
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.

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

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

(Stock Code: 01988)

(USD Preference Shares Stock Code: 04609)

ANNUAL REPORT FOR 2016
FINAL FINANCIAL REPORT FOR 2016
PROPOSED PROFIT DISTRIBUTION PLAN FOR THE SECOND HALF OF 2016
AUTHORIZATION FOR INTERIM PROFIT DISTRIBUTION FOR 2017
ANNUAL BUDGETS FOR 2017
WORK REPORT OF THE BOARD FOR 2016
WORK REPORT OF THE SUPERVISORY BOARD FOR 2016
RE-APPOINTMENT AND REMUNERATION OF THE AUDITING FIRM FOR 2017
MATTERS IN RESPECT OF THE ISSUANCE OF A SHARE CONVERTIBLE BONDS
PROPOSED FORMULATION OF CAPITAL MANAGEMENT PLAN FOR 2017 TO 2019
PROPOSED DOMESTIC AND OVERSEAS ISSUANCE OF FINANCIAL BONDS AND
TIER-TWO CAPITAL BONDS IN THE NEXT THREE YEARS
GENERAL MANDATE FOR THE ISSUANCE OF SHARES
AND
NOTICE OF AGM FOR 2016
NOTICE OF THE SECOND H SHARE CLASS MEETING FOR 2017

The Company will convene the AGM and Class Meetings at 2:00 p.m. on Friday, 16 June 2017 at Fifth Meeting Room, Building VIII, Beijing Friendship Hotel, No. 1 Zhongguancun Nandajie, Haidian District, Beijing, PRC. Notices convening the AGM and the H Share Class Meeting have been sent to the Shareholders pursuant to the Hong Kong Listing Rules on 2 May 2017.

If you intend to appoint a proxy to attend the AGM and/or the Class Meetings, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to Computershare Hong Kong Investor Services Limited (for holders of H Shares) and the office of the Board of the Company (for holders of A Shares) not less than 24 hours before the time fixed for holding the AGM and/or the Class Meetings (i.e. not later than 2:00 p.m. on Thursday, 15 June 2017) in person or by post. Completion and return of the form of proxy will not preclude you from attending the AGM and/or the Class Meetings and voting in person if you so wish.

If you intend to attend the AGM and/or the Class Meetings in person or by proxy, please complete the enclosed reply slip and return the same to Computershare Hong Kong Investor Services Limited (for holders of H Shares) and the office of the Board of the Company (for holders of A Shares) on or before Friday, 26 May 2017.

25 May 2017

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DEFINITIONS

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

“A Shareholder(s)”	holder(s) of A Share(s)
“A Share(s)”	domestic ordinary share(s) of RMB1.00 each issued by the Company which is/are subscribed for by domestic investors in Renminbi and are listed for trading on the Shanghai Stock Exchange (stock code: 600016)
“A Share Class Meeting”	the second A Share class meeting of the Company for 2017 to be held after the conclusion of the AGM or any adjournment thereof on Friday, 16 June 2017 at Fifth Meeting Room, Building VIII, Beijing Friendship Hotel, No. 1 Zhongguancun Nandajie, Haidian District, Beijing, PRC or any adjournment thereof
“A Share Convertible Bonds” or “Convertible Bonds”	convertible corporate bonds in the total amount of not more than RMB50 billion which are convertible into new A Shares, proposed to be issued by the Company
“AGM”	the annual general meeting of the Company for 2016 to be held at 2:00 p.m. on Friday, 16 June 2017 at Fifth Meeting Room, Building VIII, Beijing Friendship Hotel, No. 1 Zhongguancun Nandajie, Haidian District, Beijing, PRC or any adjournment thereof, the notice of which is set out in this circular
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors of the Company
“CBRC”	the China Banking Regulatory Commission (中國銀行業監督管理委員會)
“Class Meeting(s)”	A Share Class Meeting and/or H Share Class Meeting
“Company” or “Bank”	China Minsheng Banking Corp., Ltd. (中國民生銀行股份有限公司), a joint stock company incorporated with limited liability in accordance with the Company Law of the People’s Republic of China, the H Shares and A Shares of which are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange respectively
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“Dividend”	proposed cash dividend of RMB1.65 (before tax) for every 10 Shares to the holders of A Shares and H Shares whose names appear on the registers of members of the Company as at the close of business on the respective record dates

DEFINITIONS

“Group”	the Company and its subsidiaries
“H Share Class Meeting”	the second H Share class meeting of the Company for 2017 to be held after the conclusion of the AGM and the A Share Class Meeting or any adjournment thereof on Friday, 16 June 2017 at Fifth Meeting Room, Building VIII, Beijing Friendship Hotel, No. 1 Zhongguancun Nandajie, Haidian District, Beijing, PRC or any adjournment thereof, the notice of which is set out in this circular
“H Shareholder(s)”	holder(s) of H Share(s)
“H Share(s)”	overseas listed foreign invested share(s) of RMB1.00 each in the share capital of the Company, which are listed on the Hong Kong Stock Exchange (stock code: 01988) and are subscribed for in HK dollars
“HK\$” or “HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Issuance of A Share Convertible Bonds”	the public issuance and listing of A Share Convertible Bonds by the Company in accordance with the Proposal in respect of the Issuance of A Share Convertible Bonds
“Issuance of Preference Shares”	the issuance of Preference Shares by the Company according to the Preference Shares Issuance Plan
“Latest Practicable Date”	22 May 2017, being the latest practicable date for ascertaining certain information contained in this circular
“Macau”	the Macau Special Administrative Region of the PRC
“Offshore 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 Bank in the overseas market on 14 December 2016 and listed on the Hong Kong Stock Exchange on 15 December 2016 (stock code: 04609)
“PBOC”	the People’s Bank of China
“PRC”	the People’s Republic of China, but for the purposes of this circular only, excluding Hong Kong, Macau and Taiwan
“Preference Shares”	Offshore Preference Shares

DEFINITIONS

“Preference Shares Issuance Plan”	the issue plan of Offshore Preference Shares of the Company
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	the ordinary share(s) of the Company, including A Share(s) and H Share(s)
“Supervisory Board”	the supervisory board of the Company



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CHINA MINSHENG BANKING CORP., LTD.

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(Stock Code: 01988)

(USD Preference Shares Stock Code: 04609)

Members of the Board:

Executive Directors:

Mr. HONG Qi
Mr. LIANG Yutang
Mr. ZHENG Wanchun

Registered Address:

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

Non-executive Directors:

Mr. ZHANG Hongwei
Mr. LU Zhiqiang
Mr. LIU Yonghao
Mr. SHI Yuzhu
Mr. WU Di
Mr. YAO Dafeng
Mr. SONG Chunfeng
Mr. TIAN Zhiping
Mr. WENG Zhenjie

Independent Non-executive Directors:

Mr. LIU Jipeng
Mr. LI Hancheng
Mr. XIE Zhichun
Mr. CHENG Hoi-chuen
Mr. PENG Xuefeng
Mr. LIU Ningyu

25 May 2017

LETTER FROM THE BOARD

To the Shareholders

Dear Sir or Madam,

ANNUAL REPORT FOR 2016
FINAL FINANCIAL REPORT FOR 2016
PROPOSED PROFIT DISTRIBUTION PLAN FOR THE SECOND HALF OF 2016
AUTHORIZATION FOR INTERIM PROFIT DISTRIBUTION FOR 2017
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GENERAL MANDATE FOR THE ISSUANCE OF SHARES
AND
NOTICE OF AGM FOR 2016
NOTICE OF THE SECOND H SHARE CLASS MEETING FOR 2017

INTRODUCTION

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

AT THE AGM

1. The resolution regarding the annual report for 2016 of the Company
2. The resolution regarding the final financial report for 2016 of the Company
3. The resolution regarding the proposed profit distribution plan for the second half of 2016 of the Company
4. The resolution regarding the authorization for interim profit distribution for 2017 of the Company
5. The resolution regarding the annual budgets for 2017 of the Company
6. The resolution regarding the work report of the Board for 2016 of the Company
7. The resolution regarding the work report of the Supervisory Board for 2016 of the Company
8. The resolution regarding the re-appointment and remuneration of the auditing firm for 2017

LETTER FROM THE BOARD

- 9.* The resolution regarding the proposal in respect of the issuance of A Share Convertible Bonds
- 9.01 Type of securities to be issued
 - 9.02 Issue size
 - 9.03 Par value and issue price
 - 9.04 Term
 - 9.05 Interest rate
 - 9.06 Method and timing of interest payment
 - 9.07 Conversion period
 - 9.08 Determination and adjustment of the conversion price of the Convertible Bonds
 - 9.09 Downward adjustment to conversion price
 - 9.10 Method for determining the number of Shares for conversion
 - 9.11 Entitlement to dividend in the year of conversion
 - 9.12 Terms of redemption
 - 9.13 Terms of sale back
 - 9.14 Method of issuance and target investors
 - 9.15 Subscription arrangement for the existing holders of A Shares
 - 9.16 Convertible Bond Holders and their meetings
 - 9.17 Use of proceeds
 - 9.18 Guarantee and security
 - 9.19 Validity period of the resolutions
- 10.* The resolution regarding the proposal in respect of the feasibility analysis report of the use of proceeds from the issuance of A Share Convertible Bonds
11. The resolution regarding the proposal in respect of impacts on dilution of current returns of issuance of A Share Convertible Bonds and the remedial measures
- 12.* The resolution regarding the report of the use of proceeds from the previous issuance

LETTER FROM THE BOARD

- 13.* The resolution regarding the proposal in respect of the authorization to the Board and its authorized persons to exercise full power to deal with matters relating to the issuance of A Share Convertible Bonds
14. The resolution regarding the proposal in respect of the formulation of capital management plan for 2017 to 2019
- 15.* The resolution regarding the proposal in respect of the domestic and overseas issuance of financial bonds and tier-two capital bonds in the next three years
- 16.* The resolution regarding the granting of general mandate for the issuance of Shares to the Board

AT THE H SHARE CLASS MEETING

- 1.* The resolution regarding the proposal in respect of the issuance of A Share Convertible Bonds
 - 1.01 Type of securities to be issued
 - 1.02 Issue size
 - 1.03 Par value and issue price
 - 1.04 Term
 - 1.05 Interest rate
 - 1.06 Method and timing of interest payment
 - 1.07 Conversion period
 - 1.08 Determination and adjustment of the conversion price of the Convertible Bonds
 - 1.09 Downward adjustment to conversion price
 - 1.10 Method for determining the number of Shares for conversion
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 - 1.13 Terms of sale back
 - 1.14 Method of issuance and target investors
 - 1.15 Subscription arrangement for the existing holders of A Shares
 - 1.16 Convertible Bond Holders and their meetings
 - 1.17 Use of proceeds

LETTER FROM THE BOARD

1.18 Guarantee and security

1.19 Validity period of the resolutions

- 2.* The resolution regarding the proposal in respect of the authorization to the Board and its authorized persons to exercise full power to deal with matters relating to the issuance of A Share Convertible Bonds

1. Annual Report for 2016

Please refer to the annual report for 2016 issued by the Bank.

This resolution has been considered and approved at the Board meeting held on 30 March 2017 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

2. Final Financial Report for 2016

Please refer to the financial report set out in the annual report for 2016 of the Bank.

This resolution has been considered and approved at the Board meeting held on 30 March 2017 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

3. Proposed Profit Distribution Plan for the Second Half of 2016

Reference is made to the results announcement of the Bank dated 30 March 2017 regarding the annual results for the year ended 31 December 2016 and the proposed profit distribution plan.

