latest Practicable Date, Anbang Life Insurance Co., Ltd held approximately 17.84% of the Shares in the Company and was a substantial Shareholder of the Company. Anbang Life Insurance Co., Ltd was thus a core connected person of the Company, and the shareholding of Anbang Life Insurance Co., Ltd and its associates in the Company would not be deemed as part of the public float.
4. 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 associates in the Company would not be deemed as part of the public float. Orient Group Incorporation and Huaxia Life Insurance Co., Ltd. entered into an acting in concert agreement on 29 June 2016 and a supplemental agreement to the acting in concert agreement on 27 December 2018. Orient Group Co., Ltd. and Huaxia Life Insurance Co., Ltd. entered into an acting in concert agreement on 27 December 2018. As at the Latest Practicable Date, Orient Group Co., Ltd. directly held 35,000,000 ordinary A Shares of the Company and indirectly held 1,280,117,123 ordinary A Shares of the Company through its subsidiary, Orient Group Incorporation, representing 3.00% of the total share capital of the Company in aggregate. Huaxia Life Insurance Co., Ltd. held 1,733,604,836 ordinary A Shares and 415,188,600 H Shares of the Company, representing 4.91% of the total share capital of the Company in aggregate. Orient Group Co., Ltd. and Huaxia Life Insurance Co., Ltd. held 7.91% of the total share capital of the Company in aggregate.
5. 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 associates in the Company would not be deemed as part of the public float.
6. 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 associates in the Company would not be deemed as part of the public float.
7. 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 associates in the Company would not be regarded as part of the public float.
8. As at the Latest Practicable Date, Wang Jiazhi was an employee supervisor of the Company and was thus a core connected person of the Company, whose shareholding in the Company would not be regarded as part of the public float.
- \* 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 SFO.

---

## LETTER FROM THE BOARD

---

### **CLOSURE OF REGISTER OF MEMBERS FOR THE EGM AND THE H SHARE CLASS MEETING**

The register of members of the Company is closed from Saturday, 26 January 2019 to Tuesday, 26 February 2019 (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 EGM and 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, 25 January 2019. H Shareholders whose names appear on the register of members of the Company on Saturday, 26 January 2019 will be entitled to attend and vote at the EGM and the H Share Class Meeting.

### **VOTING BY POLL AT THE EGM AND THE H SHARE CLASS MEETINGS**

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, all votes of the Shareholders at the EGM and the H Share Class Meeting must be taken by poll. As such, the chairman of the meetings will require a poll for the resolution proposed at the EGM and the H Share Class Meeting.

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.

### **EXISTING OFFSHORE PREFERENCE SHAREHOLDERS**

Details of attendance and voting procedures of Existing Offshore Preference Shareholders are set out in the Notice of the First Preference Share Class Meeting for 2019.

### **RECOMMENDATION**

The Board considers that 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 EGM and the Class Meetings.

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

**PROPOSAL ON THE NON-PUBLIC ISSUANCE OF  
THE OFFSHORE PREFERENCE SHARES OF  
CHINA MINSHENG BANKING CORP., LTD.**

**(I) TYPE AND NUMBER OF SECURITIES TO BE ISSUED**

Up to RMB20 billion or its equivalence of preference shares in compliance with the applicable domestic and overseas laws, regulations and normative documents will be issued outside the PRC. The number of the Offshore Preference Shares shall be determined by the Board of the Company subject to a maximum according to the authorization, which may be further delegated, granted by the Shareholders' general meeting.

**(II) MATURITY**

The duration of the Offshore Preference Shares to be issued is perpetual.

**(III) METHOD OF ISSUANCE**

All the Offshore Preference Shares will be issued through private placement in accordance with international market procedures. The Offshore Preference Shares may be issued in one or several tranches under relevant procedures pursuant to the approvals of regulatory authorities. If the preference shares are issued in several tranches, each tranche of issuance will not be subject to the approval of holders of the preference shares issued by the Company.

**(IV) PLACEEES**

The Offshore Preference Shares will be issued to qualified foreign investors in accordance with international market practice. The placees shall subscribe for the Offshore Preference Shares in cash. In case of any under-subscription, the unsubscribed preference shares shall be underwritten by underwriters. No preferential placement to existing shareholders will be arranged. Each tranche of the Offshore Preference Shares will be issued to no more than 200 qualified foreign investors who comply with the relevant regulatory requirements and other laws and regulations.

**(V) NOMINAL VALUE AND ISSUE PRICE**

The nominal value of the Offshore Preference Shares will be RMB100 per Offshore Preference Share. The Offshore Preference Shares will be issued at or above par value. The actual currency and issue price are proposed to be determined by the Board with reference to market conditions and in accordance with relevant laws, regulations and market practice, subject to the authorization at the Shareholders' general meeting, which may be further delegated.

**(VI) DIVIDEND DISTRIBUTION PROVISIONS**

**1. Basis of coupon rates**

The coupon rate of the Offshore Preference Shares, which will be determined based on the issue price denominated in foreign currency of the Offshore Preference Shares (which shall be similarly construed hereinafter), may be adjusted at different intervals, i.e. the coupon rate may either remain



---

**APPENDIX I                      PROPOSAL IN RESPECT OF THE PLAN OF THE NON-PUBLIC  
ISSUANCE OF THE OFFSHORE PREFERENCE SHARES  
OF CHINA MINSHENG BANKING CORP., LTD.**

---

unchanged during the term of the Offshore Preference Shares, or there will be coupon rate adjustment periods and the coupon rate will be fixed for a certain period after the issuance of the Offshore Preference Shares and will be readjusted once after each specified period thereafter (Such coupon rate will be the sum of the benchmark rate and the fixed spread. The fixed spread will be equal to the spread between the coupon rate for the Offshore Preference Shares at the time of issuance and the benchmark rate, which will remain unchanged during the term of the Offshore Preference Shares). The coupon rate for the Offshore Preference Shares will be determined by the Company in accordance with market pricing practice and shall not exceed the weighted annual average return on equity<sup>1</sup> of the Company for the latest two financial years. The actual coupon rate shall be determined by the Board with reference to factors including the market conditions, the actual circumstances of the Company and investor appetite, subject to the authorization at the Shareholders' general meeting, which may be further delegated.

**2.     Conditions of dividend distribution**

- (1) Subject to the fulfillment of regulatory requirements relating to capital adequacy ratio, the Company may distribute dividends to the holders of the Offshore Preference Shares with its distributable after-tax profits<sup>2</sup> after making up losses and appropriations to its statutory reserve and general reserve according to law. The Offshore Preference Shares issued by the Company have priority over the Ordinary Shares of the Company in terms of dividend distribution. Payment of dividends to the holders of the Offshore Preference Shares will not be affected by the rating of the Company and will not be adjusted due to any change to such rating.
- (2) Under all circumstances, the Company shall have the right to cancel dividend payments to the holders of the Offshore Preference Shares after going through certain regulatory procedures and upon approval by the Shareholders' general meeting, and the cancellation shall not constitute an event of default. The Company, at its discretion, may use any dividends so cancelled to repay other debts that are due. The cancellation of any dividend payment to the holders of the Offshore Preference Shares will only constitute a restriction on the payment of dividend to the holders of Ordinary Shares, and will not lead to any other restrictions on the Company. The Company will fully consider the rights and interests of the holders of the preference shares when exercising the above-mentioned rights.

**3.     Method of dividend payment**

Dividends for the Offshore Preference Shares will be payable in cash calculated based on the aggregate par value of the relevant tranche of the Offshore Preference Shares issued and outstanding, being the product of the issue price denominated in foreign currency of the Offshore Preference Shares and the total number of the Offshore Preference Shares of the relevant tranche issued and outstanding during the period (which shall be similarly construed hereinafter). Dividends for the Offshore Preference Shares shall be paid annually and denominated and declared in RMB and paid

---

<sup>1</sup> Calculated in accordance with the Guidelines on the Compilation of Information Disclosure Documents by Companies that Offer Securities to the Public No. 9 — Calculation and Disclosure of Return on Equity and Earnings Per Share (as amended in 2010).

<sup>2</sup> Distributable after-tax profits are calculated based on the undistributed profits stated in the financial statements of the parent company prepared in accordance with the Chinese Accounting Standards or the International Financial Reporting Standards, whichever is the lower.



---

**APPENDIX I                      PROPOSAL IN RESPECT OF THE PLAN OF THE NON-PUBLIC  
ISSUANCE OF THE OFFSHORE PREFERENCE SHARES  
OF CHINA MINSHENG BANKING CORP., LTD.**

---

in cash of the currency. The dividends will accrue from the payment due date of the relevant tranche of the Offshore Preference Shares. Taxes payable on the dividend income of the holders of the Offshore Preference Shares shall be borne by such shareholders in accordance with relevant laws and regulations. The payment of dividends to holders of the Offshore Preference Shares shall be in full discretion of the Board pursuant to the issuance proposal, subject to the authorization at the Shareholders' general meeting, which may be further delegated.

**4. Dividend stopper**

If the Company cancels all or part of the dividends to the holders of the Offshore Preference Shares, the Company shall not make any distribution to the holders of Ordinary Shares before the Company distributes agreed dividends for the current period to the holders of preference shares in full.

**5. Dividend accumulation**

Dividends of the Offshore Preference Shares will be non-cumulative, which means that any dividends not paid to the holders of the Offshore Preference Shares will not be accumulated to the following dividend year.

**6. Distribution of remaining profit**

The holders of the Offshore Preference Shares will receive dividends at the agreed coupon rate, and they shall not be entitled to participate in the distribution of remaining profit with holders of Ordinary Shares.

**(VII) CONDITIONAL REDEMPTION**

**1. Subject of the right of redemption**

The issuance of preference shares provides conditional redemption by the issuer but investors are not allowed to sell back their preference shares. Holders of preference shares do not have the right to demand redemption of their preference shares by the Company.

**2. Redemption conditions and period**

Subject to the approval of the CBIRC and the satisfaction of the relevant requirements, the Company shall have the right to redeem all or part of the Offshore Preference Shares after the fifth year following the completion date of issuance of the Offshore Preference Shares. The redemption period of the Offshore Preference Shares commences on the fifth year following such completion date and ends on the completion date of redemption or conversion of all the Offshore Preference Shares. The exercise of the right by the Company to redeem the Offshore Preference Shares shall be subject to the following conditions:

- (1) the Company replaces the Offshore Preference Shares to be redeemed with capital instruments of the same or better quality and the replacement of the capital instruments is effected on conditions that the income capacity of the Company is sustainable; or
- (2) the Company's capital position will remain to be well above the regulatory capital requirements of the CBIRC after the redemption.

---

**APPENDIX I                      PROPOSAL IN RESPECT OF THE PLAN OF THE NON-PUBLIC  
ISSUANCE OF THE OFFSHORE PREFERENCE SHARES  
OF CHINA MINSHENG BANKING CORP., LTD.**

---

The specific arrangements for the redemption rights shall be determined by the Board of the Company in accordance with the authorization of the Shareholders' general meeting.

