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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)

**BONUS ISSUE AND PAYMENT OF DIVIDEND  
WITHHOLDING AND PAYMENT OF INCOME TAX FOR NON-RESIDENT  
ENTERPRISE AND INDIVIDUAL H SHAREHOLDERS  
DATE OF DESPATCH OF CHEQUES AND H SHARE CERTIFICATES  
BONUS H SHARES ISSUE TO OVERSEAS SHAREHOLDERS  
DATE OF COMMENCEMENT OF DEALINGS IN BONUS H SHARES**

Reference is made to the Circular dated 23 April 2014 and the Results Announcement dated 10 June 2014 of the Company.

Pursuant to the Results Announcement, the Company (1) proposes to distribute dividend of RMB1 (tax inclusive) in cash for every 10 shares to H Shareholders whose names appear on the register of members of the Company on 19 June 2014, being the Record Date. The actual amount of Dividend paid in Hong Kong dollars is calculated according to the benchmark exchange rate of Renminbi against Hong Kong dollars as published by the People's Bank of China on 10 June 2014, the date of the Meeting at which the final dividend is declared, (i.e. RMB0.79274 against HK\$1.00), being a cash dividend of HK\$0.12614476 per H Share (tax inclusive); and (2) proposes to issue bonus shares to the H Shareholders whose name appear on the register of members of the Company on the Record Date on the basis of two bonus shares for every 10 existing shares held by them on such Record Date; of which, 1,155,596,568 Bonus H Shares will be issued to H Shareholders.

The Company has appointed Bank of China (Hong Kong) Trustees Limited as Receiving Agent and will pay to such Receiving Agent the Dividend declared payable to holders of H Shares. The Dividend will be paid by the Receiving Agent on or about Friday, 8 August 2014, and the relevant cheques will be despatched on the same day to holders of H Shares who are entitled to receive such Dividend by ordinary post and at their own risk.

The Company proposes to despatch the share certificates for the Bonus H Shares to the H

Shareholders entitled thereto at their own risk on Friday, 11 July 2014 by ordinary post.

As at the Record Date, the Company had Shareholders with registered address in the Specified Territories, Australia, Singapore, Canada, the United Kingdom, the United States and the PRC. The Company has made enquiries regarding the legal restrictions under the laws of the relevant regulatory bodies or stock exchanges pursuant to Rule 13.36(2)(a) of the Hong Kong Listing Rules. The Directors have been advised that there are no restrictions to issue Bonus H Shares to Shareholders with a registered address in Australia, Singapore, Canada, the United Kingdom, the United States and the PRC and therefore, Shareholders with a registered address in Australia, Singapore, Canada, the United Kingdom, the United States and the PRC will be entitled to the Bonus H Shares. The Directors are also of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the Specified Territories or any requirement of the relevant regulatory bodies or stock exchanges in the Specified Territories, not to issue the Bonus H Shares to such overseas Shareholders. Arrangements will be made for the Bonus H Shares which would otherwise be issued to such overseas Shareholders in the Specified Territories to be sold in the market as soon as practicable after dealings in the Bonus H Shares commence, if a premium, net of expenses, can be obtained. Any net proceeds of such sale for each overseas shareholder in the Specified Territories, after deduction of expenses, of HK\$100 or more will be distributed in Hong Kong dollars to the relevant overseas Shareholders, by ordinary post at their own risk, unless the amount falling to be distributed to any such person is less than HK\$100 in which case it will be retained for the benefit of the Company.

Dealings in the Bonus H Shares are now expected to commence on 14 July 2014.

## INTRODUCTION

Reference is made to the circular of China Minsheng Banking Corp., Ltd. (the "**Company**") dated 23 April 2014 (the "**Circular**") in relation to the proposed Bonus Issue and Dividend and the announcement dated 10 June 2014 of the results of the 2013 Annual General Meeting of the Company (the "**Results Announcement**"), which relates to, among other things, the approval by the Shareholders of the Bonus Issue and Dividend. Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as defined in the Circular.