The audited profit after taxation of the Company for 2016 was RMB46,910 million, of which net profit for the first half of the year was RMB26,841 million. A cash dividend of RMB4,196 million, or RMB1.15 for every 10 Shares, was distributed in the interim profit distribution plan. The net profit for the second half of the year was RMB20,069 million. The profit distribution plan for the second half of 2016 is proposed as follows:

According to the relevant requirement, 10% of the net profit for the second half of 2016, being RMB2,007 million, was allocated to the statutory surplus reserve. A general provision for risks of RMB8,472 million was made at a rate of 1.5% of the balance of the risky assets as at the end of December 2016. The profits distributable to Shareholders as at 31 December 2016 were RMB126.5 billion.

According to relevant provisions of the Articles of Association in respect of profit distribution, having considered such factors as the capital adequacy required by the regulatory authorities and the sustainable development of the Company, it is proposed that the Company distribute to the A Shareholders and H Shareholders whose names appear on the registers as at the relevant record dates a cash dividend of RMB1.65 (tax inclusive) for every 10 Shares being held. Based on 36,485 million Shares in issue as at 31 December 2016, the total cash dividend is RMB6.02 billion.

The Dividend is expected to be paid to H Shareholders on 28 July 2017.

The Dividend will be denominated and declared in RMB and will be paid in RMB to A Shareholders and in Hong Kong dollars to H Shareholders. The actual amount of dividend to be paid in Hong Kong dollars shall be determined based on the benchmark exchange rate of RMB against Hong Kong dollars at the day of the AGM as announced by the PBOC.

LETTER FROM THE BOARD

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

This resolution has been considered and approved at the Board meeting held on 30 March 2017 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval. The proposed profit distribution plan for the second half of 2016 shall be subject to the approval of the Shareholders at the AGM.

4. Authorization for Interim Profit Distribution for 2017

In accordance to the operating performance of the Company, if there will be interim profit distribution for 2017, it is proposed to the AGM to authorize the Board to suggest the interim profit distribution plan for 2017. The total cash dividend should amount to not less than 10% of the net profit of the Company for the first six months of 2017.

This resolution has been considered and approved at the Board meeting held on 30 March 2017 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval. The authorization for interim profit distribution for 2017 shall be subject to the approval of Shareholders at the AGM.

5. Annual Budgets for 2017

(1) Additional fixed asset investment budget

The additional fixed asset investment budget of the Group is RMB7.18 billion (excluding fixed assets held under operating lease). Details are as follows:

A. Properties and buildings

It is expected that the budget for properties and buildings for 2017 will be increased by RMB5.6 billion, of which RMB3.1 billion will be transferred from ongoing construction projects, RMB2.0 billion will be used for acquisition for the Group, and the remaining RMB500 million will be used to pay renovation costs and balance payments for existing properties and buildings.

B. Operating equipment

It is expected that the budget for operating equipment for 2017 will be increased by RMB1.5 billion, which will be used mainly for the purchase of technological equipment, business equipment and office facilities, etc.

C. Transportation equipment

It is expected that the budget for transportation equipment for 2017 will be increased by RMB800 million, which will be used mainly for the purchase of office vehicles, etc.

LETTER FROM THE BOARD

(2) *The regulatory requirements of major regulatory indicators such as capital adequacy ratio and loan-to-deposit ratio have been fulfilled*

This resolution has been considered and approved at the Board meeting held on 30 March 2017 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

6. Work Report of the Board for 2016

Please refer to the relevant contents in the annual report for 2016 of the Bank for the main content of the work report of the Board for 2016.

This resolution has been considered and approved at the Board meeting held on 30 March 2017 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

7. Work Report of the Supervisory Board for 2016

Please refer to the relevant contents in the annual report for 2016 of the Bank for the main content of the work report of the Supervisory Board for 2016.

This resolution has been considered and approved at the Supervisory Board meeting held on 30 March 2017 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

8. Re-appointment and Remuneration of the Auditing Firm for 2017

The Company proposes to re-appoint KPMG Huazhen LLP) and KPMG Certified Public Accountants as the auditors for the financial report of the Company for 2017 with a term of one year. The audit fee will be RMB10.6 million (inclusive of audit and review service charges of RMB9.50 million and audit charges for the effectiveness of internal control of RMB1.10 million) with tax and various charges such as travelling expenses included.

This resolution has been considered and approved at the Board meeting held on 30 March 2017 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

MATTERS IN RELATION TO THE ISSUANCE OF A SHARE CONVERTIBLE BONDS

9. Proposal in respect of Issuance of A Share Convertible Bonds

Pursuant to the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Securities Law of the People's Republic of China (《中華人民共和國證券法》), the Administrative Measures for the Issuance of Securities by Listed Companies (《上市公司證券發行管理辦法》), the Rules Governing Capital Management of Commercial Banks (Provisional) (《商業銀行資本管理辦法(試行)》) and other laws, regulations and normative legal documents, the Company has satisfied the requirements for the Issuance of A Share Convertible Bonds. In order to improve the capital adequacy ratio of the Company, enhance its comprehensive competitiveness and strengthen the sustainable development capabilities, the Company proposes the Issuance of the A Share Convertible Bonds. Details of the proposal are as follows:

I. *Type of securities to be issued*

The type of the securities to be issued by the Company is a convertible bonds which can be converted into A Shares. The Convertible Bonds and A Shares to be converted from the Convertible Bonds will be listed on the Shanghai Stock Exchange.

LETTER FROM THE BOARD

II. Issue size

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

III. Par value and issue price

The Convertible Bonds will be issued at par with a nominal value of RMB100 each.

IV. Term

The term of the Convertible Bonds will be six years from the date of the Issuance of A Share Convertible Bonds.

V. Interest rate

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

VI. Method and timing of interest payment

(I) Calculation of annual interest

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

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

“**I**”: denotes the Annual Interest;

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

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

(II) Method of interest payment

1. Interest of the Convertible Bonds will be paid annually, accruing from the date of issuance of the Convertible Bonds.

LETTER FROM THE BOARD

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

VII. Conversion period

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

VIII. Determination and adjustment of the conversion price of the convertible bonds

- (I) Basis for determining the initial conversion price for the Convertible Bonds (the “**Conversion Price**”)

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

- (II) Method of adjustments to the Conversion Price

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

LETTER FROM THE BOARD

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

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

IX. Downward adjustment to Conversion Price

(I) Limitation of adjustment right and the magnitude of adjustment

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

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

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

LETTER FROM THE BOARD

(II) Procedure of adjustment

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

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

X. Method for determining the number of Shares for conversion

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

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

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

XI. Entitlement to dividend in the year of conversion

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

XII. Terms of redemption

(I) Terms of redemption at maturity

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

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(II) Terms of conditional redemption

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

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

Formula for calculating then accrued interest is:

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

IA	:	Accrued interest for the current period;
B	:	Aggregate nominal value of the Convertible Bonds issued hereunder that are held by the Convertible Bond Holder and will be redeemed;
i	:	Interest rate of the Convertible Bonds for current year; and
t	:	Number of days on which interest is accrued, meaning the actual number of calendar days from the last interest payment date to the redemption date (excluding the redemption date).

XIII. Terms of sale back

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

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

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XIV. Method of issuance and target investors

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

XV. Subscription arrangement for the existing A Shareholders

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

XVI. Convertible Bonds Holders and their meetings

(I) Rights and obligations of Convertible Bond Holders

1. Rights of Convertible Bond Holders

- (1) to receive agreed interests in accordance with the number of the Convertible Bonds held by Convertible Bond Holders;
- (2) to convert the Convertible Bonds held by Convertible Bond Holders into A Shares of the Company according to the agreed conditions;
- (3) to exercise right of sale back on agreed conditions;
- (4) to assign, bestow or pledge the Convertible Bonds held by Convertible Bond Holders in accordance with the laws, administrative regulations and the Articles of Association;
- (5) to receive relevant information in accordance with the laws and the Articles of Association;
- (6) to request the Company to repay the principal and interest of the Convertible Bonds within the agreed period and by the agreed manner;
- (7) other rights as creditors of the Company prescribed by applicable laws, administrative regulations and Articles of Association.

2. Obligations of the Convertible Bond Holders

- (1) to abide by the relevant terms of the Convertible Bonds;

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

(II) Convertible Bond Holders' Meetings

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

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

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

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

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

2. Convening of Convertible Bond Holders' meetings

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

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3. Attendance of the Convertible Bond Holders' meetings

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

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

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

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

4. Procedures of the Convertible Bond Holders' meetings

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

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

- (1) Each Convertible Bond represents one vote in the Convertible Bond Holders' meeting;
- (2) Convertible Bond Holders shall vote by open ballot in the Convertible Bond Holders' meeting;
- (3) A resolution of the Convertible Bond Holders' meeting shall be valid upon the affirmative votes representing at least two-thirds of par value of Convertible Bonds present at the meeting;

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

XVII. Use of proceeds

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

XVIII. Guarantee and security

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

XIX. Validity period of the resolutions

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

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

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Mechanism of the Issuance of A Share Convertible Bonds

Under the proposed Issuance of A Share Convertible Bonds, the Company intends to allocate a portion of the A Share Convertible Bonds for subscription initially by existing A Shareholders on a pro rata basis. The Company understands that there is no specific PRC law or regulation prescribing the exact split of the portion to be reserved for subscription initially by existing A Shareholders on a pro rata basis (the “**Existing Shareholders’ Tranche**”) and the portion to be offered to the market generally (which could be participated by existing Shareholders or non-Shareholders) through a combination of offline placement to institutional investors and online issuance to public investors (the “**Excess Applications Tranche**”). Accordingly, this would largely be a decision that the Board would need to make by considering factors and matters that it considers relevant such as prevailing market practice, Shareholders’ likely response to the Issuance, market sentiment and conditions. Ultimately, the Company would aim to devise a structure that ensures the success of the Issuance at a fair market value.

The terms to be offered under both Existing Shareholders’ Tranche and Excess Applications Tranche would be the same and therefore there will be fair and equal treatment to all potential investors (whether or not they are existing Shareholders of the Company) in the A Share Convertible Bonds. If there is any under-subscription in the Existing Shareholders’ Tranche, the under-subscribed portion will be re-allocated to the Excess Applications Tranche. However, even if there is an overall under-subscription for the proposed size of the Issuance of A Share Convertible Bonds, the Company would have the discretion to curtail the ultimate size of the Issuance of A Share Convertible Bonds as the current plan is to seek approvals (Shareholders’ and regulatory approvals) for an offering size of up to RMB50 billion.

The online issuance will be conducted through the electronic application system developed by the Shanghai Stock Exchange which is available to the general public. The offline placement and online issuance mechanism is required by the CSRC, according to which neither the Company nor the underwriters shall be given access to the detailed application data, except the overall subscription amount in respect of the online issuance. Offline placement will be conducted through bookbuilding, for which the detailed application data will be submitted to the underwriters. Once the subscription period ends, a clawback will be conducted between the online and offline tranche to ensure equal allocation between the tranches in accordance with the relevant CSRC regulations. Subsequently, the allotment of the online issuance will be conducted through the balloting system operated by the Shanghai Stock Exchange, and the offline applications will be allocated on a pro-rata basis according to the number of A Share Convertible Bonds applied for by each investor to meet its demand. Under the regulation by the CSRC and Shanghai Stock Exchange, neither the Directors, the Company, nor the underwriters can influence the basis of allocation. The Company believes that such a system would ensure equal treatment of all subscribers would have applied for the bonds in the Excess Applications Tranche.

Any A Shareholder may participate in both Existing Shareholders’ Tranche and Excess Applications Tranche, and therefore it would have complete discretion as to whether or not to subscribe for any A Share Convertible Bond under any of the tranches. However, the participation by any connected person of the Company would, due to the requirements of the Hong Kong Listing Rules, not be permissible until the Company has carried out the necessary procedures to seek approval (and if granted) from the independent Shareholders to permit any connected person to exercise its discretion in taking up the pro-rata portion in the Existing Shareholders’ Tranche and/or apply for an application under the Excess Applications Tranche.

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The Company understands that there are no PRC laws and regulations governing or limiting the allocation or reallocation of A Share Convertible Bonds between the Existing Shareholders' Tranche and the Excess Applications Tranche.