**3. Redemption price**

Redemption price of the Offshore Preference Shares will be an amount equal to the issue price denominated in foreign currency plus the amount of dividends declared but not yet paid for the current period.

**(VIII) MANDATORY CONVERSION PROVISIONS**

When the conditions for mandatory conversion are met, the issued and outstanding Offshore Preference Shares, subject to regulatory approvals, shall be wholly or partially converted into ordinary H Shares.

**1. Conditions for mandatory conversion**

- (1) Upon the occurrence of trigger event of additional tier-1 capital instruments meaning the core tier-1 capital adequacy ratio of the Company decreases to 5.125% or below, the issued and outstanding Offshore Preference Shares shall be wholly or partially converted into ordinary H Shares according to the total amount in order to restore the Company's core tier-1 capital adequacy ratio to above 5.125% without the prior consent of the holders of preference shares. In the case of partial conversion, all the Offshore Preference Shares under the issuance shall be converted on a pro rata basis on the same conditions. The Offshore Preference Shares shall not be converted back into preference shares under any conditions after the conversion to ordinary H Shares.
- (2) Upon the occurrence of trigger event of tier-2 capital instruments, the issued and outstanding Offshore Preference Shares shall be wholly converted into ordinary H Shares according to the total amount without the prior consent of the holders of preference shares. The Offshore Preference Shares shall not be converted back into preference shares under any conditions after the conversion to ordinary H Shares. The trigger event of tier-2 capital instruments shall be regarded as the occurrence of the earlier of the following two situations: (i) the CBIRC is of the view that the Company can no longer sustain itself if the preference shares are not converted or written-down; (ii) relevant authorities are of the view that the Company can no longer sustain itself without capital injections from the public sector or any support to the same effect.

When the above conditions of mandatory conversion are met, the Company shall report to the CBIRC for review and approval, and perform its obligations of information disclosure pursuant to the relevant regulations, such as publishing provisional reports and announcements.

**2. Mandatory conversion amount and its basis**

For the mandatory conversion of the Offshore Preference Shares, the formula for determining the number of shares to be converted shall be:  $Q^* = V^*/P^* \times \text{exchange rate for calculation}$ . Any remaining preference shares held by a holder of the Offshore Preference Shares that can only be converted into less than one full ordinary H Share shall be handled by the Company in accordance with relevant regulatory rules.

---

**APPENDIX I                      PROPOSAL IN RESPECT OF THE PLAN OF THE NON-PUBLIC  
ISSUANCE OF THE OFFSHORE PREFERENCE SHARES  
OF CHINA MINSHENG BANKING CORP., LTD.**

---

Of which: Q\* denotes the number of ordinary H shares that shall be converted from the Offshore Preference Shares held by each holder of the Offshore Preference Shares; V\* denotes the value of the Offshore Preference Shares held by each holder of the Offshore Preference Shares for the mandatory conversion as determined under the principle that the losses will be absorbed in equal proportion among the Domestic Preference Shares and the Offshore Preference Shares; P\* denotes the mandatory conversion price of the Offshore Preference Shares under the issuance; and the exchange rate for calculation denotes the cross rate between Hong Kong dollar and the foreign currency in which the Offshore Preference Shares are denominated based on the RMB Central Parity Rate published by the China Foreign Exchange Trade System on the trading date immediately preceding the date of announcement of the Board resolution in respect of the issuance plan of the Offshore Preference Shares.

Upon the occurrence of the trigger event, the issued and outstanding Offshore Preference Shares shall be fully or partially (under the principle that the losses will be absorbed in equal proportion) converted to ordinary H Shares based on the above formula.

The Company proposed to authorize the Board with full power to deal with all the relevant matters of the conversion of the Offshore Preference Shares at the Shareholders' general meetings if conditions for mandatory conversion are met.

**3. Mandatory conversion price and its basis**

The initial mandatory conversion price of the Offshore Preference Shares shall be the average trading price of the ordinary H Shares of the Company in 20 trading days preceding the announcement date of the Board resolution on the relevant issuance proposal. The specific matters shall be determined by the Board as authorized by the Shareholders' general meeting (with a delegated mandate) according to market conditions.

The average trading price of the ordinary H Shares of the Company in 20 trading days preceding the announcement date of the Board resolution on the relevant issuance proposal = the total trading amount of the Company's ordinary H Shares in these 20 trading days/the total trading volume of the Company's ordinary H Shares in these 20 trading days (i.e. HK\$5.57<sup>1</sup> per Share).

**4. Mandatory conversion period**

The period for mandatory conversion of the Offshore Preference Shares commences on the first trading day immediately following the completion date of issuance of the Offshore Preference Shares and ends on the date of redemption or conversion of all the Offshore Preference Shares.

**5. Method of adjustments of the mandatory conversion price**

Upon the occurrence of certain prescribed events relating to the ordinary H Shares of the Company (e.g. bonus issuance, capital conversion or increase, issuance of new shares at a price lower than the market price (excluding any increase in the share capital as a result of conversion of certain financial instruments issued by the Company that are convertible into Ordinary Shares) and placement) after the date of passing the Board resolution in respect of the issuance plan of the Offshore Preference Shares, the mandatory conversion price shall be subject to cumulative

---

<sup>1</sup> equivalent to RMB4.9287259 per Share (based on an exchange rate of RMB0.88487 to HK\$1.00, being the central parity rate of Hong Kong Dollars to RMB published by the People's Bank of China on the trading day immediately preceding the announcement date of the Board resolution in respect of the issuance plan of the Offshore Preference Shares).

---

## APPENDIX I                      PROPOSAL IN RESPECT OF THE PLAN OF THE NON-PUBLIC ISSUANCE OF THE OFFSHORE PREFERENCE SHARES OF CHINA MINSHENG BANKING CORP., LTD.

---

adjustments in the same order of the occurrence of such events. The distribution of cash dividends to the holders of Ordinary Shares of the Company will not result in any adjustment to the mandatory conversion price. The mandatory conversion price will be adjusted based on the following:

Bonus issuance or capital conversion or increase:  $P1^* = P0^* \times N^* / (N^* + n^*)$ ;

Issuance of new H Shares at a price lower than the market price or placement:  $P1^* = P0^* \times (N^* + k^*) / (N^* + n^*)$ ;  $k^* = n^* \times A^* / M^*$ ;

In the above formulae, “P0\*” denotes the effective mandatory conversion price before adjustment; “N\*” denotes the total ordinary H share capital of the Company before the bonus issuance for ordinary H Shares, capital conversion or increase, issuance of new shares or placement; “n\*” denotes the number of new shares as a result of the bonus issuance for ordinary H Shares, capital conversion or increase, issuance of new shares or placement; “A\*” denotes the price for the issuance of the new H Shares or placement; “M\*” denotes the closing price of ordinary H Shares on the trading date immediately preceding the date of announcement of issuance or placement of new H Shares (i.e. announcement containing the effective and irrevocable terms of issuance or placement of new H Shares); and “P1\*” denotes the effective mandatory conversion price after adjustment.

In the event that the rights and benefits of the holders of the Offshore Preference Shares may be affected by the change in the class and number of Shares and Shareholders’ interests of the Company due to the cancellation of any repurchased shares by, or merger or division of the Company or any other circumstances, the Company will, for the purpose of anti-dilution, adjust the mandatory conversion price based on the actual circumstances and in accordance with the principles of fairness, justice, equity and full protection and balance of the interests of the holders of preference shares and the holders of Ordinary Shares. The adjustment mechanism for the mandatory conversion price in those circumstances will be determined in accordance with the relevant regulations.

### **6. Entitlement to dividends of Ordinary Shares in the year of mandatory conversion**

The new ordinary H Shares to be issued as a result of the mandatory conversion of the Offshore Preference Shares will rank pari passu with the existing ordinary H Shares, and all holders of Ordinary Shares whose names appear on the register of members of the Company on the record date for dividend entitlement of Ordinary Shares shall be entitled to receive the dividend for the current dividend period.

## **(IX) RESTRICTION ON AND RESTORATION OF VOTING RIGHTS**

### **1. Restriction on voting rights**

Under normal circumstances, the holders of preference shares shall have no right to convene, attend or vote at any Shareholders’ general meetings. The holders of preference shares will be entitled to attend Shareholders’ general meetings and vote at a separate class meeting if the resolutions to be passed relate to any of the followings and each preference share will be entitled to one vote, except for the preference shares held by the Company which shall have no right to vote:

- (1) amendments to the provisions of the Articles of Association in relation to preference shares;

---

**APPENDIX I                      PROPOSAL IN RESPECT OF THE PLAN OF THE NON-PUBLIC  
ISSUANCE OF THE OFFSHORE PREFERENCE SHARES  
OF CHINA MINSHENG BANKING CORP., LTD.**

---

- (2) decrease in the registered capital of the Company by more than 10% on one occasion or in aggregate;
- (3) merger, division, dissolution or change in form of incorporation of the Company;
- (4) issuance of preference shares by the Company;
- (5) other circumstances specified by laws, administrative regulations, departmental rules, any securities regulatory authorities of the listing places of Shares of the Company or the Articles of Association of the Company.

Any resolutions on the foregoing matters shall be adopted by more than two thirds (2/3) of the voting rights of the holders of Ordinary Shares present at the meeting (including the holders of preference shares whose voting rights have been restored) and by more than two thirds (2/3) of the voting rights of the holders of preference shares present at the meeting (excluding the holders of preference shares whose voting rights have been restored).

## **2. Restoration of voting rights**

If there are outstanding Offshore Preference Shares and the Company fails to pay dividends on preference shares for a total of three financial years or for two consecutive financial years, holders of the Offshore Preference Shares shall have the right to attend Shareholders' general meetings and vote with holders of Ordinary Shares from the day following the date on which the Shareholders' general meeting resolves not to distribute the agreed dividends on preference shares for that year.

The formula for calculating the voting rights of Ordinary Shares of the Offshore Preference Shares with voting rights restored is as follow:

$R^* = W^*/S^* \times \text{exchange rate for calculation}$ . Any fractional voting right restored will be rounded down to the nearest whole number.

In the above formula: "R\*" denotes the voting right of ordinary H Shares that can be restored from the Offshore Preference Shares for each holder of the Offshore Preference Shares; "W\*" denotes the amount of the Offshore Preference Shares held by each holder of the Offshore Preference Shares; "S\*", the price for calculation, denotes the average trading price of ordinary H Shares of the Company for the 20 trading days preceding the date of announcement of the Board resolution in respect of the issuance plan of the Offshore Preference Shares; and the "exchange rate for calculation" denotes the cross rate between Hong Kong dollar and the foreign currency in which the Offshore Preference Shares are denominated based on the RMB Central Parity Rate published by the China Foreign Exchange Trade System on the trading date immediately preceding the date of announcement of the Board resolution in respect of the issuance plan of the Offshore Preference Shares.