Pursuant to the Results Announcement, the Company (1) proposes to distribute dividend of RMB1 (tax inclusive) in cash for every 10 shares to H Shareholders whose names appear on the register of members of the Company on 19 June 2014 (the "**Record Date**"). The actual amount of Dividend paid in Hong Kong dollars is calculated according to the benchmark exchange rate of Renminbi against Hong Kong dollars as published by the People's Bank of China on 10 June 2014, the date of the Meeting at which the final dividend is declared, (i.e. RMB0.79274 against HK\$1.00), being a cash dividend of HK\$0.12614476 per H Share (tax inclusive). According to the Articles of Association of the Company, the cash dividends shall be calculated and declared in Renminbi, and shall be paid to the holders of A Shares in Renminbi and the holders of H Shares in Hong Kong dollars; and (2) proposes to issue bonus shares to the H Shareholders (the "**Bonus H Shares**") whose name appear on the register of members of the Company on the Record Date on the basis of two bonus shares for every 10

existing shares held by them on such Record Date; of which, 1,155,596,568 Bonus H Shares will be issued to H Shareholders.

The Bonus H Shares will be issued on pro-rated basis and any fractional shares will be rounded down to the nearest whole unit. No fractional Shares will be issued and distributed pursuant to the Bonus Issue, but will be aggregated and sold for the benefit of the Bank.

## **WITHHOLDING AND PAYMENT OF INCOME TAX FOR NON-RESIDENT ENTERPRISE AND INDIVIDUAL H SHAREHOLDERS**

The Company hereby sets forth further details regarding the withholding and payment of enterprise income tax for non-resident enterprise H Shareholders and individual income tax for non-resident individual H Shareholders in respect of the (i) Bonus H Shares allotted and (ii) Dividends distributed relevant to their holding of H Shares as follows.

### **Enterprise Income Tax Payable by Non-resident Enterprise Shareholders**

In accordance with the Enterprise Income Tax Law of the PRC effective from 1 January 2008 and its implementation regulations and the relevant policies and regulations, all domestic enterprises in China shall be obliged to withhold and pay enterprise income tax for their overseas non-resident enterprise Shareholders with a uniform tax rate of 10% when they pay Dividends or make bonus distributions to overseas non-resident enterprise Shareholders for any financial year commencing from 1 January 2008. Apart from the Dividends to be distributed, the Bonus H Shares converted from the retained profits of the Company represent income from equity investment on the part of Shareholders shall also be at the same time subject to the above tax laws, and an enterprise income tax shall be levied on the face value of the Bonus H Shares distributed to non-resident enterprise H Shareholders at the tax rate of 10%, and shall be withheld and deducted from the Dividends distributed to such H Shareholders.

Any H Shares of the Company registered other than in the name(s) of individual(s), including those registered in the name of HKSCC Nominees Limited, other nominees, trustees, or other organizations or groups, shall be deemed to be Shares held by overseas non-resident enterprise shareholder(s) and enterprise income tax shall be withheld from Dividends payable thereon and the Bonus H Shares allotted. As such, the Company will comply with the relevant rules and regulations to withhold and pay enterprise income tax for the non-resident enterprise Shareholders whose names appeared in the register of members of H Shares of the Company as of the H Share Record Date, being 19 June 2014 for Bonus H Shares and Dividend.

### **Individual Income Tax Payable by Non-resident Individual Shareholders**

Pursuant to the “PRC Individual Income Tax Law” (《中華人民共和國個人所得稅法》), the “Implementation Regulations of the PRC Individual Income Tax Law” (《中華人民共和國個人所得稅法實施條例》), the “Notice of the State Administration of Taxation in relation to the Administrative Measures on Preferential Treatment Entitled by Non-residents under Tax Treaties (Tentative)” (Guo Shui Fa [2009] No. 124) (《國家稅務總局關於印發〈非居民享受稅收協定待遇管理辦法(試行)〉的通知》(國稅發[2009]124號)) (“**Tax Treaties Notice**”), other relevant laws and regulations and the relevant rules promulgated by the State Administration of Taxation, and pursuant to the letter titled “Tax arrangements on

dividends paid to Hong Kong residents by Mainland companies” issued by The Stock Exchange of Hong Kong Limited to the issuers on 4 July 2011, individual H Shareholders of the stocks issued by domestic non-foreign invested enterprises in Hong Kong are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax arrangements between the countries where they are residents and China or the tax arrangements between Mainland China and Hong Kong (Macau). The Company will determine the country of domicile of the individual H Shareholders based on the registered address as recorded in the register of members of H Shares of the Company on the Record Date. Detailed arrangements are as follows:

- For individual H Shareholders who are Hong Kong or Macau residents and those whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the individual H Shareholders.
- For individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, the Company will make applications on behalf of the individual H Shareholders to seek entitlement of the relevant agreed preferential treatments pursuant to the regulations under the Tax Treaties Notice, and upon approval by the tax authorities, the amount which is over the withheld tax amount will be refunded.
- For individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of higher than 10% but lower than 20%, the Company will withhold the individual income tax at the agreed effective tax rate when distributing the Dividends, and no application procedures will be necessary.
- For individual H Shareholders whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of 20%, or a country which has not entered into any tax treaties with the PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate 20% on behalf of these individual H Shareholders.