Hong Kong Listing Rules Implications

As certain existing A Shareholders are considered associates of Mr. Zhang Hongwei, Mr. Lu Zhiqiang, Mr. Shi Yuzhu and Mr. Liu Yonghao, being the non-executive directors of the Company, such existing A Shareholders constitute connected persons of the Company. In addition, certain connected persons of the Company, including Mr. Wang Jiazhi, being a supervisor of the Company, and Anbang Insurance Group Co., Ltd., a substantial Shareholder of the Company, are also existing A Shareholders. The subscription of the A Share Convertible Bonds under the Existing Shareholders' Tranche and the Excess Application Tranche by Mr. Zhang Hongwei, Mr. Lu Zhiqiang, Mr. Shi Yuzhu, Mr. Liu Yonghao, Mr. Wang Jiazhi and Anbang Insurance Group Co., Ltd. and/or their associates (the “**Connected A Shareholders**”) and the subscription of the A Share Convertible Bonds under the Excess Application Tranche by any connected person of the Company would constitute connected transactions under Chapter 14A of the Hong Kong Listing Rules subject to the announcement, circular, independent Shareholders' approval (including independent financial advice) and reporting requirements under the Hong Kong Listing Rules.

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

This resolution has been considered and approved at the Board meetings held on 30 March 2017 and 2 May 2017, respectively, and is hereby proposed to the AGM, the A Share Class Meeting and the H Share Class Meeting as a special resolution for consideration and approval. After Shareholders' approval has been obtained for the proposed Issuance of A Share Convertible Bonds, the Company will submit a formal application to the CBRC, and as soon as practicable after obtaining approval from the CBRC, submit a formal application to the CSRC. The proposed Issuance of A Share Convertible Bonds is subject to the approval of the AGM, A Share Class Meeting, H Share Class Meeting, CBRC and CSRC.

Mechanism for Determination of Conversion Price and Interest Rate

The CSRC has formulated applicable laws and regulations in relation to the determination of the initial conversion price for the issue of convertible bonds in the A share market and the interest rate of bonds.

Clause 22 of the Administration Measures for the Issuance of Securities by Listed Companies promulgated by the CSRC provides that “the price of the convertible bond shall not be lower than the average trading price of the shares of such company for the 20 trading days preceding the date of the publication of the offering document and the average trading price of the shares of such company on the trading day preceding the date of the publication of the offering document”. According to the issuance plan of the A Share Convertible Bond, the initial Conversion Price of the Convertible Bonds shall not be lower than the average trading price⁽³⁾ of A Shares for the 20 trading days preceding the date of publication of the offering document and the average trading price of A Shares on the trading day preceding the date of the offering document of the Convertible Bonds and the lower of the most recent audited net asset value per Share and the average trading price of the A Shares for the five trading days preceding the date of the Board resolution (being 2 May 2017).

⁽³⁾ Average trading price of N trading day(s) = the trading dollar volume of the Company's A Shares of N trading day(s) prior the date of the offering document ÷ trading volume of the Company's A Shares of N trading(s) day(s)

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Clause 16 of the Administration Measures for the Issuance of Securities by Listed Companies promulgated by the CSRC provides that “the nominal value per convertible corporate bond shall be RMB100. The issuer and lead underwriter may determine the interest rate of the convertible corporate bond upon negotiation in compliance with the applicable requirement of China.”

To ensure the fairness and reasonableness of the terms of the Issuance of A Share Convertible Bonds, in particular the Conversion Price and interest rate, a task force will be formed by the Company to research the conversion price and interest rate of bonds and convertible products with similar credit rating and maturity in the market in order to reasonably determine the Conversion Price and interest rate. The task force will consist of professionals from the departments responsible for financing and investment, with professional experience in bond issuance and bond investment. The task force obtains market information mainly from WIND system and China interbank bond market website (www.chinabond.com.cn and www.chinamoney.com.cn). Based on its findings, the task force will propose such terms to the Board and its authorized persons. When determining the conversion price and interest rate, neither the Board, its authorized persons nor the lead underwriters of the Issuance would be subject to the instructions of the connected persons and its associates.

Reasons and Benefits of the Issuance of A Share Convertible Bonds

(I) Requirement for further improvement in the capital adequacy ratio of the Company

The Company has maintained sound and rapid development in recent years. Attributable to its rapid growth in all businesses and remarkable results of operation, the Company has become a leading national joint stock commercial bank with the fastest growth. The corporate and personal financial businesses of the Company continue to expand. In particular, demand for our core financial services to non-state-owned enterprises and small and micro enterprises is strong. With scientific capital management, the Company manages to maintain a capital adequacy ratio at the standard level of the industry, and has already fulfilled the capital requirement of the CBRC which shall be met by 2018 according to the regulatory requirement. As at 31 March 2017, the core tier-one capital adequacy ratio, tier-one capital adequacy ratio and capital adequacy ratio of the Company amounted to 8.91%, 9.19% and 11.63%, respectively. Through the issuance of Convertible Bonds, the Company will be able to further improve its capital adequacy ratio to a leading level in the industry steadily.

(II) Compliance with tightening regulatory requirement on capital

To strengthen the risk resistance and reinforce the capital constraints in the banking industry of China, the CBRC requires that the capital adequacy ratio of systematically important banks and non-systematically important banks in China shall reach 11.5% and 10.5%, respectively, during normal period. Commercial banks are required to satisfy the relevant regulatory requirement on capital by the end of 2018, and banks with relevant strengths are encouraged to satisfy the requirement earlier. Although the Company has fulfilled such regulatory requirement, it strives to maintain stable quality and level of capital for the long term through various replenishment channels and development of a dynamic capital replenishment mechanism in order to satisfy the tightening regulatory requirement.

(III) Issuance of Convertible Bonds is an effective channel for refinancing and capital replenishment of the Company

The Company has put in place a scientific, comprehensive and rational capital replenishment plans, and issued various capital instruments, such as A Share Convertible Bonds,

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tier-two capital bonds, offshore preference shares and H-Share placement. Convertible bond is a relatively rare product in the domestic capital market and popular among investors. Through the pre-emptive placement of Convertible Bonds to the existing A Shareholders, the Company is able to protect the interests of all A Shareholders. In addition, as the issuance of Convertible Bonds has limited impact on the market and gradual dilution effect on the operating results, it is an effective channel for refinancing and capital replenishment of the Company.

Please refer to “Appendix I — Proposal in respect of Feasibility Analysis Report of the Use of Proceeds from the Issuance of A Share Convertible Bonds by China Minsheng Banking Corp., Ltd.” to this circular for further information regarding the reasons and benefits of the Issuance of A Share Convertible Bonds.

Effect on Shareholding Structure of the Company

The initial Conversion Price of the Convertible Bonds shall not be lower than the average trading price of A Shares for the 20 trading days preceding the date of publication of the offering document and the average trading price of A Shares on the trading day preceding the date of the offering document of the Convertible Bonds and the lower of the most recent audited net asset value per Share and the average trading price of the A Shares for the five trading days preceding the date of the Board resolution (being 2 May 2017). The actual initial Conversion Price shall be determined by the Board of the Company with reference to the market conditions, according to the authorization by the Shareholders in general meeting. The above complies with the principle for determining the initial conversion price stated in the Administrative Measures for the Issuance of Securities by Listed Companies of the China Securities Regulatory Commission. The actual Conversion Price will be determined before the Issuance of A Share Convertible Bonds. Notwithstanding the above, the Company has fixed a minimum initial conversion price of RMB7.81 per Share, which represents the average trading price of the A Shares for the five trading days preceding the date of the Board resolution (being 2 May 2017).

The initial conversion price can only be determined before the date of publication of the offering document according to the pricing mechanism. In practise, the initial conversion price would be higher than RMB7.81 per Share, having adopted the fixed minimum initial conversion price. Using the minimum initial conversion price of RMB7.81 per Share and given the total size of the Issuance will not be more than RMB50 billion, the maximum number of A Shares to be converted would be 6,402,048,656 A Shares.

Based on the minimum initial conversion price of RMB7.81 per Share, being the higher of the average trading price of A Shares for the 20 trading days preceding the date of publication of the offering document and the average trading price of A Shares on the trading day preceding the date of the offering document of the Convertible Bonds and the lower of the most recent audited net asset value per Share and the average trading price of the A Shares for the five trading days preceding the date of the Board resolution (being 2 May 2017) and assuming (i) an offering of RMB50 billion A Share Convertible Bonds; (ii) with full exercise of pre-emptive rights by all the Connected A Shareholders in proportion to the shareholding percentage in the Company’s A Shares as at the date of the Board resolution (being 2 May 2017); and (ii) the full conversion of the A Shares Convertible Bonds into A Shares, the shareholding structure of the Company is as follows:

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Shareholders	As at 2 May 2017		Immediately after full conversion of the A Shares Convertible Bond into A Shares	
	Number of Shares	As a percentage of total issued ordinary Shares	Number of Shares	As a percentage of total issued ordinary Shares
A SHARES				
Total issued A Shares	29,551,769,344	81.00%	35,953,818,000	83.83%
South Hope Industrial Co., Ltd. ^(Note 1)	85,323,189	0.23%	103,807,470	0.24%
New Hope Investment Co., Ltd. ^(Note 1)	1,523,606,135	4.18%	1,853,677,763	4.32%
Orient Group Incorporation ^(Notes 2, 3)	1,066,764,269	2.92%	1,297,866,396	3.03%
Huaxia Life Insurance Co., Ltd. ^(Note 3)	1,028,316,198	2.82%	1,251,088,996	2.92%
China Oceanwide Holdings Group Co., Ltd. ^(Note 4)	1,682,652,182	4.61%	2,047,179,294	4.77%
Shanghai Giant Lifetech Co., Ltd. ^(Note 5)	1,149,732,989	3.15%	1,398,809,329	3.26%
Mr. Wang Jiazhi ^(Note 6)	759,720	0.00%	924,305	0.00%
Anbang Insurance Group Co., Ltd. ^(Note 7)	6,126,903,907	16.79%	7,454,226,697	17.38%
Total issued A Shares held by the public Shareholders of the Company ^(Note 9)	16,887,710,755	46.29%	20,546,237,751	47.91%
H SHARES				
Total issued H Shares	6,933,579,408	19.00%	6,933,579,408	16.17%
Anbang Asset Management (Hong Kong) Co., Limited ^(Note 7)	381,608,500*	1.05%	381,608,500	0.89%
Union Sky Holding Group Limited ^(Note 5)	7,160,000	0.02%	7,160,000	0.02%
Vogel Holding Group Limited ^(Note 5)	63,275,400	0.17%	63,275,400	0.15%
JH International Investment Company Limited ^(Note 5)	594,584,711	1.63%	594,584,711	1.39%
Oceanwide International Equity Investment Limited ^(Note 4)	403,584,125*	1.11%	403,584,125	0.94%
Fosun International Limited ^(Note 8)	695,179,800	1.91%	695,179,800	1.62%
Pramerica-Fosun China Opportunity Fund, L.P. ^(Note 8)	35,592,600	0.10%	35,592,600	0.08%
Topper Link Limited ^(Note 8)	77,840,000	0.21%	77,840,000	0.18%
Total issued H Shares held by the public Shareholders of the Company ^(Note 10)	4,674,754,272	12.81%	4,674,754,272	10.90%
Total issued Shares	36,485,348,752	100.00%	42,887,397,408	100.00%

To the best knowledge of the Company and as at the Latest Practicable Date, there was no material change to the number of Shares of the Company held by the relevant Shareholders since the date of the Board resolution (being 2 May 2017).