Average trading price of ordinary H Shares of the Company for the 20 preceding trading days = total trading amount of ordinary H Shares of the Company for such 20 preceding trading days/total trading volume of ordinary H Shares for the same 20 trading days, i.e. HKD5.57 per share.

---

**APPENDIX I                      PROPOSAL IN RESPECT OF THE PLAN OF THE NON-PUBLIC  
ISSUANCE OF THE OFFSHORE PREFERENCE SHARES  
OF CHINA MINSHENG BANKING CORP., LTD.**

---

Upon the occurrence of certain prescribed events relating to the ordinary H Shares of the Company (e.g. bonus issuance, capital conversion or increase, issuance of new Shares at a price lower than the market price (excluding any increase in the share capital as a result of conversion of certain financial instruments, such as preference shares and convertible corporate bonds, issued by the Company that are convertible into Ordinary Shares) and placement) after the issuance of the preference shares, the simulated conversion price shall be subject to cumulative adjustments in the same order of the occurrence of such events. The adjustment method is the same as that applicable to the mandatory conversion price as specified in “VIII. Mandatory Conversion Provisions”.

**3.      Cancellation of restoration of voting rights**

After the voting rights are restored, upon the full payment of the dividend to the Offshore Preference Shares for the current dividend period, the voting rights granted to holders of the Offshore Preference Shares in accordance with the terms of restoration of voting rights will be terminated commencing on the date of full payment of such dividend. After such cancellation, if the terms for the restoration of voting rights are triggered again, the holders of the Offshore Preference Shares may be re-granted with voting rights.

**(X) ORDER OF DISTRIBUTION AND BASIS FOR LIQUIDATION**

Holders of the Offshore Preference Shares will be subordinated to the depositors, ordinary creditors, holders of subordinated debt, holders of convertible bonds, holders of tier-2 capital bonds and holders of additional tier-2 capital instrument in terms of distribution of remaining assets, but will rank ahead of the holders of Ordinary Shares of the Company.

Upon liquidation, the residual assets of the Company after liquidation will be distributed in the following order:

1.    liquidation expenses;
2.    employee salary, labor insurance premiums and statutory compensatory amount;
3.    principal and interest of individual deposits;
4.    outstanding taxes;
5.    debts of the Company;
6.    after distribution of residual assets to the foregoing items, the remaining assets of the Company will be distributed to the Shareholders in proportion to their respective class of shares and corresponding shareholdings. Holders of the Offshore Preference Shares will rank *pari passu* with the holders of preference shares issued and outstanding and holders of preferences shares which may be issued by the Company in the future in terms of distribution of remaining assets, and all such holders of preference shares will rank ahead of the holders of Ordinary Shares. The holders of the Offshore Preference Shares will be entitled to an amount equal to the aggregate value of the Offshore Preference Shares issued and outstanding plus any declared but unpaid dividends. If there are insufficient remaining assets, the distribution will be made on a *pro rata* basis to the holders of the Offshore Preference Shares and Domestic Preference Shares then issued and outstanding.

---

**APPENDIX I                      PROPOSAL IN RESPECT OF THE PLAN OF THE NON-PUBLIC  
ISSUANCE OF THE OFFSHORE PREFERENCE SHARES  
OF CHINA MINSHENG BANKING CORP., LTD.**

---

**(XI) USE OF PROCEEDS**

Subject to the approval of the CBIRC, the proceeds from the issuance of the Offshore Preference Shares, after deducting the issuing expenses, will be used for replenishment of the additional tier-1 capital of the Company.

**(XII) RATING**

The specific rating arrangement of the preference shares shall be determined by the Board in accordance with the authorization of the Shareholders' general meeting and in accordance with market conditions.

**(XIII) GUARANTEE ARRANGEMENT**

There is no guarantee arrangement in relation to the issuance of preference shares.

**(XIV) TRANSFERABILITY**

Applications will be made for the listing of the Offshore Preference Shares on the Hong Kong Stock Exchange in accordance with the relevant regulatory rules and will be transferred in accordance with the relevant trading and settlement rules.

**(XV) COMPLIANCE WITH LATEST REGULATORY REQUIREMENTS**

If the regulatory authorities impose new capital regulatory requirements or make material changes to the existing capital regulatory requirements when there are outstanding preference shares, the Company has the right to modify the terms of the contracts pursuant to the new regulatory requirements to remain in compliance with the regulatory requirements of additional tier-1 capital instruments.

After being approved by the Board and the Shareholder's general meeting, this preliminary plan may be further amended by the Board under the authorization of the Shareholders' general meeting on the basis of the advice of the regulatory authorities.

**(XVI) EFFECTIVE PERIOD OF THE RESOLUTION OF THE NON-PUBLIC  
ISSUANCE OF PREFERENCE SHARES**

The resolution in respect of the issuance will be valid for 24 months from the date on which the resolution is passed at the Shareholders' general meeting of the Company.



**PROPOSAL TO THE SHAREHOLDERS' GENERAL MEETING ON THE  
AUTHORIZATION TO THE BOARD AND ITS AUTHORIZED PERSONS  
TO EXERCISE FULL POWER TO DEAL WITH MATTERS RELATING  
TO THE NON-PUBLIC ISSUANCE OF THE OFFSHORE PREFERENCE SHARES**

---

For the purpose of the issuance of the Offshore Preference Shares, it is proposed at the Shareholders' general meeting to authorize the Board and its authorized persons to exercise the full power to deal with all matters relating to the non-public issuance of the Offshore Preference Shares under the framework and principles as deliberated and adopted at the Shareholders' general meeting and within the validity period of the resolution in respect of the issuance, including but not limited to those set out below:

- (1) to formulate and implement the final proposal for the issuance, including but not limited to the issue size, coupon rates (including the method of determination and the final coupon rates), conversion arrangements, timing of issuance, arrangements relating to issuance by tranches, method of issuance, placees, arrangements of rating and transfer arrangements of the Offshore Preference Shares;
- (2) to appropriately amend, adjust and supplement the terms of the issuance of the Offshore Preference Shares based on the opinions of the regulatory authorities and the actual condition of the Company in compliance with the laws and regulations;
- (3) to make necessary adjustments to the issuance plan of the Offshore Preference Shares according to any new regulatory rules of the government on preference shares, new policy requirements of the relevant regulatory authorities or changes of market condition, except those matters that require a separate vote at a Shareholders' general meeting in accordance with the relevant laws and regulations as well as the Articles of Association of the Company;
- (4) to sign, execute, amend or terminate any agreement, contract, prospectus or other documents in relation to the issuance or transfer of the Offshore Preference Shares, including but not limited to underwriting agreement or agreement relating to raising funds, etc.;
- (5) to complete the procedures for approval, registration, filing, verification and obtaining consent from the relevant domestic and foreign government and regulatory authorities (including but not limited to CSRC, CBIRC, Securities & Futures Commission of Hong Kong, and The Stock Exchange of Hong Kong Limited) for the issuance and transfer of the Offshore Preference Shares; to sign, execute, amend and complete the proposals, agreements, application documents and other documents to be submitted to the relevant domestic and foreign government and regulatory authorities, organizations and individuals; and to do all acts and things considered by them to be necessary, desirable or expedient regarding the issuance and transfer of the Offshore Preference Shares;
- (6) subject to the regulatory requirements of CSRC, CBIRC and other relevant regulatory authorities, to determine the placees and the number of shares to be issued to each placee upon negotiation with the lead underwriter pursuant to the conditions and principles of the resolution on the issuance of the Offshore Preference Shares, and to arrange the application procedures, receive deposit payment, and enter into and give effect to any share subscription agreement or other relevant legal documents with placees as and when necessary;
- (7) to amend and revise the Articles of Association and its annexes from time to time during the issuance and transfer of the Offshore Preference Shares in accordance with the requirements and recommendation of the relevant domestic and foreign government and regulatory authorities. Authorized persons may only exercise such authority to amend and revise the particular terms and wordings of the Articles of Association in accordance with the regulatory requirements on the



issuance of preference shares. Upon the completion of the issuance of the preference shares, the Board shall revise the Articles of Association in relation to the change in registered capital and report to relevant government authorities for approval, and complete the change of registration and file the Articles of Association;

- (8) to make relevant amendments to the proposals on the issuance and transfer of the Offshore Preference Shares approved by the Shareholders' general meeting in accordance with the requirements of government and regulatory authorities and the relevant approval documents;
- (9) to propose the Shareholders' general meeting to authorize the Board to assign relevant persons to deal with any matters relating to the issuance as and when necessary.

In order to enhance the efficiency of decision-making and grasp the opportunities in the market, the Board will assign the chairman, secretary to the Board, the president and other senior management members to separately or jointly exercise the full power to deal with the above matters.

In addition, it is proposed to the Shareholders' general meeting to authorize the Board to exercise the full power to deal with the following matters according to the framework and principles approved at the Shareholders' general meeting from the date of completion of the issuance:

- (1) to declare and pay all dividends on the preference shares in accordance with the issuance plan. If part of or all of the dividends on the preference shares are cancelled, such cancellation shall be subject to the approval of the Shareholders' general meeting;
- (2) to redeem the preference shares based on the market conditions during the redemption period of the preference shares under the issuance and to, at its sole discretion, deal with any matters relating to the redemption in accordance with the approval of the CBIRC and other regulatory authorities;
- (3) to, at its sole discretion, deal with any matters relating to the conversion of preference shares under the issuance upon the triggering of the mandatory conversion conditions, including but not limited to issuing Ordinary Shares accordingly, revising the relevant provisions of the Articles of Association, completing relevant approval procedures of the CBIRC and other regulatory authorities and completing the registration in respect of the change in the registered capital with the authority of industry and commerce in accordance with the provisions of mandatory conversion;
- (4) if the regulatory authorities impose new capital requirements or make material changes to the existing capital requirement, causing the preference shares to be issued not qualified as additional tier-1 capital, to modify the terms of contract of the issuance pursuant to the latest regulatory requirements so that the preference shares shall continue to be qualified as additional tier-1 capital instruments in compliance with the regulatory requirements.

For the purposes of adapting to complex domestic and overseas economic and financial conditions, implementing regulatory requirements, further strengthening the capital management, enhancing the leading role of capital in business development, and promoting sustainable and healthy development of businesses, the Company has formulated the “Capital Management Plan for 2018 to 2020 of China Minsheng Banking Corp., Ltd.” pursuant to relevant regulatory requirements and the development strategies and business plans of the Company.

## **I. BASIC PRINCIPLES OF CAPITAL PLAN**

### **(1) Meet regulatory requirements**

Pursuant to the requirements of “the Capital Rules for Commercial Banks (Provisional)” (the “**Capital Measures**”), the core tier-1 capital adequacy ratio, tier-1 capital adequacy ratio and capital adequacy ratio of commercial banks should be not less than 7.5%, 8.5% and 10.5% respectively, and the Company’s capital adequacy ratios at all levels shall continue to meet the minimum regulatory requirements.