Apart from the Dividends to be distributed, the Bonus H Shares shall also be at the same time subject to the above tax arrangements, and individual income tax shall be levied on the face value of the Bonus H Shares distributed to individual H Shareholders at the tax rate as stipulated above, and shall be withheld and deducted from the Dividends distributed to such H Shareholders.

## **DESPATCH OF CHEQUES**

The Company has appointed Bank of China (Hong Kong) Trustees Limited as the receiving agent in Hong Kong (“**Receiving Agent**”) and will pay to such Receiving Agent the Dividend declared payable to holders of H Shares. The Dividend after deduction of, where applicable, the enterprise income tax or individual income tax will be paid by the Receiving Agent on or about Friday, 8 August 2014, and the relevant cheques will be despatched on the same day to holders of H Shares who are entitled to receive such Dividend by ordinary post and at their own risk.

## **DESPATCH OF H SHARE CERTIFICATES**

The Board proposes to despatch the share certificates for the Bonus H Shares to the H Shareholders entitled thereto at their own risk on Friday, 11 July 2014 by ordinary post. In case of joint shareholdings, the certificates for the Bonus H Shares will be posted to the address of the first named person on the register of members of H Shares in respect of such shares.

## **BONUS H SHARES ISSUE TO OVERSEAS SHAREHOLDERS**

As at the Record Date, the Company had Shareholders with registered address in Philippine, Malaysia (together, the “**Specified Territories**”), Australia, Singapore, Canada, the United Kingdom, the United States and the PRC. The Company has made enquiries regarding the legal restrictions under the laws of the relevant regulatory bodies or stock exchanges pursuant to Rule 13.36(2)(a) of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Hong Kong Listing Rules**”). The Directors have been advised that there are no restrictions to issue Bonus H Shares to Shareholders with a registered address in Australia, Singapore, Canada, the United Kingdom, the United States and the PRC and therefore, Shareholders with a registered address in Australia, Singapore, Canada, the United Kingdom, the United States and the PRC will be entitled to the Bonus H Shares. The Directors are also of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the Specified Territories or any requirement of the relevant regulatory bodies or stock exchanges in the Specified Territories, not to issue the Bonus H Shares to such overseas Shareholders. Arrangements will be made for the Bonus H Shares which would otherwise be issued to such overseas Shareholders in the Specified Territories to be sold in the market as soon as practicable after dealings in the Bonus H Shares commence, if a premium, net of expenses, can be obtained. Any net proceeds of such sale for each overseas shareholder in the Specified Territories, after deduction of expenses, of HK\$100 or more will be distributed in Hong Kong dollars to the relevant overseas Shareholders, by ordinary post at their own risk, unless the amount falling to be distributed to any such person is less than HK\$100 in which case it will be retained for the benefit of the Company.

## **LISTING AND DEALINGS IN THE BONUS H SHARES**

All necessary arrangements have been made for the Bonus H Shares to be admitted into CCASS. The Bonus H Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Dealings in the Bonus H Shares are now expected to commence on 14 July 2014.

By Order of the Board  
**CHINA MINSHENG BANKING CORP., LTD.**  
**Dong Wenbiao**  
Chairman

Beijing, PRC

8 July 2014

*As at the date of this announcement, the executive directors of the Company are Dong Wenbiao, Hong Qi, Liang Yutang and Mao Xiaofeng; the non-executive directors of the Company are Zhang Hongwei, Lu Zhiqiang, Liu Yonghao, Wang Yugui, Wang Hang, Wang Junhui, Wu Di and Guo Guangchang; and the independent non-executive directors of the Company are Qin Rongsheng, Wang Lihua, Han Jianmin, Cheng Hoi-chuen, Ba Shusong and You Lantian.*