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Notes:

- (1) As at 2 May 2017, both South Hope Industrial Co., Ltd. and New Hope Investment Co., Ltd. were A Shareholders, directly holding 85,323,189 A Shares and 1,523,606,135 A Shares, respectively. 51% of the issued share capital of South Hope Industrial Co., Ltd. was held by New Hope Group Co., Ltd., while New Hope Investment Co., Ltd. was held as to 25% and 75% of its issued share capital by New Hope Group Co., Ltd. and New Hope Liuhe Co., Ltd. respectively. (23.98% and 29.41% of the issued share capital of New Hope Liuhe Co., Ltd. were held by New Hope Group Co., Ltd. and South Hope Industrial Co., Ltd. respectively). As Mr. Liu Yonghao (a Non-executive Director of the Company) held 62.34% of the issued share capital of New Hope Group Co., Ltd., Mr. Liu Yonghao was deemed to be interested in the 1,608,929,324 A Shares held by South Hope Industrial Co., Ltd. and New Hope Investment Co., Ltd. in aggregate by virtue of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”).
- (2) As at 2 May 2017, the 1,066,764,269 A Shares were directly held by Orient Group Incorporation. 16.39%, 11.87% and 0.3% of the issued share capital of Orient Group Incorporation were held by Tibet Orient Runlan Investment Co., Ltd. (西藏東方潤瀾投資有限公司), Orient Group Investment Holding Co., Ltd. and Mr. Zhang Hongwei (a Non-executive Director of the Company), respectively. Tibet Orient Runlan Investment Co., Ltd. (西藏東方潤瀾投資有限公司) was wholly-owned by Orient Group Investment Holding Co., Ltd. As Mr. Zhang Hongwei indirectly held 94% of the issued share capital of Orient Group Investment Holding Co., Ltd., Mr. Zhang Hongwei was deemed to be interested in the 1,066,764,269 A Shares held by Orient Group Incorporation by virtue of the SFO.
- (3) As at 2 May 2017, Orient Group Incorporation and Huaxia Life Insurance Co., Ltd. entered into an acting in concert agreement on 29 June 2016, allowing both parties to exercise an aggregate of 2,095,080,467 voting shares of the Company, representing 5.74% of the total issued ordinary shares of the Company.
- (4) As at 2 May 2017, the 1,682,652,182 A Shares were directly held by China Oceanwide Holdings Group Co., Ltd., of which 98% of its issued share capital was held by Oceanwide Group Co., Ltd., which was wholly owned by Tohigh Holdings Co., Ltd. Mr. Lu Zhiqiang (a Non-executive Director of the Company) held 77.14% of the issued share capital of Tohigh Holdings Co., Ltd. Mr. Lu Zhiqiang was deemed to be interested in the 1,682,652,182 A Shares held by China Oceanwide Holdings Group Co., Ltd. by virtue of the SFO.

The 403,584,125 H shares were directly held by Oceanwide International Equity Investment Limited. 98.67% of the issued share capital of Oceanwide International Equity Investment Limited was indirectly held by Oceanwide Holdings Co., Ltd. 66.59% of the issued share capital of Oceanwide Holdings Co., Ltd. was held by China Oceanwide Holdings Group Co., Ltd. 98% of the issued share capital of China Oceanwide Holdings Group Co., Ltd. was held by Oceanwide Group Co., Ltd., which was wholly owned by Tohigh Holdings Co., Ltd. Mr. Lu Zhiqiang held 77.14% of the issued share capital of Tohigh Holdings Co., Ltd. Mr. Lu Zhiqiang was deemed to be interested in the 403,584,125 H Shares held by Oceanwide International Equity Investment Limited by virtue of the SFO.

- (5) As at 2 May 2017, the 1,149,732,989 A Shares were held by Shanghai Giant Lifetech Co., Ltd. 90.49% of the issued share capital of Shanghai Giant Lifetech Co., Ltd. was held by Giant Investment Co., Ltd., of which 97.86% of the issued share capital was held by Mr. Shi Yuzhu (a Non-executive Director of the Company). Mr. Shi Yuzhu was deemed to be interested in the 1,149,732,989 A Shares held by Shanghai Giant Lifetech Co., Ltd. by virtue of the SFO.

The 665,020,111 H Shares (in which 586,003,211 H Shares were held through cash settled derivatives (off exchange)) comprised 7,160,000 H Shares directly held by Union Sky Holding Group Limited, 63,275,400 H shares directly held by Vogel Holding Group Limited and 594,584,711 H shares directly held by JH International

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Investment Company Limited. JH International Investment Company Limited was a wholly-owned subsidiary of Union Sky Holding Group Limited, which was wholly owned by Mr. Shi Yuzhu. Vogel Holding Group Limited was wholly owned by Mr. Shi Yuzhu's daughter, Ms. Shi Jing. Mr. Shi Yuzhu was the de facto controller of Vogel Holding Group Limited. Mr. Shi Yuzhu was deemed to be interested in the 665,020,111 H Shares by virtue of the SFO.

- (6) As at 2 May 2017, Mr. Wang Jiazhi, being a supervisor of the Company, was the beneficial owner of 759,720 A Shares of the Company.
- (7) As at 2 May 2017, Anbang Insurance Group Co., Ltd. had interests in the 6,126,903,907 A Shares by virtue of its control over Anbang Life Insurance Inc., Anbang Property Insurance Inc. and Hexie Health Insurance Co., Ltd. Anbang Insurance Group Co., Ltd. is a substantial shareholder, and hence a connected person of the Company.

The 381,608,500 H Shares were directly held by Anbang Asset Management (Hong Kong) Co., Limited. Anbang Asset Management (Hong Kong) Co., Limited was a wholly-owned subsidiary of Anbang Property Insurance Inc. and 95.26% of the issued share capital of Anbang Property Insurance Inc. was owned by Anbang Insurance Group Co., Ltd.

- (8) The 808,612,400 H shares held by Fosun International Limited comprised 695,179,800 H shares directly held by itself, 35,592,600 H shares directly held by Pramerica-Fosun China Opportunity Fund, L.P. and 77,840,000 H shares directly held by Topper Link Limited. Pramerica-Fosun China Opportunity Fund, L.P. was a fund company managed by Fosun International Limited whereas Topper Link Limited was an indirect wholly-owned subsidiary of Fosun International Limited. Fosun International Limited was owned as to 71.55% by Fosun Holdings Limited, which in turn was a wholly-owned subsidiary of Fosun International Holdings Ltd. Mr. Guo Guangchang (a former Non-executive Director of the Company) held 64.45% of the issued share capital of Fosun International Holdings Ltd.

According to the SFO, Fosun International Limited was deemed to have interests in the 35,592,600 H shares held by Pramerica-Fosun China Opportunity Fund, L.P. and in the 77,840,000 H shares held by Topper Link Limited. Meanwhile, Fosun International Holdings Ltd. and Mr. Guo Guangchang were also deemed to have interests in the 808,612,400 H shares held by Fosun International Limited.

Mr. Guo Guangchang ceased to act as a Director of the Company as at 20 February 2017 but remains a connected person of the Company according to the Hong Kong Listing Rules. Hence, the interest held by or deemed to be held by Mr. Guo Guangchang in the H Shares set forth above are to the best knowledge of the Company based on his notifications up to 20 February 2017.

- (9) Total issued A Shares held by the public Shareholders of the Company refers to the total number of A Shares in issue save for the A Shares held by the Connected A Shareholders as listed in the table.
- (10) Total issued H Shares held by the public Shareholders of the Company refers to the total number of H Shares in issue save for the H Shares held by connected persons of the Company as listed in the table.

* As far as the Company is aware, the above numbers of shares reflected the interests or short positions of the relevant substantial shareholders as at the Latest Practicable Date. However, these numbers of shares were not reported in the disclosure forms completed by these substantial shareholders because the changes in their interests did not result in a disclosure obligation in accordance with SFO.

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Fund Raising Activities of the Company in the Past 12 Months

Set out below is a summary of the Company's equity fund raising activities in the past 12 months immediately preceding the Latest Practicable Date:

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
14 December 2016	New issue of U.S.\$1,439,000,000 4.95% non-cumulative perpetual offshore preference shares	RMB9.892 billion	To replenish the Company's Additional Tier-One Capital	Used to replenish the Company's Additional Tier-One Capital
7 November 2014, 11 December 2015 and 30 December 2016	Proposed non-public issuance of domestic preference shares	Expected to be approximately RMB20 billion	To replenish the Company's Additional Tier-One Capital	Not yet issued

Save as disclosed above, the Company has not conducted any other equity fund raising activities in the past 12 months immediately preceding the Latest Practicable Date.

10. Proposal in respect of Feasibility Analysis Report of the Use of Proceeds from the Issuance of A Share Convertible Bonds

For the purpose of the Issuance of A Share Convertible Bonds, the Company has prepared the Feasibility Report of the Use of Proceeds from the Issuance of A Share Convertible Bonds by China Minsheng Banking Corp., Ltd. The proceeds to be raised from the Issuance of A Share Convertible Bonds will not exceed RMB50 billion in total, and will be used to support future business development of the Company and, upon conversion of the Convertible Bonds, to replenish the core tier-one capital of the Company in accordance with relevant regulatory requirements.

Details of the proposal in respect of Feasibility Analysis Report of the Use of Proceeds from the Issuance of A Share Convertible Bonds of China Minsheng Banking Corp., Ltd. are set out in Appendix I to this circular.

This resolution has been considered and approved at the Board meeting held on 30 March 2017 and is hereby proposed to the AGM as a special resolution for consideration and approval.

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11. Proposal in respect of Impacts on Dilution of Current Returns of Issuance of A Share Convertible Bonds and the Remedial Measures

In accordance with the Several Opinions of the State Council on Further Promoting the Healthy Development of Capital Market (Guo Fa [2014] No. 17) (《國務院關於進一步促進資本市場健康發展的若干意見》(國發[2014]17號)), Opinions of the Office of State Council on Further Strengthening the Protection of Legal Interests of Small and Medium Investors in Capital Market (Guo Ban Fa [2013] No. 110) (《國務院辦公廳關於進一步加強資本市場中小投資者合法權益保護工作的意見》(國辦發[2013]110號)) and the Guidelines on Matters relating to Impacts of Dilution of Current Returns of Initial Offering and Re-financing and Major Asset Reorganization (CSRC Notice [2015] No. 31) (《關於首發及再融資、重大資產重組攤薄即期回報有關事項的指導意見》(證監會公告[2015]31號)), the Company has conducted an analysis on the potential impacts of the Issuance of A Share Convertible Bonds on the interests and current returns of the ordinary Shareholders, and has proposed remedial measures according to actual circumstances.

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

This resolution has been considered and approved at the Board meeting held on 30 March 2017 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

12. Report of the Use of Proceeds from the Previous Issuance

Reference is made to the announcement of the Company dated 8 December 2016 in relation to the proposed Issuance of Preference Shares. In accordance with the Administrative Measures for the Issuance of Securities by Listed Companies (《上市公司證券發行管理辦法》) of the CSRC, the Company has prepared a report of the use of proceeds from the Issuance of Preference Shares.

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

This resolution has been considered and approved at the Board meeting held on 30 March 2017 and is hereby proposed to the AGM as a special resolution for consideration and approval.

13. Proposal in respect of the Authorization to the Board and its Authorized Persons to Exercise Full Power to Deal with Matters Relating to the Issuance of A Share Convertible Bonds

In order to facilitate the implementation of the Issuance of the A Share Convertible Bonds, the Board proposes the Shareholders' general meeting to authorize the Board and its authorized persons to exercise all powers to deal with matters relating to the Issuance of A Share Convertible Bonds under the framework and principles as deliberated and adopted at the Shareholders' general meeting and within the validity period of the resolution on the Issuance of A Share Convertible Bonds.

Details of the proposal in respect of the Authorization to the Board and its Authorized Persons to Exercise Full Power to Deal with Matters Relating to the Issuance of A Share Convertible Bonds of China Minsheng Banking Corp., Ltd. are set out in Appendix IV to this circular.