### **(2) Maintain a reasonable and stable level of capital adequacy ratio**

On the basis of compliance with capital adequacy ratio requirements, certain safety margin and buffer shall also be set for the capital adequacy ratio of the Company to maintain a reasonable and stable level of capital adequacy ratio. Such measure shall prevent the occurrence of accidents which will cause the capital adequacy ratio to be reduced to the one below the regulatory policies requirements and meet the temporary capital needs. In addition, such measure shall avoid idle capital resources due to significant fluctuations in capital adequacy ratio, affecting the capital utilization efficiency.

### **(3) Balance the Company’s development needs and Shareholders’ return requirements**

On the basis of meeting capital adequacy ratio to a reasonable level, the Company shall focus on balancing the relationship between capital adequacy and capital return, balancing the Company’s development needs with Shareholders’ return requirements, strengthening refined capital management, continuously improving capital utilization efficiency and improving the level of capital return.

## **II. CONSIDERATIONS OF CAPITAL PLAN**

### **(1) Complex domestic and overseas economic conditions**

Currently, the global economy has picked up its recovery momentum steadily and the global financial and economic landscape become more complex with various challenges and uncertainties. Monetary policies of major developed countries further tighten while emerging markets are facing the pressure of capital outflow. Trade protectionism is on the rise, and trade conflicts among the economies has escalated.

The economy of China maintains its steady growth in spite of the changing external environment. The economic structure adjustment has been further promoted through the replacement of old driving trains with new ones for higher quality and efficiency, leading China towards high quality development. However, China is also experiencing weakened internal demand, relatively high leverage ratio of real economy and tightened financial regulation for risk prevention and control. With increasing uncertainties in the future economy resulting from the Sino-American trade war, national macro-control, deleveraging and other factors, business profitability and asset quality of enterprises will be adversely impacted and affected.

In light of the above, the Company has made reasonable planning for the growth and profit retention of its business for the next three years, and on this basis, estimated the capital demand and the availability of internal capital.

**(2) Ensure adequate capital level to cope with substantive risks of the Company in the planning period**

Following the increasingly stringent regulation and control, the society's capability of generating credits has been weakened. The development of banking industry also faces various challenges, such as slow growth in deposits, increasing difficulties in growing stable liabilities with low cost, increasing demand for conversion of off-balance sheet items into balance sheet items and non-standardized items into standardized items, more complicated liquidity management and intensifying pressure on capital replenishment. The Company conducts a prudent assessment of the risk status and management level of the Company through continuous internal capital adequacy assessment procedures, to ensure that the capital adequacy level in the planning period covers all substantive risks of the Company and is in line with our business conditions, risk management level and risk changes. On this basis, the Company shall further promote optimization and upgrade of the capital management models and methods.

**(3) With increasingly tightened domestic and overseas supervision requirements, actively carry out multi-channel external financing**

After the financial crisis, domestic and overseas regulatory authorities have increasingly tightened the requirements for capital adequacy ratio of commercial banks, and the requirements for capital adequacy level in the macro prudential supervision system have been further raised. In the future, commercial banks will face rising capital demand. The Company needs to reserve adequate capital buffer to satisfy potential additional capital requirements as a result of stricter regulations in the future, capital buffer required by rating agencies according to the regulatory minimum requirement and other factors. During the planning period, the Company will strengthen the feasibility study of innovative capital instruments on the basis of capital replenishment from internal sources, taking into account various factors such as capital demand, market financing window, etc., and actively expand external financing channels and gradually enhance the capital strength and level of capital adequacy ratio of the Company.

### III. TARGETS FOR PLANNING OF CAPITAL ADEQUACY RATIO

#### (1) Capital measurement methods

The plan calculates the capital adequacy ratio pursuant to the requirements of the Capital Measures, using the weight method for credit risk, the standard method for market risk, and the basic index method for operational risk.

#### (2) Targets for planning of capital adequacy ratio

Aiming to ensure compliance with regulatory requirements, continuously improve its capital's ability to resist risks and enhance the return on its capital, on the basis of comprehensive analysis of changes in domestic and overseas macroeconomic conditions, regulatory requirements and the Company's strategic transformation, the capital adequacy ratio objectives of the Company are planned as: core tier-1 capital adequacy ratio of no less than 8.5%, tier-1 capital adequacy ratio of no less than 9.5% and capital adequacy ratio of no less than 11.5% as of 2020.

If there are significant changes in economic and financial conditions or adjustments to regulatory standards in the future, the Company will accordingly adjust the targets for planning of capital adequacy ratios at different levels.

### IV. CAPITAL REPLENISHMENT PLAN

The Company will continue to replenish its capital mainly with internal sources and, to a lesser extent, external financing for the next three years, and proactively innovate capital instruments, broaden capital replenishment channels and continuously optimize the capital structure.

#### (1) Replenishment from internal sources

During the planning period, the Company will replenish the capital primarily through profit retention in order to continuously maintain adequate level of capital. The Company will further optimize business structure and operation model, continue to refine asset structure, increase value creation, improve profitability and the level of capital return, and enhance the capital self-accumulation ability, in order to ensure sustainable capital replenishment from internal sources.

#### (2) Replenishment from external sources

Apart from replenishment from internal sources, the Company intends to replenish its capital from the external sources by the following measures for the purpose of accomplishing the targets of the capital plan for 2018 to 2020:

1. Pursuant to the regulatory requirements and market condition, the Company will replenish tier-2 capital through the issuance of tier-2 capital bonds or any other capital instruments, to establish a diversified capital replenishment mechanism.
2. Pursuant to the regulatory requirements and market condition, the Company will replenish additional tier-1 capital through the issuance of preference shares, non-fixed term capital bonds and other capital instruments to increase the proportion of tier-1 capital to the total capital in order to enhance the loss absorbing ability of capital.

3. The Company will use equity financing methods when opportunity arises to replenish its core tier-1 capital pursuant to the regulatory requirements and market conditions.
4. The Company will accord high priority to the market dynamics. Depending on its own development needs, the Company will use other capital replenishment methods at appropriate time to raise the level of capital adequacy.

## V. CAPITAL MANAGEMENT MEASURES

### (1) Enhance capital budget management to implement the targets for capital plan

In the next three years, the Company will include the annual capital adequacy ratio objectives into the annual budget system, asset liability management policy and risk appetite with capital plan as the agenda, to achieve effective transmission of capital adequacy ratio objectives from capital plan to capital budget, capital allocation and assessment. The Company will also strengthen capital monitoring and early warning mechanism to ensure that the capital adequacy ratio of the Company meets regulatory requirements and the target of capital plan.

### (2) Promote the “light capital” development model and steadily enhance the capital efficiency and capital return

The Company shall proactively promote the “light capital” development model, coordinate the capital strength and asset size, balance capital adequacy and capital return. Firstly, with effective capital management measures, the Company will reasonably allocate capital resources to support the development of its key strategic businesses. Secondly, the Company will proactively adjust and optimize its businesses, promote the capital-conserving development model, give priority to using limited capital resources in asset businesses with high comprehensive income and low capital consumption. The Company will apply capital constraints into the entire business management process, including marketing, product pricing, resource allocation, performance evaluation, etc., to further raise the capital efficiency and facilitate the balance among capital, revenue and risk of the Company.

### (3) Improve internal economic capital management system to enhance capital contingency management

The Company will improve the economic capital management system with stricter capital measurement standards to further enhance the sensitivity of economic capital measurement towards risks and consolidate refined capital management. In addition, the Company will strengthen the monitoring of early warning indicators for capital. In response to challenges from capital constraints, the Company will timely formulate the capital contingency plan to meet unplanned capital needs. The Company will define the corresponding policy arrangements and response measures for capital replenishment to ensure that the Company will have adequate capital to cope with challenges arising from external changes.

---

**APPENDIX IV                      PROPOSAL ON EXTENSION OF VALIDITY PERIOD OF THE RESOLUTION OF  
SHAREHOLDERS' GENERAL MEETING OF CHINA MINSHENG BANKING CORP.,  
LTD. IN RESPECT OF THE NON-PUBLIC ISSUANCE OF THE DOMESTIC  
PREFERENCE SHARES AND AUTHORIZATION PERIOD TO THE BOARD  
AND ITS AUTHORIZED PERSONS TO DEAL WITH RELEVANT MATTERS**

---

Since the application for the non-public issuance of the Domestic Preference Shares of the Company is still pending, and the validity of the resolution in respect of the non-public issuance of the Domestic Preference Shares passed at the first EGM for 2018, the first A share class meeting for 2018 and the first H share class meeting for 2018 on 26 February 2018 and the authorization period of the authorization by the Shareholders' general meeting to the Board and its authorized persons to exercise full power to deal with matters relating to the issuance of the Domestic Preference Shares will soon expire, the Board proposes at the EGM, the A Share Class Meeting and the H Share Class Meeting for an extension of the validity period of the resolution in respect of the non-public issuance of the Domestic Preference Shares for 12 months and the authorization period of the authorization by the Shareholders' general meeting to the Board and its authorized persons to exercise full power to deal with matters relating to the issuance of the Domestic Preference Shares for 12 months accordingly. The details are set out below:

**I.     VALIDITY PERIOD OF THE RESOLUTION**

The extended validity period of the resolution in respect of the non-public issuance of the Domestic Preference Shares will be 12 months from the date of approving the extension of validity period of the resolution in respect of non-public issuance of the Domestic Preference Shares at the Shareholders' general meeting and the class meetings of the Company.

**II.   AUTHORIZATION TO ISSUE PREFERENCE SHARES**

It is proposed at the Shareholders' general meeting to authorize the Board and its authorized persons to exercise full power to deal with all matters relating to the issuance of preference shares under the framework and principles as deliberated and adopted at the Shareholders' general meeting and within the validity period of the resolution in respect of the issuance, including but not limited to those set out below:

- (1) to finalize and implement proposal for the issuance, including but not limited to the issue size, coupon rates (including the method of determination and the final coupon rates), conversion arrangements, timing of issuance, arrangements relating to issuance by tranches, method of issuance and placees, arrangements of rating and transfer of the preference shares;
- (2) to appropriately amend, adjust and supplement the terms of the issuance of preference shares based on the opinions of the regulatory authorities and the actual condition of the Company in compliance with the laws and regulations;
- (3) to make necessary adjustments to the issuance plan of preference shares according to any new regulatory rules of the government on preference shares, new policies of the relevant regulatory authorities or changes in market condition, except those matters that require a separate vote at a Shareholders' general meeting in accordance with the relevant laws and regulations as well as the Articles of Association of the Company;
- (4) to sign, execute, amend or terminate any agreement, contract, prospectus or other documents in relation to the issuance or transfer of preference shares, including but not limited to sponsorship and underwriting agreement or agreement relating to raising funds;

- (5) to complete the procedures for approval, registration, filing, verification and obtaining consent from the relevant domestic and foreign government and regulatory authorities (including but not limited to CSRC, CBIRC, Shanghai Stock Exchange, Securities & Futures Commission of Hong Kong, and The Stock Exchange of Hong Kong Limited) for the issuance and transfer of preference shares; to sign, execute, amend and complete the proposals, agreements, application documents and other documents to be submitted to the relevant domestic and foreign government and regulatory authorities, organizations and individuals; and to do all acts and things considered by them to be necessary, desirable or expedient regarding the issuance and transfer of preference shares;
- (6) subject to the regulatory requirements of CSRC, CBIRC and other relevant regulatory authorities, to determine the placees and the number of shares to be issued to each placee through negotiation with the sponsor (the lead underwriter) in accordance with the conditions and principles set out in the resolution on the issuance of preference shares, and to arrange the application procedures, receive deposits, and enter into and enforce any share subscription agreement and other relevant legal documents with investors (being placees of the issuance) as and when necessary;
- (7) to amend and revise the Articles of Association and its annexes from time to time during the issuance and transfer of preference shares in accordance with the requirements and recommendation of the relevant domestic and foreign government and regulatory authorities. Authorized persons may only exercise such authority to amend and revise the particular terms and wordings of the Articles of Association in accordance with the regulatory requirements on the issuance of preference shares. Upon the completion of the issuance of preference shares, the Board shall revise the Articles of Association in relation to the change in registered capital and report to relevant government authorities for approval, and register the change and file the Articles of Association with the authorities of industry and commerce and other relevant government authorities;
- (8) to make amendments to the resolutions on the issuance and transfer of preference shares approved by the Shareholders' general meeting in accordance with the requirements of government and regulatory authorities and the relevant approval documents;
- (9) to propose the Shareholders' general meeting to authorize the Board to assign relevant persons to deal with any matters relating to the issuance as and when necessary.

In order to enhance the efficiency of decision-making and grasp any market opportunities, the Board will assign the chairman, secretary to the Board, the president and other senior management to separately or jointly exercise all the powers in dealing with the above matters.



---

**APPENDIX IV                      PROPOSAL ON EXTENSION OF VALIDITY PERIOD OF THE RESOLUTION OF  
SHAREHOLDERS' GENERAL MEETING OF CHINA MINSHENG BANKING CORP.,  
LTD. IN RESPECT OF THE NON-PUBLIC ISSUANCE OF THE DOMESTIC  
PREFERENCE SHARES AND AUTHORIZATION PERIOD TO THE BOARD  
AND ITS AUTHORIZED PERSONS TO DEAL WITH RELEVANT MATTERS**

---

In addition, it is proposed to the EGM, A Share Class Meeting and H Share Class Meeting to authorize the Board to exercise all the powers to deal with the following matters according to the framework and principles approved at the Shareholders' general meeting from the date of completion of the issuance:

- (1) to declare and pay all dividends on the preference shares in accordance with the issuance plan. If part of or all of the dividends on the preference shares are withheld, approval of the Shareholders' general meeting must be sought;
- (2) to redeem the preference shares based on the market conditions and other factors during the redemption period of the preference shares under the issuance and to, at its sole discretion, deal with all matters relating to the redemption in accordance with the approval of the CBIRC and other regulatory authorities;
- (3) to, at its sole discretion, deal with all matters relating to the conversion of preference shares under the issuance upon the triggering of the mandatory conversion conditions, including but not limited to issuing ordinary shares, revising the relevant provisions of the Articles of Association, completing relevant approval procedures with the CBIRC and other regulatory authorities and completing the registration in respect of the change in the registered capital with the authority of industry and commerce in accordance with the provisions of mandatory conversion.

If the regulatory authorities impose new capital requirements or make material changes to the existing capital requirements, causing the preference shares under the issuance not qualified as additional tier-1 capital, the terms of contract of the issuance shall be modified pursuant to the latest regulatory requirements so that the preference shares under the issuance shall continue to be qualified as additional tier-1 capital instruments in compliance with the regulatory requirements.



**Plan of Non-public Issuance of Domestic Preference Shares by  
China Minsheng Banking Corp., Ltd.****I. Type and number of securities to be issued**

Up to 200 million preference shares qualified as additional tier-1 capital instruments in accordance with the rules of the CBRC are proposed to be issued in China. The number of Domestic Preference Shares shall be determined by the Board subject to the maximum to be authorized at the shareholders' general meeting.

**II. Maturity**

The duration of the Domestic Preference Shares to be issued is perpetual.

**III. Method of issuance**

All preference shares will be issued through private placement. The preference shares may be issued in one or several tranches pursuant to the approvals of the CBRC, the CSRC and other regulatory authorities and in accordance with market conditions.

The first tranche of preference shares shall be issued within six months from the date of approval by the CSRC. The first tranche of preference shares shall be not less than 50% of the total number of preference shares proposed to be issued and the remaining preference shares shall be issued in 24 months thereafter.

**IV. Placees**

The Domestic Preference Shares will be issued to not more than 200 qualified investors in compliance with the requirements of the Trial Administrative Measures on Preference Shares issued by the CSRC on 21 March 2014 and other relevant laws and regulations. The aggregate number of placees of the Domestic Preference Shares with the same terms shall not be more than 200. The Domestic Preference Shares shall be subscribed by the placees in cash. No preferential placement to existing Shareholders will be arranged.

**V. Nominal value and issue price**

The nominal value (i.e. par value) of the Domestic Preference Shares will be RMB100 per share and the Domestic Preference Shares will be issued at par.

## VI. Dividend distribution provisions

### 1. Basis of coupon rates determination

The dividend yield of the Domestic Preference Shares shall be adjustable by stage and shall be adjusted each five years. During the interval period, dividend will be paid at a fixed rate. The dividend yield of the Domestic Preference Shares shall be determined through book-building process or other approach allowed by the CSRC. The coupon rate shall not exceed the annual average of the weighted average return on equity of the Company for the latest two financial years.<sup>1</sup>

The coupon rate shall be a base rate plus a fixed premium. The base rate shall be the arithmetic average yield (rounded to the nearest 0.01%) of PRC Treasury bonds with a maturity of 5 years as contained in the yield curves of the inter-bank fixed-rate PRC Treasury bond at maturity for the 20 trading days immediately before the issue day of Domestic Preference Shares quoted by China Bonds Market News (www.chinabond.com.cn) or other websites approved by China Central Depository & Clearing Co., Ltd. The fixed premium shall be the difference between the dividend yield and the base rate at the time of the issue. The fixed premium is not adjustable once determined.

The base rate will be adjusted at the fifth anniversary of the payment due date of the Domestic Preference Shares (“**Re-pricing Date**”). The adjusted base rate shall be the arithmetic average yield (rounded to the nearest 0.01%) of PRC Treasury bonds with a maturity of 5 years as contained in the yield curves of the inter-bank fixed-rate PRC Treasury bond at maturity for the 20 trading days immediately before the Re-pricing Date quoted by China Bonds Market News (www.chinabond.com.cn) or other websites approved by China Central Depository & Clearing Co., Ltd. The new coupon rate after adjustment shall be the adjusted base rate plus the fixed premium. If the yield of five-year PRC treasury bonds is not available at the Re-pricing Date, the Company and the Preference Shareholders shall negotiate the new benchmark rate or the basis of pricing in accordance with the requirements of the regulatory authorities.

The related arrangements of the final coupon rate shall be determined by the Board of the Company pursuant to the authorization of the shareholders’ general meeting and market conditions under the principle and framework passed by the shareholders’ general meeting.

### 2. Conditions of dividend distribution

- (1) Prior to the distribution of dividends to holders of Ordinary Shares, the Company shall distribute dividends to Preference Shareholders if there are distributable profits after tax<sup>2</sup> after making good losses and the contribution to statutory surplus fund and general provision according to laws subject to satisfaction of the regulatory requirement regarding capital adequacy.

<sup>1</sup> Calculated in accordance with the *Guidelines on the Compilation of Information Disclosure Documents by Companies that Offer Securities to the Public No. 9 — Calculation and Disclosure of Return on Equity and Earnings Per Share* (as amended in 2010). According to the 2014 Annual Report of the Company, the weighted average return on equity of the Company for the financial years ended 31 December 2013 and 2014 is 23.23% and 20.41%, respectively, the average of which is 21.82%.

<sup>2</sup> The distributable profits after tax derives from the retained earnings in the parent company’s financial statements prepared in accordance with the PRC GAAP or IFRSs, whichever is lower.

- (2) In order to satisfy the regulatory requirements regarding the eligibility criteria of additional tier-1 capital instruments, the Company has the right to cancel the distribution of part or all of the dividends on preference shares. Such cancellation shall not constitute a breach of agreement. The Company shall make its best effort to protect the interests of the Preference Shareholders in respect of dividend distribution.
- (3) The distribution of dividends shall be neither linked to the Company's rating, nor be adjusted pursuant to any change thereof.
- (4) Unless the Company resolves to distribute all of the dividends on preference shares for the current dividend period, the Company shall not distribute any dividends to its ordinary Shareholders over the same period.
- (5) Decisions on the declaration and payment of all of the dividends on preference shares shall be made by the Board of the Company in accordance with the authorization of the shareholders' general meeting. The cancellation of the distribution of part or all of the dividends on preference shares shall be reviewed and approved by the shareholders' general meeting. Where the Company resolves to cancel the distribution of part or all of the dividends on preference shares, the Company shall inform the Preference Shareholders at least 10 business days prior to dividend payment date in accordance with the requirement of the relevant authorities.

### **3. Method of dividend payment**

Dividends on the Domestic Preference Shares shall be paid in cash annually. The dividends shall start to accrue on the last day for payment of subscription money. The dividend distribution date shall be the anniversary date of the last day for payment of subscription money. If any dividend distribution date falls on a statutory holiday or day off of China, it shall be postponed to the next trading day and the payable dividends shall bear no interest for such postponement period.

Any tax payable on the dividends of preference shares shall be borne by Preference Shareholders in accordance with the relevant laws and regulations.

### **4. Dividend accumulation**

Where the Company resolves to cancel part or all of the dividends to Preference Shareholders, such undistributed dividends for the current dividend period shall not be accumulated to subsequent dividend periods.

### **5. Distribution of remaining profit**

Following the distribution of dividends at agreed coupon rate for the holders of the Domestic Preference Shares, the Domestic Preference Shareholders shall not participate in the distribution of the remaining profit with holders of Ordinary Shares.

**VII. Conditional redemption****1. Subject of the right of redemption**

The issuance of the Domestic Preference Shares provides conditional redemption by the issuer but investors are not allowed to sell back their preference shares. Preference Shareholders do not have the right to demand redemption of their preference shares by the Company.

**2. Conditions and timing of redemption**

The Company is entitled to exercise its redemption right in the following circumstances with prior approval of the CBRC:

- (1) Replacing the redeemed preference shares with capital instruments of equal or higher quality while maintaining the Company's profitability; or
- (2) Ensuring a capital level significantly higher than the regulatory capital requirements of the CBRC following the redemption.