This resolution has been considered and approved at the Board meeting held on 30 March 2017 and is hereby proposed to the AGM, the A Share Class Meeting and the H Share Class Meeting as a special resolution for consideration and approval.

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14. Proposed Formulation of Capital Management Plan for 2017 to 2019

In order to strengthen the capital management of the Company, to improve the capital utilization efficiency and to adapt to the requirements of capital regulatory policies, the Company has formulated the Capital Management Plan for 2017 to 2019 of China Minsheng Banking Corp., Ltd. Details of the proposal in respect of Formulation of Capital Management Plan for 2017 to 2019 of China Minsheng Banking Corp., Ltd. are set out in Appendix V to this circular.

In accordance with the CBRC Notification on Improving the Capital Replenishment Mechanism of Commercial Banks (Yinjianfa [2009] No. 90), the implementation of this proposal should be subject to the consideration and approval by the Board and the Shareholders' general meeting and shall be filed with the relevant regulatory authorities.

This proposal has been considered and approved in the meeting of the Board held on 30 March 2017 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

15. Proposed Domestic and Overseas Issuance of Financial Bonds and Tier-Two Capital Bonds in the Next Three Years

In recent years, the businesses of the Company have grown rapidly with satisfactory operating results. With the continuous improvement and enhancement of professional operation capability and risk management, the internal control system and corporate governance structure of the Company have been increasingly refined. In order to promptly and effectively increase working capital and replenish capital, reduce financing costs and enhance profitability in the direct financing markets, the Company has formulated the Plan of Domestic and Offshore Issuance of Financial Bonds and Tier-Two Capital Bonds in the Next Three Years.

Company's Plan to Issue Domestic and Offshore Financial Bonds in the Next Three Years

The Company plans to issue financial bonds (excluding tier-two capital bonds and convertible corporate bonds) in the next three years of value not exceeding 10% of the total balance of liabilities (on a consolidated basis) as at the end of 2016. The proceeds will be used for supporting the Company's future business development. The types of financial bonds to be issued include but are not limited to RMB bonds and foreign-currency bonds issued in the domestic and offshore markets and will not be convertible into any type of securities of the Company. The issuance of such financial bonds will be implemented in phases and of different terms within the validity period of the resolution approving the Company's plan to issue domestic and offshore financial bonds in the next three years.

Company's Plan to Issue Domestic and Offshore Tier-Two Capital Bonds in the Next Three Years

The Company plans to issue domestic and offshore tier-two capital bonds in the next three years in accordance with the regulations of the relevant regulatory authorities, the Company's demand for tier-two capital and market conditions. The size of the issuance will conform to the relevant regulatory requirements. The types of tier-two capital bonds to be issued include but are not limited to RMB bonds and foreign-currency bonds issued in the domestic and offshore markets and will not be convertible into any type of securities of the Company. The issuance of such tier-two capital bonds will be implemented in phases and of different terms within the validity period of the resolution approving the Company's plan to issue domestic and offshore tier-two capital bonds in the next three years.

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The proposed Plan of Domestic and Offshore Issuance of Financial Bonds and Tier-Two Capital Bonds in the Next Three Years is subject to the consideration and approval by the Board and the Shareholders' general meeting. This proposal has been considered and approved in the meeting of the Board held on 30 March 2017.

It is proposed at the AGM to approve the Company's plan to issue domestic and offshore financial bonds and domestic and offshore tier-two capital bonds in the 36 months from the date of the Shareholders' general meeting and to authorize the Board, whom in turn can delegate authority to the members of the business management within the framework and principles approved by the Shareholders' general meeting, to handle matters related to the issuance of the aforementioned financial bonds and tier-two capital bonds, and to specifically organize and implement the issuance of financial bonds and tier-two capital bonds. Such matters include but are not limited to the determination of the timing, format, phases, size and interest rate of the issuance, the duration of the bonds, the market and target investors of issuance, the currency denominations and the use of proceeds of the financial bonds and tier-two capital bonds, taking into account the Company's needs for capital and/or capital replenishment and the conditions of the financial market. The authorization is valid for 36 months from the approval date of the Shareholders' general meeting.

This proposal has been considered and approved in the meeting of the Board held on 30 March 2017 and is hereby proposed to the AGM as a special resolution for consideration and approval.

16. Granting of General Mandate for the Issuance of Shares to the Board

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

- (1) In accordance with the applicable laws and regulations of the PRC, Hong Kong Listing Rules (as amended from time to time) and the Articles of Association, the Board is hereby granted, during the Relevant Period (as hereafter defined), an unconditional general mandate to separately or concurrently allot, issue and/or deal with newly issued Shares (including ordinary and Preference Shares) of the Company, and to make or grant offers, agreements, options or conversion rights (including warrants, convertible bonds and other securities which carry rights to subscribe for or are convertible into Shares), which would or might require the allotment of Shares, subject to the conditions stated in A, B and C in this paragraph:
 - A. such mandate shall not extend beyond the Relevant Period save that the Board and/or the authorized persons of the Board may, during the Relevant Period, make or grant offers, agreements, share subscription rights or conversion rights which would or might require the implementation or exercise of such powers upon or beyond the end of the Relevant Period;

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

This resolution has been considered and approved at the Board meeting held on 30 March 2017 and is hereby proposed to the AGM as a special resolution for consideration and approval.

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CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 16 May 2017 to Friday, 16 June 2017 (both days inclusive), during which period no transfer of Shares of the Company will be effected. For unregistered H Shareholders who intend to attend the AGM, all share certificates and the relevant transfer documents must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Monday, 15 May 2017. H Shareholders whose names appear on the register of members of the Company on Tuesday, 16 May 2017 will be entitled to attend and vote at the AGM.

The register of members of the Company will be closed from Thursday, 22 June 2017 to Tuesday, 27 June 2017 (both days inclusive), during which period no transfer of Shares of the Company will be effected. For unregistered H Shareholders who wish to be eligible to receive the Dividend, all share certificates and the transfer documents must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Wednesday, 21 June 2017. H Shareholders whose names appear on the register of members of the Company on Thursday, 22 June 2017 will be entitled to receive the dividend (subject to the approval by Shareholders at the AGM).

VOTING BY POLL AT AGM AND THE CLASS MEETINGS

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

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

RECOMMENDATION

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

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

Feasibility Report of the Use of Proceeds from the Issuance of A Share Convertible Bonds of China Minsheng Banking Corp., Ltd.

The Company plans to issue the A share convertible bonds (the “Convertible Bonds”), and the total amount of fund to be raised shall not exceed RMB50 billion.

I. Total Proceeds from the Issuance of Convertible Bonds and the Use of Proceeds

The proceeds from the public issuance of the Convertible Bonds shall not exceed RMB50 billion, and the proceeds will be used for financing the future business development, and for replenishing the core tier-one capital of the Company after the Convertible Bonds is converted to Shares according to related regulatory requirements.

II. Analysis on Necessity of Public Offering of the Convertible Bonds

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

(I) The need for further optimizing the Company’s capital adequacy ratio

In recent years, the Company has developed healthily and rapidly. With rapid growth in its businesses and the good operation performance, the Company has become a national joint-stock commercial bank with the highest growth rate. The corporate and personal finance businesses of the Company continued to grow, especially highlighted by the strong demand for the vigorously developed non-state-owned enterprise and small business finance services. Through scientific capital management, the capital adequacy ratio of the Company has been kept at a level comparatively the same as that of other joint-stock commercial banks, and has reached in advance the capital requirement by 2018 as required by China Banking Regulatory Commission (the “CBRC”). As at 31 December 2016, the Company’s core tier-one capital adequacy ratio, tier-one capital adequacy ratio and capital adequacy ratio reached 8.95%, 9.22% and 11.73%, respectively. Through the issuance of the Convertible Bonds, the Company can further promote its capital adequacy ratio so as to steadily take the leading place in the industry.

(II) The need for meeting the increasingly stringent capital regulatory requirements

In order to promote the capability of China banking industry to resist risks and to strengthen the capital restriction, the CBRC requires that the capital adequacy ratio of the domestic systematically important banks and non-systematically important banks shall reach 11.5% and 10.5% during normal periods, respectively. Commercial banks shall fully meet the relevant capital regulatory requirements by the end of 2018, and eligible banks are encouraged to satisfy the requirements in advance. Although the Company has met the supervision requirement in advance, it still tries to replenish capitals through various channels, build a dynamic capital replenishment mechanism, and maintain the capital quality and long-term capital stability, in order to meet the increasingly stringent regulatory requirements.

(III) The Convertible Bond is an effective way for the Company's refinancing and capital replenishment

The Company has had a set of scientific, well-established and reasonable capital replenishment plans in place. In the past few years, the Company has issued various capital instruments such as A share convertible bonds, tier-2 capital bonds, offshore preference shares, and H share placement. At present, convertible bond is one of the relatively rare products in the domestic capital market and is widely welcomed by the investors. The Convertible Bonds can be placed first to the existing A Shareholders of the Company, which has taken into consideration the due rights of all the A Shareholders of the Company. The Convertible Bonds have several advantages including little impact on the market and gradual dilution and thus is an effective way for the Company's refinancing and capital fund replenishment.

III. Feasibility Analysis on the Issuance of the Convertible Bonds

The Company will prudently operate and steadily develop with reasonable use of the proceeds from the issuance. While keeping stable and fast growth of its assets, the Company will ensure to maintain the high level of return on equity. In order to achieve this goal, the Company will continue to put forward the following measures:

Based on the changes in external environment and the internal needs for development, the Company developed a mid-to-long-term development strategy for the next decade. Looking forward, the Company will, aiming at serving the real economy and centered on the improvement in quality and efficiency of development, accelerate the implementation of the Phoenix Project and the new strategies, to draw a new blue print of sustainable and healthy development of the Company.

Under its mid-to-long-term development strategy, the Company strives to become a trans-border interconnected, win-win and platform-oriented modern financial service group with distinctive features and global competitive power. By adhering to its development concepts of building up a bank pursuing ongoing innovation, excellence, global distribution and mutual benefits, the Company constructed a new business model driven by financing, strategic consultation, commercial advisory and internet financing, to continue its development of the blue-ocean market and foster new revenue growth drivers.

In its implementation of strategies, the Company insisted on the leading role of asset and liability management. With linkage among the three segments of corporate banking, retail banking and financial markets, and also with the coordination between parent company and its subsidiaries, the Company quickened its pace of building itself into a new bank characterized by digitalization, conglomeration and internationalization. Specifically, the Company constructed a model of strategically significant asset and liability management to lead the steady development of the overall industry; the Company deepened the reform of various divisions, concentrated on advantageous fields and strategic clients to create a corporate banking business with strong competitive power and industry leadership. The Company actively promoted the development of its financial markets segment to speed up its transition to a light-model bank. Based on the features of community finance and small business finance, the Company constructed a new big retail system to open up new blue ocean for the retail finance. The Company set up innovative business lines to develop differentiated new competitive power. The Company established characteristic branches to build regional core competitive power. The Company accelerated the construction of its CMBC Ecosphere of Internet Finance combined with vertical traditional business and horizontal emerging business. By conforming with its development trend, the Company added key licenses and built a comprehensive

financial service platform with the group's involvement. With a focus on the "Follower" strategy, the Company expanded its international presence, and improved its global competitiveness.

In conclusion, subject to the approval from regulatory authorities, proceeds from the public issuance of the Convertible Bonds will be used to finance the future business development and replenish the core tier-one capital of the Company after the Convertible Bonds are converted to Shares in accordance with relevant regulatory requirements. It will comply with the provisions of relevant laws and regulations, PRC industry policies and the Company's strategy development direction. The public offering of the Convertible Bonds can further enhance the Company's capital strength and the capability to resist risks, help boost the implementation of the Phoenix Project and the new strategy of the Company, expand the international presence, and improve the global competitiveness. The issuance meets the overall development strategy of the Company and interests of all of its Shareholders. Therefore, it is necessary and feasible.