From the fifth anniversary of the issuance date, the Company may redeem all or part of the Domestic Preference Shares on any dividend distribution dates until all the Domestic Preference Shares have been converted or redeemed. In case of partial redemption, all of the Domestic Preference Shares shall be redeemed on a pro rata basis on the same conditions. The arrangement for the redemption shall be determined by the Board of the Company in accordance with the authorization of the shareholders' general meeting.

**3. Redemption price**

The Domestic Preference Shares shall be redeemed in cash. The redemption price shall be the nominal value plus any declared but unpaid dividends for the current period.

**VIII. Terms of mandatory conversion**

When the conditions for mandatory conversion are met, the outstanding preference shares, subject to the approvals of regulatory authorities, shall be wholly or partially converted into ordinary A Shares.

**1. Conditions for mandatory conversion**

- (1) If the core equity tier-1 ("CET 1") capital adequacy ratio of the Company decreases to 5.125% or below, the Domestic Preference Shares shall be wholly or partially converted into ordinary A Shares to restore the Company's CET 1 capital adequacy ratio to above 5.125%. In the case of partial conversion, all Domestic Preference Shares shall be converted on a pro rata basis on the same conditions. Ordinary A Shares converted from preference shares shall not be re-converted into preference shares in any circumstances.

- (2) All Domestic Preference Shares shall be converted into ordinary A Shares upon the occurrence of the earlier of the following two situations: ① the CBRC is of the view that the Company can no longer be viable if the preference shares are not converted; ② the relevant authorities are of the view that the Company can no longer be viable without capital injections from the public sector or any support of the same effect.

When the above conditions of mandatory conversion are met, the Company shall report the conversion of the Domestic Preference Shares to Ordinary Shares to the CBRC for approval, and shall disclose in accordance with the Securities Law and relevant provisions of the CSRC through preliminary reports, announcements and other channels.

## **2. Basis of conversion amount**

The number of Ordinary Shares converted from the preference shares shall be calculated by using the formula:  $Q = V/P$ .

Where: “V” is the aggregate nominal value of the preference shares to be converted; and “P” is the conversion price.

If there is a fraction of Ordinary Share after conversion of the preference shares held by a Preference Shareholder by using the above formula, it shall be dealt with in accordance with the requirements of relevant regulatory authorities.

## **3. Conversion price and adjustment mechanisms**

The initial conversion price of the Domestic Preference Shares shall be the average trading price<sup>3</sup> of the ordinary A Shares of the Company in 20 trading days preceding the date of the Board resolution announcement on the issuance plan (i.e. RMB7.33 per Share).

After the Board has resolved to approve the issuance of the Domestic Preference Shares, whenever the capital of the Company is changed due to the issue of bonus shares, capitalization issue, issue of new shares at a price lower than the market price or rights issue (other than the issue of new shares upon conversion of convertible instruments issued by the Company), the Company shall adjust the conversion price according to the sequence of occurrence of the above events by using the following formulas:

For issue of bonus shares or capitalization issue:  $P1 = P0 \times N / (N + n)$ ;

For issue of new shares at a price lower than the market price or rights issue:  $P1 = P0 \times (N + k) / (N + n)$ ;  $k = n \times A / M$ ;

---

<sup>3</sup> The average trading price of the ordinary A Shares of the Company in 20 trading days preceding the date of the Board resolution announcement = the total trading amount of the Company’s ordinary A Shares in the 20 trading days preceding the date of the Board resolution announcement ÷ the total trading volume of the Company’s ordinary A Shares in the 20 trading days preceding the date of the Board resolution announcement. Reference is made to the announcement of the Company dated 27 July 2018 in relation to, among others, adjustment on the conversion price of the Domestic Preference Shares. The conversion price of the Domestic Preference Shares has been adjusted from RMB8.79 per A Share to RMB7.33 per A Share due to the conversion of capital reserve into share capital.

Where: “P0” is the mandatory conversion price effective before adjustment; “N” is the total ordinary share capital of the Bank before the issue of bonus shares, capitalization issue, issue of new shares or rights issue; “n” is the number of ordinary shares created under the issue of bonus shares, capitalization issue, issue of new shares or rights issue; “A” is the issue price of new shares or rights issue; “M” is the closing price of ordinary A Shares on the trading day preceding the date of the announcement (announcement of the terms of valid and irrevocable issue of new shares or rights issue) of the issue of new shares or rights issue; “P1” is the mandatory conversion price effective after adjustment.

When the above changes in the Company’s Ordinary Shares occur, the Company will adjust the mandatory conversion price accordingly and disclose the relevant information in accordance with the relevant requirements.

If there are changes to the class, number of shares and/or the rights and benefits of shareholders of the Company that may affect the interests of the Domestic Preference Shareholders due to share repurchase, merger, division or other transactions, the Company, for anti-dilution purpose, may adjust the conversion price based on the actual circumstances and in accordance with the principles of fairness, justice, equity and balance of the interests of the Domestic Preference Shareholders and ordinary Shareholders. The adjustment of conversion price and measures shall be determined in accordance with the laws, regulations and relevant requirements of regulatory authorities.

The mandatory conversion price of the Domestic Preference Shares will not be adjusted for the distribution of cash dividends on Ordinary Shares by the Company.

#### **4. Attribution of dividends on Ordinary Shares in the year of mandatory conversion**

Any additional ordinary A Shares of the Company resulting from the conversion of the Domestic Preference Shares shall rank pari passu with the Company’s existing ordinary A Shares. All ordinary Shareholders registered on the Share register of the Company on the record date for any dividend distribution (including any holders of ordinary A Shares converted from the Domestic Preference Shares) shall be entitled to dividend distributions on Ordinary Shares for the period and shall equally enjoy all the interests of ordinary Shareholders.

## **IX. Restriction on and restoration of voting rights**

### **1. Restriction on voting rights**

Save as disclosed below, Preference Shareholders shall not be entitled to attend shareholders' general meetings and the preference shares held by them shall have no voting rights. However, in the event of any of the following circumstances, Preference Shareholders shall have the right to attend shareholders' general meetings and to vote, as a different class from the ordinary Shareholders, on the following matters. Each preference share shall have one voting right provided that the preference shares held by the Company shall have no voting rights:

- (1) amendment to the provisions of the Articles of Association of the Company in relation to the preference shares;
- (2) decrease in registered capital of the Company by more than 10% on one occasion or otherwise;
- (3) merger, division, dissolution or change in form of incorporation of the Company;
- (4) issuance of the preference shares by the Company;
- (5) other circumstances specified by laws, administrative regulations, departmental rules, any securities regulatory authorities of the listing places of the Company or the Articles of Association of the Company.

Any resolutions on the foregoing matters shall be adopted by more than two thirds (2/3) of the voting rights of the ordinary Shareholders present at the meeting (including the Preference Shareholders whose voting rights have been restored) and by more than two thirds (2/3) of the voting rights of the Preference Shareholders present at the meeting (excluding the Preference Shareholders whose voting rights have been restored).

### **2. Restoration of voting rights**

If there are outstanding Domestic Preference Shares and the Company fails to pay dividends on preference shares for a total of three financial years or for two consecutive financial years, Preference Shareholders shall have the right to attend shareholders' general meetings and vote with ordinary Shareholders from the day following the date on which the shareholders' general meeting resolves not to distribute the agreed dividends on preference shares for that year.

The number of voting rights to be restored from preference shares shall be calculated by using the formula:  $Q = V/P$ . The number of voting rights shall be rounded down to the nearest integer.

Where: "V" is the total nominal value of the preference shares for which the voting rights shall be restored; "P" is the average trading price<sup>4</sup> of the ordinary A Shares of the Company for the 20 trading days preceding the date of the Board resolution announcement on the issuance plan of preference shares (i.e. RMB7.33 per Share).

<sup>4</sup> Reference is made to the announcement of the Company dated 27 July 2018 in relation to, among others, adjustment on the conversion price of the Domestic Preference Shares. The conversion price of the Domestic Preference Shares has been adjusted from RMB8.79 per A Share to RMB7.33 per A Share due to the conversion of capital reserve into share capital.

After the Board has resolved to the issuance of preference shares, whenever the capital of the Company is changed due to the issue of bonus shares, capitalization issue, issue of new shares at a price lower than the market price or rights issue (other than the issue of new shares upon conversion of convertible instruments issued by the Company into ordinary shares), the Company shall adjust the implied conversion price upon restoration of voting rights according to the sequence of occurrence of the above events by using the following formulas:

For issue of bonus shares or capitalization issue:  $P1 = P0 \times N / (N + n)$ ;

For issue of new shares at a price lower than the market price or rights issue:  $P1 = P0 \times (N + k) / (N + n)$ ;  $k = n \times A / M$ ;

Where: “P0” is the conversion price effective before adjustment; “N” is the total ordinary share capital of the Bank before the issue of bonus shares, capitalization issue, issue of new shares or rights issue; “n” is the number of shares created under the issue of bonus shares, capitalization issue, issue of new shares or rights issue; “A” is the issue price of new shares or rights issue; “M” is the closing price of ordinary A Shares on the trading day preceding the date of the announcement (announcement of the terms of valid and irrevocable issue of new shares or rights issue) of the issue of new shares or rights issue; “P1” is the conversion price effective after adjustment.

When the above changes in the Company’s Ordinary Shares occur, the Company will adjust the implied conversion price upon restoration of voting rights and disclose the relevant information in accordance with the relevant requirements.

If there are changes in the share and the interests of shareholders of the Company that may affect the interests of Preference Shareholders due to share repurchase, merger, division or other transactions, the Company shall, for the purpose of anti-dilution, adjust the implied conversion price upon restoration of voting rights based on the actual circumstances and in accordance with the principles of fairness, justice, equity and balance of interests of the Preference Shareholders and ordinary Shareholders. The adjustment for the implied conversion price and measures shall be determined in accordance with the laws and regulations and relevant requirements of regulatory authorities.

The implied conversion price of the Domestic Preference Shares upon restoration of voting rights will not be adjusted according to the Company’s distribution of cash dividends on Ordinary Shares.

### **3. Cancellation of restoration of voting rights**

The voting rights shall be restored until the date on which all dividends for the preference shares due for the current year are paid.



**X. Order of distribution of residual assets and basis for liquidation**

The Domestic Preference Shareholders will be subordinated to the depositors, general creditors, holders of subordinated debts (including but not limited to subordinated debts, mixed capital bonds and tier-2 capital instruments) of the Company in respect of distribution of residual assets, but will rank ahead of ordinary Shareholders. All Domestic Preference Shareholders will rank pari passu in respect of distribution of residual assets.

Upon liquidation, the residual assets of the Company will be distributed in the following order:

1. liquidation expenses;
2. employee salary, social insurance premiums and statutory compensation of the Company;
3. principal and interest of individual deposits;
4. tax payable;
5. other debts of the Company;
6. any remaining residual assets of the Company shall be distributed to the Shareholders in proportion to their respective class of shares and corresponding shareholdings.

Any remaining assets of the Company after the settlement of liabilities in the above order upon liquidation in accordance with the applicable laws shall be first distributed to Preference Shareholders to settle the nominal value and unpaid dividends. In the event that the remaining assets are not sufficient to fully settle all payments, they shall be distributed on a pro rata basis among the Domestic Preference Shareholders and Offshore Preference Shareholders.

**XI. Use of proceeds**

The total proceeds from the Domestic Issuance shall be not more than RMB20 billion. The proceeds will be used to replenish the additional tier-1 capital of the Company in accordance with applicable laws and regulations and with the approval of the regulatory authorities including the CBRC and the CSRC.

**XII. Rating**

The rating of the Domestic Preference Shares shall be determined in accordance with relevant laws and regulations of the PRC and market conditions the of Domestic Issuance.

**XIII. Guarantee**

There is no guarantee in relation to the Domestic Preference Shares.

**XIV. Transferability**

The Domestic Preference Shares are not subject to any lock-up period and shall be transferable through the designated trading platform of the Shanghai Stock Exchange.

**XV. Compliance of latest regulatory requirements**

If the regulatory authorities impose new capital requirements or make material changes to the existing capital requirements when there are outstanding preference shares, the Company has the right to modify the terms of the preference shares pursuant to the new regulatory requirements to remain in compliance with the regulatory requirements regarding the eligibility criteria of additional tier-1 capital instruments.

This preliminary plan may be further amended by the Board under the authorization of the shareholders' general meeting on the basis of the advice of the regulatory authorities upon consideration of the Board and approval of the shareholders' general meeting.

**XVI. Effective period of the resolution of the non-public issuance of preference shares**

The resolution of the issuance shall be valid for 12 months from the date of the resolution of the shareholders' general meeting of the Company.

**XVII. Relationship between domestic and offshore issuances**

The non-public issuance of Domestic Preference Shares and non-public issuance of offshore preference shares are independent from each other and are not conditional on each other. If either of the issuances fails to obtain the approval of the shareholders' general meeting or the CBRC and/or the CSRC or other competent authorities, the issuance of the other preference shares shall not be affected.



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

*(A joint stock limited 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 EXTRAORDINARY GENERAL MEETING FOR 2019**

**NOTICE IS HEREBY GIVEN** that the first extraordinary general meeting for 2019 (“**EGM**”) of China Minsheng Banking Corp., Ltd. (the “**Company**”) will be held at 2:00 p.m. on Tuesday, 26 February 2019 at Xihua Hall, 11/F, Beijing Minzu Hotel, No. 51 Fuxingmennei Avenue, Xicheng District, Beijing, the PRC, for the consideration and, if thought fit, passing of the following resolutions (special resolutions marked with \*):

1.\* Each of the following items of the proposal in respect of the Plan of the Non-public Issuance of the Offshore Preference Shares of China Minsheng Banking Corp., Ltd.:

1.01 Type and scale of securities to be issued

1.02 Maturity

1.03 Method of issuance

1.04 Places

1.05 Nominal value and issue price

1.06 Dividend distribution provisions

1.07 Conditional redemption

1.08 Mandatory conversion provisions

1.09 Restriction on and restoration of voting rights

1.10 Order of distribution on liquidation and basis for liquidation

1.11 Use of proceeds

1.12 Rating

1.13 Guarantee arrangement

1.14 Transferability

---

## NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING FOR 2019

---

- 1.15 Compliance of latest regulatory requirements
- 1.16 Effective period of the resolution of the non-public issuance of preference shares
- 2.\* The proposal to the shareholders' general meeting on the authorization to the board of directors and its authorized persons to exercise full power to deal with matters relating to the non-public issuance of the offshore preference shares
- 3. The proposal on the Capital Management Plan for 2018 to 2020 of China Minsheng Banking Corp., Ltd.
- 4.\* The proposal on extension of validity period of the resolution of shareholders' general meeting of China Minsheng Banking Corp., Ltd. in respect of the non-public issuance of the domestic preference shares and authorization period to the board of directors and its authorized persons to deal with relevant matters
- 5.\* The proposal on the issuance of domestic and foreign non-fixed term capital bonds of the Company in the next three years

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Saturday, 26 January 2019 to Tuesday, 26 February 2019 (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 EGM, 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, 25 January 2019. H shareholders whose names appear on the register of members of the Company on Saturday, 26 January 2019 will be entitled to attend and vote at the EGM.

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

11 January 2019

*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.*

---

## NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING FOR 2019

---

*Notes:*

1. Any shareholder of the Company entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy needs not be a shareholder 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 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 11-7, CMBC North Tower, No. 2 Fuxingmennei Avenue, Xicheng District, Beijing, the PRC (postal code: 100031) not less than 24 hours before the time appointed for holding the EGM (i.e. not later than 2:00 p.m. on Monday, 25 February 2019) or any adjournment thereof 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 EGM (i.e. not later than 2:00 p.m. on Monday, 25 February 2019) or any adjournment thereof in order for such documents to be valid. To be effective, all proxy appointments must be lodged with Computershare Hong Kong Investor Services Limited before the deadline. Completion and delivery of the form of proxy shall not preclude a shareholder 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 EGM (in person or by proxy) shall complete and deliver the reply slip of EGM enclosed to Computershare Hong Kong Investor Services Limited or the office of the Board of the Company by hand, post or fax on or before Monday, 11 February 2019.
4. Shareholders shall produce their identification documents when attending the EGM.
5. If a proxy attends the EGM 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 EGM, 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 EGM is expected to last for half day. Shareholders who attend the EGM (in person or by proxy) shall bear their own travelling, accommodation and other expenses.



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

*(A joint stock limited 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 2019**

**NOTICE IS HEREBY GIVEN** that the first H share class meeting for 2019 (the “**H Share Class Meeting**”) of China Minsheng Banking Corp., Ltd. (the “**Company**”) will be held after the conclusion of the first extraordinary general meeting for 2019 and the first A share class meeting for 2019 or any adjournment thereof on Tuesday, 26 February 2019 at Xihua Hall, 11/F, Beijing Minzu Hotel, No. 51 Fuxingmennei Avenue, Xicheng District, Beijing, the PRC, for the consideration and, if thought fit, passing of the following resolutions:

**SPECIAL RESOLUTIONS**

1. Each of the following items of the proposal in respect of the Plan of the Non-public Issuance of Offshore Preference Shares of China Minsheng Banking Corp., Ltd.:
  - 1.01 Type and scale of securities to be issued
  - 1.02 Maturity
  - 1.03 Method of issuance
  - 1.04 Placees
  - 1.05 Nominal value and issue price
  - 1.06 Dividend distribution provisions
  - 1.07 Conditional redemption
  - 1.08 Mandatory conversion provisions
  - 1.09 Restriction on and restoration of voting rights
  - 1.10 Order of distribution on liquidation and basis for liquidation
  - 1.11 Use of proceeds
  - 1.12 Rating
  - 1.13 Guarantee arrangement

---

## NOTICE OF THE FIRST H SHARE CLASS MEETING FOR 2019

---

- 1.14 Transferability
- 1.15 Compliance of latest regulatory requirements
- 1.16 Effective period of the resolution of the non-public issuance of preference shares
- 2. The proposal to the shareholders' general meeting on the authorization to the board of directors and its authorized persons to exercise full power to deal with matters relating to the non-public issuance of the offshore preference shares
- 3. The proposal on extension of validity period of the resolution of shareholders' general meeting of China Minsheng Banking Corp., Ltd. in respect of the non-public issuance of the domestic preference shares and authorization period to the board of directors and its authorized persons to deal with relevant matters

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Saturday, 26 January 2019 to Tuesday, 26 February 2019 (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 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, 25 January 2019. H shareholders whose names appear on the register of members of the Company on Saturday, 26 January 2019 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*

11 January 2019

*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.*



---

## NOTICE OF THE FIRST H SHARE CLASS MEETING FOR 2019

---

*Notes:*

1. Any shareholder 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 needs not be a shareholder 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 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 Monday, 25 February 2019) or any adjournment thereof in order for such documents to be valid. To be effective, all proxy appointments must be lodged with Computershare Hong Kong Investor Services Limited before the deadline. Completion and delivery of the form of proxy shall not preclude a shareholder 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 enclosed to Computershare Hong Kong Investor Services Limited or the office of the Board of the Company at Room 11-7, CMBC North Tower, No. 2 Fuxingmennei Avenue, Xicheng District, Beijing, the PRC (postal code: 100031) by hand, post or fax on or before Monday, 11 February 2019.
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.



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

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

**(Stock Code: 01988)**

**(USD Preference Shares Stock Code: 04609, ISIN: XS1527305608)**

**NOTICE OF THE FIRST PREFERENCE SHARE CLASS MEETING FOR 2019**

**NOTICE IS HEREBY GIVEN** that the first preference share class meeting for 2019 (the “**Preference Share Class Meeting**”) of China Minsheng Banking Corp., Ltd. (the “**Company**”) will be held after the conclusion of the first extraordinary general meeting for 2019, the first A share class meeting for 2019 and the first H share class meeting for 2019 or any adjournment thereof on Tuesday, 26 February 2019 at Xihua Hall, 11/F, Beijing Minzu Hotel, No. 51 Fuxingmennei Avenue, Xicheng District, Beijing, the PRC, for the consideration and, if thought fit, passing of the following resolutions:

**SPECIAL RESOLUTIONS**

1. Each of the following items of the proposal in respect of the Plan of the Non-public Issuance of the Offshore Preference Shares of China Minsheng Banking Corp., Ltd.:
  - 1.01 Type and scale of securities to be issued
  - 1.02 Maturity
  - 1.03 Method of issuance
  - 1.04 Places
  - 1.05 Nominal value and issue price
  - 1.06 Dividend distribution provisions
  - 1.07 Conditional redemption
  - 1.08 Mandatory conversion provisions
  - 1.09 Restriction on and restoration of voting rights
  - 1.10 Order of distribution on liquidation and basis for liquidation
  - 1.11 Use of proceeds
  - 1.12 Rating
  - 1.13 Guarantee arrangement

---

## NOTICE OF THE FIRST PREFERENCE SHARE CLASS MEETING FOR 2019

---

- 1.14 Transferability
- 1.15 Compliance of latest regulatory requirements
- 1.16 Effective period of the resolution of the non-public issuance of preference shares
- 2. The proposal to the shareholders' general meeting on the authorization to the board of directors and its authorized persons to exercise full power to deal with matters relating to the non-public issuance of the offshore preference shares

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

11 January 2019

*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.*

*Note:*

Holders of Existing Offshore Preference Shares (i) whose names appear on the register of members of the Company or (ii) who are holders of record in accordance with the rules of Euroclear Bank SA/NV and Clearstream Banking S.A. on Friday, 25 January 2019 (5:00 p.m., Central European Time) are entitled to attend and vote at the Preference Share Class Meeting.