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

In accordance with the Several Opinions of the State Council on Further Promoting the Healthy Development of Capital Market (Guo Fa [2014] No. 17) (《國務院關於進一步促進資本市場健康發展的若干意見》(國發[2014]17號)), Opinions of the Office of State Council on Further Strengthening the Protection of Legal Interests of Small and Medium Investors in Capital Market (Guo Ban Fa [2013] No. 110) (《國務院辦公廳關於進一步加強資本市場中小投資者合法權益保護工作的意見》(國辦發[2013]110號)) and the Guidelines on Matters relating to Impacts of Dilution of Current Returns of Initial Offering and Re-financing and Major Asset Reorganization (CSRC Notice [2015] No. 31) (《關於首發及再融資、重大資產重組攤薄即期回報有關事項的指導意見》(證監會公告[2015]31號)), the Company has conducted an analysis on the potential impacts of the issuance on the interests and current returns of the ordinary Shareholders of the Company, and has proposed remedial measures according to actual circumstances.

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

(I) Assumptions

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

1. The Company assumes no material negative changes in the macroeconomic environment, industry development trend and the Company's operation in 2017.
2. The Company assumes that the public issuance of the Convertible Bonds will be closed by the end of 2017 and all Convertible Bonds will be converted to Shares. The timing is purely for calculating the impacts of the dilution of the current rate of return resulting from the public issuance of the Convertible Bonds on the key financial figures and financial indicators, subject to the CSRC's approval and the actual completion of the Company's public issuance of the Convertible Bonds.
3. The Company assumes that the proceeds from the Company's public issuance of the Convertible Bonds will be no more than RMB50 billion, without regard to the impact of the issuance expenses. The proceeds actually generated from the public issuance of the Convertible Bonds will be determined on basis of such factors as the approval of the regulatory authorities, the subscription of the issuance and the issuance expenses.

4. The Company assumes that the Convertible Bonds is converted at RMB9.12 per Share with 1 March 2017 as the pricing benchmark date, namely the higher of the average trading price of the Company's A Shares in the 20 trading days prior to 1 March 2017 and the average trading price of the Company's A Shares in the preceding trading day. The Conversion Price aforesaid is only used to calculate the impacts of the dilution of the current rate of return resulting from the public issuance of the Convertible Bonds on the key financial figures and financial indicators, and the final initial Conversion Price shall be determined by the Board of the Company, under the authorization of the Shareholders' general meeting, based on the market conditions prior to the offering, possibly with ex-rights, ex-dividend adjustment or downward revisions.
5. At the moment, the Company has not considered the impacts of the proceeds generated from the issuance on the Company's production, operation and financial conditions (e.g. financial expenses, efficiency in the use of capital).
6. The Company assumes no major changes in the macroeconomic environment, the development of the banking industry and the Company's business environment. While measuring, the Company assumes a year-on-year growth of 0%, 3% and 6% respectively in the net profit attributable to the Company's Shareholders and in the net profit attributable to the Company's Shareholders after non-recurring profit and loss in 2017.
7. The Company assumes no other factors (including profit distribution, mandatory conversion of preference shares) which can cause changes to the ordinary share capital than the conversion of the Convertible Bonds to ordinary Shares.
8. The earnings per share ("EPS") is calculated according to relevant provision in the Preparation Rules for Information Disclosure by Companies Offering Securities to the Public No. 9 — Calculation and Disclosure of Return on Equity and Earnings Per share.

**APPENDIX II PROPOSAL IN RESPECT OF IMPACTS ON DILUTION OF CURRENT RETURNS OF
ISSUANCE OF A SHARE CONVERTIBLE BONDS BY
CHINA MINSHENG BANKING CORP., LTD. AND THE REMEDIAL MEASURES**

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

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

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

Unit: RMB in million, unless otherwise stated

Item	For the year of 2016/as at 31 December 2016	For the year of 2017/ as at 31 December 2017	
		Before public issuance of the Convertible Bonds	After full conversion of the issued Convertible Bonds
Ordinary share capital (million shares)	36,485	36,485	41,967
Weighted average ordinary share capital (million shares)	36,485	36,485	41,967
Net profit attributable to the Company's shareholders	47,843	47,843	47,843
Net profit attributable to the Company's shareholders, after non-recurring profit and loss	47,885	47,885	47,885
Basic EPS (RMB)	1.31	1.31	1.14
Diluted EPS (RMB)	1.31	1.31	1.14
Basic EPS after non-recurring profit and loss (RMB)	1.31	1.31	1.14
Diluted EPS after non-recurring profit and loss (RMB)	1.31	1.31	1.14

**APPENDIX II PROPOSAL IN RESPECT OF IMPACTS ON DILUTION OF CURRENT RETURNS OF
ISSUANCE OF A SHARE CONVERTIBLE BONDS BY
CHINA MINSHENG BANKING CORP., LTD. AND THE REMEDIAL MEASURES**

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

Unit: RMB in million, unless otherwise stated

Item	For the year of 2016/as at 31 December 2016	For the year of 2017/ as at 31 December 2017	
		Before public issuance of the Convertible Bonds	After full conversion of the issued Convertible Bonds
Ordinary share capital (million shares)	36,485	36,485	41,967
Weighted average ordinary share capital (million shares)	36,485	36,485	41,967
Net profit attributable to the Company's shareholders	47,843	49,278	49,278
Net profit attributable to the Company's shareholders, after non-recurring profit and loss	47,885	49,322	49,322
Basic EPS (RMB)	1.31	1.35	1.17
Diluted EPS (RMB)	1.31	1.35	1.17
Basic EPS after non-recurring profit and loss (RMB)	1.31	1.35	1.18
Diluted EPS after non-recurring profit and loss (RMB)	1.31	1.35	1.18

**APPENDIX II PROPOSAL IN RESPECT OF IMPACTS ON DILUTION OF CURRENT RETURNS OF
ISSUANCE OF A SHARE CONVERTIBLE BONDS BY
CHINA MINSHENG BANKING CORP., LTD. AND THE REMEDIAL MEASURES**

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

Unit: RMB in million, unless otherwise stated

Item	For the year of 2016/as at 31 December 2016	For the year of 2017/ as at 31 December 2017	
		Before public issuance of the Convertible Bonds	After full conversion of the issued Convertible Bonds
Ordinary share capital (million shares)	36,485	36,485	41,967
Weighted average ordinary share capital (million shares)	36,485	36,485	41,967
Net profit attributable to the Company's shareholders	47,843	50,714	50,714
Net profit attributable to the Company's shareholders, after non-recurring profit and loss	47,885	50,758	50,758
Basic EPS (RMB)	1.31	1.39	1.21
Diluted EPS (RMB)	1.31	1.39	1.21
Basic EPS after non-recurring profit and loss (RMB)	1.31	1.39	1.21
Diluted EPS after non-recurring profit and loss (RMB)	1.31	1.39	1.21

(III) Notes to the measurement

The above assumptions in relation to the impacts of the public issuance of the Convertible Bonds on the Company's key financial figures and financial indicators are not representative of the Company's judgment of the operation and development trend in 2017, and do not constitute the Company's earnings forecasts. Investors shall not rely on this when making decisions on investment. The Company assumes no liability for the losses incurred therefrom.

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

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

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

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

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

III. Necessity and Rationality of the Public Issuance of the Convertible Bonds

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

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

With the official implementation of the Basel III and the Rules Governing Capital Management of Commercial Banks (Provisional)《商業銀行資本管理辦法試行》, the Company is experiencing more stringent capital regulatory requirements in its process of operation. Pursuant to the Circular of the China Banking Regulatory Commission on Issues Concerning the Arrangement in the Transition Period in Implementing the Rules Governing Capital Management of Commercial Banks (Provisional) (Yin Jian Fa [2012]No. 57) (《中國銀監會關於實施〈商業銀行資本管理辦法試行〉過渡期安排相關事項的通知》(銀監發[2012]57號)), the core tier-one capital adequacy ratio, tier-one capital adequacy ratio and capital adequacy ratio of the domestic commercial banks shall meet the regulatory requirements of 7.5%, 8.5% and 10.5% by the end of the transition period (end of 2018), while those of systematically important commercial banks shall reach 8.5%, 9.5% and 11.5%, respectively. As of 31 December 2016, the core tier-one capital

adequacy ratio, tier-one capital adequacy ratio and capital adequacy ratio of the Company was 8.95%, 9.22% and 11.73%, respectively. With the Company's continued business development and asset expansion, the capital adequacy levels of the Company are expected to drop.

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

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

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

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

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

(I) Relationship between the Investment Project Financed by the Proceeds and the Company's Existing Business

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

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

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

V. The Company's Measures for Replenishing the Rate of Return

(I) Operation conditions and development trend of the Company's existing business segments, major risks and improvement measures

1. *Operation conditions and development trend of the Company's existing business segments*

In 2016, the Company accurately grasped the economic and financial situations in its response to changes in the economic environment under the correct leadership of the Board. With the Phoenix Project as the main line, the Company accelerated its strategic transition and business structural adjustment. With the management concept of "strengthening the corporate banking business, expanding the retail banking business and optimizing the financial market business", the Company continued to improve the risk management system, enhanced the asset quality management, and promoted the reform and innovation to boost the sustained and prudent development of the Company's business.

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

Major risks that the Company faces in its business operation include credit risk, liquidity risk, market risk, operation risk, country risk and reputation risk. The Company manages risks under the philosophy that "risk management creates value". By adhering to the coordinated development of quality, efficiency and scale, the Company has actively promoted the implementation of the Basel III and the construction of the comprehensive overall risk management system, which has effectively improved its risk management ability, supported its business development and strategic transition, enhanced the Company's core competitiveness and protected the long-term interests of its employees and clients. In this way, the Shareholders' value is maximized.

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

Based on the changes in external environment and the internal need for development, the Company developed a mid-to-long-term development strategy for the next decade, and accelerated the implementation of Phoenix Project, a comprehensive customer-oriented project for strategic transformation and restructuring of the Company in response to the liberalization of interest rates and designed to reduce costs and enhance efficiency. Under its mid-to-long-term development strategy, the Company strives to become a trans-border interconnected, win-win and platform-oriented modern financial service group with distinctive features and global competitive power. By adhering to its development concepts of building up a bank pursuing ongoing innovation, excellence, global distribution and mutual benefits, the Company aims to construct a new business model driven by financing, strategic consultation, commercial advisory and internet financing, to continue its development of the blue-ocean market.

In its implementation of the new strategy and the Phoenix Project, the Company insisted on the leading role of asset and liability management. With linkage among corporate banking, retail banking and financial market, and also with the coordination between parent company and subsidiaries, the Company quickened its pace of building itself into a new bank characterized by digitalization, conglomeration and internationalization. Specifically, the Company constructed a model of strategically significant asset and liability management, to lead the steady development of the overall industry; the Company deepened the reform of the business divisions, strengthened the corporate finance, optimized the industry and regional distribution, improved client structure, seized the business opportunities in the investment banking and transaction banking, and ensured the standardized development of bill business; based on the features of community finance and small business finance, the Company constructed the new broader retail system, to expand the retail business, stabilize the small business finance, and improve the community finance business. By keeping revenue oriented, the Company made breakthrough in its key businesses and improved its ability to segment the client base, so as to achieve its goals of revenue growth, asset optimization and client diversification. The Company actively promoted the development of its financial market segment, optimized its financial market business, and jointly built a first-class cross-market, cross-industry and cross-border financial market comprehensive service platform, to speed up its transition to a light-weight bank. The Company accelerated the construction of its CMBC Ecosphere of Internet Finance combined with vertical traditional business and horizontal emerging business, built the basic platform, put up the "CMBC Series-e" platform, developed and researched a series of online products, and expedited the digital and intelligent reform. By conforming to its development trend, the Company added the key licenses and built a comprehensive financial service platform with the Group involvement. With a focus on the follower strategy, the Company expanded its international presence, and improved its global competitiveness. The Company constructed characteristic branches, to build regional core competitive power. The Company constructed innovative business lines, to develop differentiated new competitive power. The Company enhanced risk management in an all-round way, by building long-term risk management mechanism, improving linear risk management system, constructing market-oriented clearing and recovering mechanism, and preventing risks in key areas. The Company also pushed forward the portfolio management in all aspects, to improve the internal compliance management and mitigate risks with various measures.