The appendix hereto sets out additional information in relation to the procedures for attending and voting at the Preference Share Class Meeting for holders of the Existing Offshore Preference Shares.

---

## NOTICE OF THE FIRST PREFERENCE SHARE CLASS MEETING FOR 2019

---

### **Appendix: Procedures for Attending and Voting at the Preference Share Class Meeting for Holders of Existing Offshore Preference Shares**

The Expiration Deadline for submitting instructions by Holders of Existing Offshore Preference Shares in the manner described in this notice for the purpose of attending and voting at the Preference Share Class Meeting is **Monday, 25 February 2019 at 2:00 p.m. (Beijing time)**, following which such instructions will be passed on to the Company in accordance with the relevant requirements in the Articles of Association. However, the deadlines set by each Clearing System and any intermediaries for the submission of instructions may be earlier than the relevant deadlines specified in this notice.

Holders of Existing Offshore Preference Shares will be entitled to one vote in respect of each outstanding Existing Offshore Preference Share held by them as of the Record Date.

However, in order to be valid, an Electronic Instruction must be submitted in respect of a minimum amount of U.S.\$200,000 (which is equivalent to 10,000 Existing Offshore Preference Shares) and integral multiples of U.S.\$1,000 (which is equivalent to 50 Existing Offshore Preference Shares) in excess thereof.

Holders of Existing Offshore Preference Shares should also note that, in relation to resolution 1 as set out in the Notice of Preference Share Class Meeting, if a Holder submits a vote in favour of or against, or submits an abstention vote in respect of, resolution 1, such Holder will automatically be deemed to have also submitted an equivalent vote in favour of or against, or an abstention vote in respect of (as the case may be), each of sub-paragraphs 1 to 16 of resolution 1.

If you hold your Existing Offshore Preference Shares through Euroclear or Clearstream and wish to attend the Preference Share Class Meeting and vote on the relevant resolutions, either in person or by proxy, you may do so by submitting or arranging for the submission of an Electronic Instruction (pursuant to which you may appoint the Tabulation Agent (or its nominee) or any other person (including the beneficial owner of the Existing Offshore Preference Share itself) to attend the Preference Share Class Meeting and vote on the relevant resolutions) in accordance with the requirements of, and procedures established by, Euroclear or Clearstream (as applicable) on or before the Expiration Deadline and in the manner described in this notice.

#### **Reply Slip**

Please confirm whether you intend to attend the Preference Share Class Meeting in person or by proxy before Monday, 11 February 2019.

#### **Record Date**

Only Holders of Existing Offshore Preference Shares as of 5:00 p.m., Central European Time, on the Record Date (being Friday, 25 January 2019) are eligible to attend and vote at the Preference Share Class Meeting.

The transfer of any Existing Offshore Preference Shares after the Record Date will not have the effect of revoking any Electronic Instruction previously validly given by a Holder, and each properly delivered Electronic Instruction will be counted notwithstanding any transfer of the Existing Offshore Preference Shares to which such Electronic Instruction relates, unless the procedures for revoking Electronic Instructions described in this notice have been validly complied with.

---

## NOTICE OF THE FIRST PREFERENCE SHARE CLASS MEETING FOR 2019

---

Please note that upon a sale of the Existing Offshore Preference Shares, it may take a few days for the sale of the Existing Offshore Preference Shares to be settled in the relevant transferee's account with the relevant Clearing System and for the relevant records to be updated. As such, while the Existing Offshore Preference Shares may have been sold on or prior to the Record Date, the original transferor may still be the Holder of record of the relevant Existing Offshore Preference Shares on the Record Date for the purposes of the Preference Share Class Meeting, in which case such transferor shall be entitled to submit an Electronic Instruction. If you have sold your Existing Offshore Preference Shares, or had the Existing Offshore Preference Shares sold to you, on or prior to the Record Date, you may contact your broker, dealer, commercial bank, trust company or other nominee or custodian to determine whether you are the Holder of record of such Existing Offshore Preference Shares as of the Record Date.

### **Euroclear/Clearstream Direct Participants**

Only Euroclear/Clearstream Direct Participants may submit Electronic Instructions. Beneficial owners of the relevant Existing Offshore Preference Shares who wish to participate at the Preference Share Class Meeting and whose Existing Offshore Preference Shares are held, as of the Record Date, in the name of a broker, dealer, commercial bank, trust company or other nominee or custodian, must contact such broker, dealer, commercial bank, trust company or other nominee or custodian and instruct them to arrange for the relevant Euroclear/Clearstream Direct Participants through which the Existing Offshore Preference Shares are held to deliver its instruction in accordance with the deadlines specified by the relevant Clearing System.

### **Instructions for Submission of Electronic Instructions**

A Holder of Existing Offshore Preference Shares must clearly state in its Electronic Instruction:

- (a) the aggregate amount of the relevant Existing Offshore Preference Shares to which the Electronic Instruction relates; and
- (b) whether it appoints the Tabulation Agent (or its nominee) or any other person (including the beneficial owner of the Existing Offshore Preference Share itself) as proxy to attend and vote on the Relevant Resolutions proposed at the Preference Share Class Meeting. If you are appointing the Tabulation Agent (or its nominee) to attend the Preference Share Class Meeting and vote on the Relevant Resolutions on your behalf, you must indicate in your Electronic Instruction whether you wish for the Tabulation Agent (or its nominee) to vote in favour of or against, or abstain from voting on, the Relevant Resolutions proposed at the Preference Share Class Meeting. Alternatively, if you are appointing any other person (including the beneficial owner of the Existing Offshore Preference Share itself), you must indicate in your Electronic Instruction the name, address, contact details and passport number of the person attending, and the identity of the person attending the Preference Share Class Meeting will be verified before the Preference Share Class Meeting commences.

By submitting an Electronic Instruction, a Holder of Existing Offshore Preference Shares is deemed to represent, warrant and undertake to the Company and the Tabulation Agent that the Existing Offshore Preference Shares are, on the Record Date, held by it in the relevant Clearing System.

---

## NOTICE OF THE FIRST PREFERENCE SHARE CLASS MEETING FOR 2019

---

### Revocation of Electronic Instructions

Subject to the Articles of Association, the requirements of Euroclear and Clearstream (as applicable) and this paragraph, Electronic Instructions are irrevocable. An Electronic Instruction submitted by or on behalf of a Holder of Existing Offshore Preference Shares may be revoked by that Holder by submission to the Tabulation Agent of a revocation instruction, by a properly transmitted message, in accordance with the procedures of Euroclear or Clearstream (as applicable) only as permitted pursuant to the Articles of Association and the requirements of Euroclear and Clearstream. Following any such revocation the vote shall lapse.

### Important Information

All questions as to the validity, form and eligibility of any Electronic Instruction (including the time of receipt or the compliance of such Electronic Instruction with all applicable laws and regulations and the requirements of any Clearing System) or revocation or revision thereof or delivery of Electronic Instructions will be determined by the Company, in its sole discretion, subject to applicable law, the Articles of Association and the requirements of any Clearing System, which determination will be final and binding.

Subject to applicable law, the Articles of Association and the requirements of any Clearing System:

- (a) the Company's interpretation of the terms and conditions of and validity, form and eligibility of any Electronic Instruction shall be final and binding; and
- (b) the Company may in its absolute discretion reject any Electronic Instruction or elect to treat as valid an Electronic Instruction, in either case, not complying in all respects with the requirements as set out in this notice, and in each case, such determination will (subject as aforesaid) be final and binding.

Unless waived by the Company, any irregularities in connection with any Electronic Instruction must be cured within such time as the Company shall in its absolute discretion determine. None of the Company, the Tabulation Agent or any other person will be under any duty to give notification of any defects or irregularities in such Electronic Instruction, nor will any of such entities or persons incur any liability for failure to give such notification. For the avoidance of doubt, the Tabulation Agent has not given, and will not give, any recommendations or representations with respect to the relevant resolutions and has not made any recommendation as to whether Holders of Existing Offshore Preference Shares should participate in the Preference Share Class Meeting or pass the relevant resolutions.

Any questions or requests for assistance in connection with the procedures for attending and voting at the Preference Share Class Meeting for Holders of Existing Offshore Preference Shares (including Electronic Instructions) may be directed to The Bank of New York Mellon, London Branch as the Tabulation Agent at One Canada Square London E14 5AL United Kingdom using the following contact details:

Email: [debtstructuring@bnymellon.com](mailto:debtstructuring@bnymellon.com)

Phone: +44 (0) 1202 689578/+44 (0) 1202 689858

---

## NOTICE OF THE FIRST PREFERENCE SHARE CLASS MEETING FOR 2019

---

### Definition

In this notice, unless the context otherwise requires, the following expressions shall have the following meaning:

“Articles of Association”	the articles of association of the Company
“Clearing Systems”	Euroclear and Clearstream (as applicable)
“Clearstream”	Clearstream Banking S.A.
“Electronic Instruction(s)”	in the case of any Existing Offshore Preference Shares held through Euroclear or Clearstream, an electronic voting instruction in the form specified by the applicable Clearing System for submission by Euroclear/Clearstream Direct Participants to the Tabulation Agent via the relevant Clearing System prior to the deadlines set out in the notice of the Preference Share Class Meeting and in accordance with the requirements of such Clearing System in order for Holders of the relevant Existing Offshore Preference Shares to be able to attend the Preference Share Class Meeting
“Euroclear”	Euroclear Bank SA/NV
“Euroclear/Clearstream Direct Participants”	in the case of any Existing Offshore Preference Shares held through Euroclear or Clearstream, each person who is shown in the records of Euroclear or Clearstream as a Holder of an interest in such Existing Offshore Preference Shares
“Existing Offshore Preference Shares”	the 71,950,000 4.95% non-cumulative perpetual offshore preference shares of an aggregate amount of U.S.\$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) (ISIN: XS1527305608)
“Expiration Deadline”	the deadline for submitting instructions by Holders of Existing Offshore Preference Shares in the manner described in this notice for the purpose of attending and voting at the Preference Share Class Meeting, being Monday, 25 February 2019 at 2:00 p.m. (Beijing time)
“Holder(s) of Existing Offshore Preference Shares” or “Holder(s)”	holders of Existing Offshore Preference Shares, including the beneficial owners thereto and their respective nominee holders
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited



---

## NOTICE OF THE FIRST PREFERENCE SHARE CLASS MEETING FOR 2019

---

“Record Date”	in the case of any Existing Offshore Preference Shares held through Euroclear or Clearstream, 5:00 p.m., Central European Time on Friday, 25 January 2019, being the time and date for the determination of the Holders of the Existing Offshore Preference Shares entitled to attend and vote on the relevant resolutions at the Preference Share Class Meeting
“Tabulation Agent”	The Bank of New York Mellon, London Branch