In the future, the Company will plan, act and make progress by adhering to its bigger picture logic and following the development trend, so as to adapt to, seize and lead the new norm. Aiming at serving the real economy and centered around the improvement in development quality and efficiency,

the Company will accurately grasp the economic and financial situations, accelerate the strategic transition and business structural adjustment, attach high importance to the asset quality and risk management, actively expand new business growth drivers, reinforce the fundamental management, promote the reform and innovation steadily and draw a new blue print of sustainable and steady development by taking advantage of the cohesion in the corporate culture.

VI. Commitments of All Directors and Senior Management Personnel

All directors and senior management personnel of the Company undertake to perform their duties faithfully and diligently, to safeguard the legitimate rights and interests of the Company and all its Shareholders. In accordance with the relevant requirements of the CSRC, directors and senior management of the Company have undertaken the following to ensure the concrete implementation of the measures for replenishing the rate of return:

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

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

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

I. Amount and Availability of Proceeds from the Previous Issuance

According to Replies of the China Banking Regulatory Commission on Private Placement of Preference Shares and the Modification of Articles of Association by Minsheng Bank (Yin Jian Fu [2016] No. 168) (《中國銀監會關於民生銀行非公開發行優先股及修改公司章程的批覆》(銀監覆[2016]168號)) and Replies of the China Securities Regulatory Commission on Approving Overseas Offering of Preference Shares by China Minsheng Banking Corp. Ltd. (Zheng Jian Xu Ke [2016] No. 2971) (《關於核准中國民生銀行股份有限公司境外發行優先股的批覆》(證監許可[2016]2971號)), the Company issued 71,950,000 shares of offshore preference shares by private placement on 14 December 2016 (the “**Issuance of Preference Shares**”), of which the face value is RMB100 per share and the issuance price is US\$20. Gross proceeds from the Issuance of Preference Shares were US\$1,439,000,000, or RMB9,933,129,200 at the central parity rate of Renminbi exchange rate published by China Foreign Exchange Trade System on 14 December 2016. On 14 December 2016, the proceeds were remitted to the special account opened at the Hong Kong Branch of the Company with account number of 900002165214. The above-mentioned proceeds actually collected include issuance expenses of RMB41,154,507.57. With the issuance expenses deducted, the net proceeds from the Issuance of Preference Shares were RMB9,891,974,692.43. The availability of the proceeds has been examined by KPMG Huazhen LLP which issued the Report on the Capital Verification of Proceeds from Offshore Issuance of Preference Shares by China Minsheng Banking Corp. Ltd. (KPMG Huazhen Yan Zi No. 1700283) (《中國民生銀行股份有限公司境外發行優先股募集資金驗證報告》(畢馬威華振驗字第1700283號)) for purposes of verification and confirmation.

II. Actual Use of Previous Proceeds

Pursuant to the Company’s offering circular on the Preference Shares, proceeds from the Company’s Issuance of Preference Shares, after deducting the issuance expenses, shall be used to replenish other tier-one capital of the Company, subject to the requirements under applicable laws and regulations and approvals from the CBRC, the CSRC and other regulatory bodies. With the proceeds from the Issuance of Preference Shares available, the Company used the net proceeds of RMB9,891,974,692.43 (after deduction of the issuance expenses of RMB41,154,507.57) in the special account to replenish the other tier-one capital of the Company. As of 31 December 2016, the use of proceeds from the Issuance of Preference Shares was consistent with that as disclosed in the offering circular. The actual use of the proceeds from the Previous Issuance can be seen in the “Comparison of the Use of Proceeds from the Previous Issuance” below.

Comparison of the Use of Proceeds from the Previous Issuance

Unit: RMB

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

III. Conclusions

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

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

**APPENDIX IV PROPOSAL IN REPECT OF THE AUTHORIZATION TO THE BOARD AND
ITS AUTHORIZED PERSONS BY THE SHAREHOLDERS' GENERAL MEETING
TO EXERCISE FULL POWER TO DEAL WITH MATTERS RELATING TO
THE ISSUANCE OF A SHARE CONVERTIBLE BONDS BY
CHINA MINSHENG BANKING CORPS. LTD.**

**PROPOSAL IN REPECT OF THE AUTHORIZATION TO THE BOARD AND ITS
AUTHORIZED PERSONS TO EXERCISE FULL POWER TO DEAL WITH MATTERS
RELATING TO THE ISSUANCE OF A SHARE CONVERTIBLE BONDS BY CHINA MINSHENG
BANKING CORPS. LTD.**

I. AUTHORIZATION RELATED TO THE ISSUANCE

The Board proposes to the Shareholders' meeting to authorize the Board, which in turn can delegate authority to the chairman, president and other personnel of the senior management, to jointly or solely handle with full discretions the relevant matters of the public issuance of the Convertible Bonds within the framework and principles approved by the Shareholders' meeting. The term of the authorization shall be 12 months from the date on which the resolution of the Shareholders' meeting takes effect. Before the expiry of the authorization, the Board will propose to the Shareholders' meeting of the Company the approval of a new authorization, taking into account the actual situation of the public issuance of the Convertible Bonds. The specific terms and scope of the authorization include but are not limited to:

- (I) Within the scope permitted by the relevant laws and regulations and the resolutions of the Shareholders' meeting, and in accordance with the requirements of the relevant regulatory authorities and the actual situation of the Company, before the issuance comes into effect, the specific terms and conditions of the issuance and the issuance plan shall be clearly defined, and the final plan of the issuance shall be formulated and implemented, which include but are not limited to the determination of the size, format and target investor(s) of the issuance, interest rate of the bonds, the conversion terms, the terms on redemption, the size of the preferential allotment to the existing A Shareholders, rating arrangements and others, so as to determine the timing and all other matters related to the issuance;
- (II) If there are changes in the national laws and regulations, or in the policies governing the issuance of convertible bonds of relevant regulatory authorities, or if there are changes in market conditions, unless such changes are related to the relevant laws and regulations, the regulations in the Articles of Association and matters required by the regulatory authorities to be re-voted by the Shareholders' meeting, appropriate revisions, adjustments and supplements can be carried out on the specific arrangements for the issuance within the scope permitted by the relevant laws and regulations, and in accordance with the opinions of the regulatory authorities and the actual conditions of the Company and the market;
- (III) The establishment the special account for fund-raising for the issuance;
- (IV) The handling of the matters related to the listing of the Convertible Bonds after the completion of the issuance; modification of the terms in Articles of Association in connection with the issuance in a timely manner after taking into account the situation of the issuance and conversion; the handling of the matters related to the approval and business filing of the amendments of the Articles of Association and changes in registered capital;

- (V) The analysis, research and demonstration of the dilution effects of the current convertible bond issuance on immediate returns, in accordance with the relevant laws and regulations and requirements of regulatory authorities; the formulation and implementation of relevant measures to make up for the immediate returns, or the modifications, supplements and improvements of the relevant analysis and measures under the existing framework according to the new policies and regulations, regulations on implementation, or self-disciplinary regulations to be introduced in the future, and to handle other relevant matters with full discretion;
- (VI) The Company shall determine which intermediary to hire for the issuance, and, in accordance with the requirements of the regulatory authorities, handle matters related to the reporting of the issuance; produce, prepare, modify, perfect, sign and submit all the documents related to the issuance and the listing; and sign, modify, supplement, execute and suspend all relevant contracts, agreements and other important documents related to the issuance (including but not limited to the sponsor agreement, the underwriting agreement, the fund-raising regulatory agreement, the agreements on the appointment of intermediary, etc.), and handle matters related to the information disclosure of the issuance in accordance with regulatory requirements;
- (VII) Within the scope permitted by the relevant laws and regulations, and in accordance with the opinions of the regulatory authorities and the actual situation of the Company, to carry out the appropriate revisions, adjustments and supplements on the specific terms and conditions of the Convertible Bonds in the issuance; and
- (VIII) In circumstances permitted by the relevant laws and regulations, take all necessary actions to determine/handle other matters related to the issuance.

II. AUTHORIZATIONS ON OTHER MATTERS RELATED TO THE CONVERTIBLE BONDS

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

- (I) Matters related to redemption: to authorize the Board to handle all matters related to redemption with full discretion, in a manner in accordance with the requirements of laws and regulations, the approval of the relevant regulatory authorities (if required), the requirements in the Articles of Association and market conditions, such matters include but not limited to the timing of redemption, redemption ratio and the execution procedures; and

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

All members of the Board should be promptly informed upon completion of all of the above matters.

China Minsheng Banking Corp., Ltd. Capital Management Plan for 2017–2019

For the purposes of adapting to increasingly complex external business environment, conforming to the deepening financial reform, further strengthening the capital management, enhancing the leading role of capital utilization in business development, and promoting sustainable, healthy and rapid development, China Minsheng Banking Corp., Ltd. (hereinafter referred to as “**The Company**”) has formulated the “Capital Management Plan for 2017–2019 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) Continue to meet regulatory requirements

Pursuant to the requirements of “Administrative Measures of Capital of Commercial Banks (Provisional)” (hereinafter referred to as “**Capital Measures**”), the core Tier-One capital adequacy ratio, Tier-One 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 ratio at all levels shall continue to meet regulatory requirements at least.

(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 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) Take into account the macroeconomic situation in China and abroad and reasonably carry out business and profit planning

From the international perspective, the global economy has entered a period of intensive adjustment. The overall economic growth is weak with obvious differentiation. Trade protectionism is emerging and conflict risk factors arising from geopolitical policies are accumulating. From the domestic perspective, the macroeconomic policy adheres to the main approach of making progress while ensuring stability. Supply-side reform is continuously intensified, and there exist active new

economic hotspots and momentum. However, the economic structural inconsistency still remains. The banking industry faces both opportunities and risks. 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 sources.

(2) Carefully assess the risk status and management level to ensure that the level of capital adequacy is consistent with such level

The Company conducts a prudent assessment of the risk status and management level of the Company through continuous internal capital adequacy 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 methods.

(3) Take into full consideration the increasingly tightened macro prudential supervision requirements and actively carry out multi-channel external financing

After the financial crisis, international and domestic 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. During the planning period, the Company will strengthen the feasibility study of innovative capital instruments on the basis of replenishment from internal sources, taking into account various factors such as capital demand, market financing window, etc., and actively carry out multi-channel external financing 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 used for planning

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

Pursuant to the main principles of capital plan of the Company, on the basis of comprehensive analysis of macroeconomic and financial situations, the Company's current capital adequacy ratio and its future business development, where there is no serious deterioration of economic and financial situations, and no significant changes in capital regulatory policies and regulations, the targets for planning of capital adequacy ratio of the Company shall be: core Tier-One capital adequacy ratio of no less than 8.5%, Tier-One capital adequacy ratio of no less than 9.5% and capital adequacy ratio of no less than 11.5% as of 2019.

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

The Company will strive to create values, raise the level of capital gains and enhance the capital self-accumulation ability. Through reasonable retention of profits, the Company shall further improve the capital structure, improve the quality of capital, and enhance the capital strength. During the planning period, the Company will continue to replenish the capital by means of internal sources such as profit retention in order to improve the long-term sustainability of the sources of capital replenishment.

(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 2017 to 2019:

1. Pursuant to the regulatory regulations and capital market condition, the Company shall replenish additional Tier-One capital through the issuance of Preference Shares and other capital instruments in accordance with the Capital Measures to increase the proportion of Tier-One capital to the total capital in order to enhance the loss absorbing ability of capital.
2. The Company shall replenish Tier-Two capital through the issuance of Tier-Two capital bonds or any other methods under the scope of applicable regulations, to establish a diversified capital replenishment mechanism.
3. The Company shall select equity financing methods when opportunity arises to replenish its core Tier-One capital pursuant to the regulatory regulations and the market condition.
4. The Company shall accord high priority to the market dynamics. Depending on its own needs, the Company shall 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 shall include the annual capital adequacy ratio into the annual budget system, asset liability management policy and risk appetite with capital plan as the agenda, to achieve effective transmission from capital plan to capital budget and capital allocation. On this basis, the Company shall strengthen capital monitoring, and establish capital early warning mechanism to ensure that the capital adequacy ratio meets regulatory requirements and the target for capital plan.

(2) Strengthen capital constraints and incentives to further enhance the capital efficiency

The Company will achieve the targets for planning of capital adequacy ratio by strengthening the capital constraint mechanisms, controlling the growth of risk-weighted assets, optimizing the structure of risk assets and taking other measures. The Company shall proactively promote the transformation of light capital, coordinate the capital strength and asset size, balance capital adequacy and capital return; improve the bank value management system with the economic capital as the core, and the Economic Value Added (EVA) and Risk Adjusted Return on Capital (RAROC) as the starting point, give priority to invest capital in businesses and areas with low capital utilization but high return; effectively apply capital constraints into the entire business management process, including marketing, product pricing, resource allocation, performance evaluation, etc, to further raise the capital efficiency.

(3) Optimize the stress test system to improve the capital contingency plan

The Company shall further optimize the stress test system, take full account of various risk factors and stress scenarios, improve the capital contingency plans, define the corresponding policy arrangements and response measures under stress. In view of the capital gap under stress, the Company shall improve the capital contingency plan, and shall, in addition to taking measures such as controlling the growth of risk-weighted assets and adjusting the structure of the risk-weighted assets, initiate the capital replenishment contingency mechanism, and take measures such as emergency sale of assets, limitation of distribution of dividends, conversion of qualified capital instruments to shares, etc.



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

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

(Stock Code: 01988)

(USD Preference Shares Stock Code: 04609)

NOTICE OF 2016 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2016 annual general meeting (the “AGM”) of China Minsheng Banking Corp., Ltd. (the “**Company**”) will be held at 2:00 p.m. on Friday, 16 June 2017 at Fifth Meeting Room, Building VIII, Beijing Friendship Hotel, No. 1 Zhongguancun Nandajie, Haidian District, Beijing, PRC, for the consideration and, if thought fit, passing of the following resolutions (special resolutions marked by *):

1. The resolution regarding the annual report for 2016 of the Company
2. The resolution regarding the final financial report for 2016 of the Company
3. The resolution regarding the proposed profit distribution plan for the second half of 2016 of the Company
4. The resolution regarding the authorization for interim profit distribution for 2017 of the Company
5. The resolution regarding the annual budgets for 2017 of the Company
6. The resolution regarding the work report of the Board for 2016 of the Company
7. The resolution regarding the work report of the Supervisory Board for 2016 of the Company
8. The resolution regarding the re-appointment and remuneration of the auditing firm for 2017
- 9.* The resolution regarding the proposal in respect of the issuance of A share convertible bonds
 - 9.01 Type of securities to be issued
 - 9.02 Issue size
 - 9.03 Par value and issue price
 - 9.04 Term
 - 9.05 Interest rate

NOTICE OF THE AGM

- 9.06 Method and timing of interest payment
- 9.07 Conversion period
- 9.08 Determination and adjustment of the conversion price of the convertible bonds
- 9.09 Downward adjustment to conversion price
- 9.10 Method for determining the number of shares for conversion
- 9.11 Entitlement to dividend in the year of conversion
- 9.12 Terms of redemption
- 9.13 Terms of sale back
- 9.14 Method of issuance and target investors
- 9.15 Subscription arrangement for the existing holders of A shares
- 9.16 Convertible bond holders and their meetings
- 9.17 Use of proceeds
- 9.18 Guarantee and security
- 9.19 Validity period of the resolutions
- 10.* The resolution regarding the proposal in respect of the feasibility analysis report of the use of proceeds from the issuance of A share convertible bonds
- 11. The resolution regarding the proposal in respect of impacts on dilution of current returns of issuance of A share convertible bonds and the remedial measures
- 12.* The resolution regarding the report of the use of proceeds from the previous issuance
- 13.* The resolution regarding the proposal in respect of the authorization to the board of directors of the Company and its authorized persons to exercise full power to deal with matters relating to the issuance of A share convertible bonds
- 14. The resolution regarding the proposal in respect of the formulation of capital management plan for 2017 to 2019
- 15.* The resolution regarding the proposal in respect of the domestic and overseas issuance of financial bonds and tier-two capital bonds in the next three years
- 16.* The resolution regarding the granting of general mandate for the issuance of Shares to the Board

NOTICE OF THE AGM

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 16 May 2017 to Friday, 16 June 2017 (both days inclusive), during which period no transfer of shares of the Company will be effected. For unregistered holders of H shares who intend to attend the AGM, all share certificates and the relevant transfer documents must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Monday, 15 May 2017. H shareholders whose names appear on the register of members of the Company on Tuesday, 16 May 2017 will be entitled to attend and vote at the AGM.

The register of members of the Company will be closed from Thursday, 22 June 2017 to Tuesday, 27 June 2017 (both days inclusive), during which period no transfer of shares of the Company will be effected. For unregistered holders of H shares who wish to be eligible to receive the proposed dividend, all share certificates and the transfer documents must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Wednesday, 21 June 2017. H shareholders whose names appear on the register of members of the Company on Thursday, 22 June 2017 will be entitled to receive the dividend (subject to the approval by shareholders at the AGM).

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

2 May 2017

As at the date of this notice, the executive directors of the Company are Mr. Hong Qi, Mr. Liang Yutang 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. Yao Dafeng, Mr. Song Chunfeng, Mr. Tian Zhiping and Mr. Weng Zhenjie; and the independent non-executive directors are Mr. Liu Jipeng, Mr. Li Hancheng, Mr. Xie Zhichun, Mr. Cheng Hoi-chuen, Mr. Peng Xuefeng and Mr. Liu Ningyu.

NOTICE OF THE AGM

Notes:

1. Any member of the Company entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. Shareholders 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 11-10, CMBC North Tower, No. 2 Fuxingmennei Avenue, Xicheng District, Beijing, PRC (postal code: 100031) not less than 24 hours before the time appointed for holding the AGM (i.e. not later than 2:00 p.m. on Thursday, 15 June 2017) in order for such documents to be valid. For holders of H Shares, the aforementioned documents must be lodged with the H share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time appointed for holding the AGM (i.e. not later than 2:00 p.m. on Thursday, 15 June 2017) in order for such documents to be valid. Completion and delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. Shareholders who intend to attend the AGM (in person or by proxy) shall complete and deliver the reply slip of AGM to Computershare Hong Kong Investor Services Limited or the office of the Board of the Company by hand, post or fax on or before Friday, 26 May 2017.
4. Shareholders shall produce their identification documents when attending the AGM.
5. If a proxy attends the AGM on behalf of a shareholder, he/she shall produce his/her identification document and the power of attorney or other documents signed by the appointer or his/her attorney, which specify the date of its issuance. If a representative of a corporate shareholder attends the AGM, such representative shall produce his/her identification document and the notarized copy of the resolution passed by the board of directors or other authority or other notarized copy of any authorization documents issued by such corporate shareholder.
6. The AGM is expected to last for half a day. Shareholders who attend the AGM (in person or by proxy) shall bear their own travelling, accommodation and other expenses.
7. For details of the relevant resolutions, please refer to the Company's announcement dated 30 March 2017 and the circular to be delivered to its shareholders before the convening of the AGM.
8. References to times and dates of this notice are to Hong Kong times and dates.



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

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

(Stock Code: 01988)

(USD Preference Shares Stock Code: 04609)

NOTICE OF THE SECOND H SHARE CLASS MEETING FOR 2017

NOTICE IS HEREBY GIVEN that the second H share class meeting for 2017 (the “**H Share Class Meeting**”) of China Minsheng Banking Corp., Ltd. (the “**Company**”) will be held after the conclusion of the annual general meeting for 2016 and the second A share class meeting for 2017 on Friday, 16 June 2017 at Fifth Meeting Room, Building VIII, Beijing Friendship Hotel, No. 1 Zhongguancun Nandajie, Haidian District, Beijing, PRC, for the consideration and, if thought fit, passing of the following resolution:

SPECIAL RESOLUTIONS

1. The resolution regarding the proposal in respect of the issuance of A share convertible bonds
 - 1.01 Type of securities to be issued
 - 1.02 Issue size
 - 1.03 Par value and issue price
 - 1.04 Term
 - 1.05 Interest rate
 - 1.06 Method and timing of interest payment
 - 1.07 Conversion period
 - 1.08 Determination and adjustment of the conversion price of the convertible bonds
 - 1.09 Downward adjustment to conversion price
 - 1.10 Method for determining the number of shares for conversion
 - 1.11 Entitlement to dividend in the year of conversion
 - 1.12 Terms of redemption
 - 1.13 Terms of sale back

NOTICE OF THE H SHARE CLASS MEETING

- 1.14 Method of issuance and target investors
- 1.15 Subscription arrangement for the existing holders of A shares
- 1.16 Convertible bond holders and their meetings
- 1.17 Use of proceeds
- 1.18 Guarantee and security
- 1.19 Validity period of the resolutions
- 2. The resolution regarding the proposal in respect of the authorization to the board of directors of the Company and its authorized persons to exercise full power to deal with matters relating to the issuance of A share convertible bonds

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 16 May 2017 to Friday, 16 June 2017 (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 Monday, 15 May 2017. H shareholders whose names appear on the register of members of the Company on Tuesday, 16 May 2017 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

2 May 2017

As at the date of this notice, the executive directors of the Company are Mr. Hong Qi, Mr. Liang Yutang 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. Yao Dafeng, Mr. Song Chunfeng, Mr. Tian Zhiping and Mr. Weng Zhenjie; and the independent non-executive directors are Mr. Liu Jipeng, Mr. Li Hancheng, Mr. Xie Zhichun, Mr. Cheng Hoi-chuen, Mr. Peng Xuefeng and Mr. Liu Ningyu.

Notes:

- 1. Any member of the Company entitled to attend and vote at the H Share Class Meeting is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- 2. Shareholders 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

NOTICE OF THE H SHARE CLASS MEETING

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 2:00p.m. on Thursday, 15 June 2017) in order for such documents to be valid. Completion and delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

3. Shareholders who intend to attend the H Share Class Meeting (in person or by proxy) shall complete and deliver the reply slip of H Share Class Meeting to Computershare Hong Kong Investor Services Limited or the office of the Board of the Company at Room 11-10, CMBC North Tower, No. 2 Fuxingmennei Avenue, Xicheng District, Beijing, PRC (postal Code: 100031) by hand, post or fax on or before Friday, 26 May 2017.
4. Shareholders shall produce their identification documents when attending the H Share Class Meeting.
5. If a proxy attends the H Share Class Meeting on behalf of a shareholder, he/she shall produce his/her identification document and the power of attorney or other documents signed by the appointer or his/her attorney, which specify the date of its issuance. If a representative of a corporate shareholder attends the H Share Class Meeting, such representative shall produce his/her identification document and the notarized copy of the resolution passed by the board of directors or other authority or other notarized copy of any authorization documents issued by such corporate shareholder.
6. The H Share Class Meeting is expected to last for half day. Shareholders who attend the H Share Class Meeting (in person or by proxy) shall bear their own travelling, accommodation and other expenses.
7. For details of the relevant resolutions, please refer to the Company's announcement dated 30 March 2017 and the circular to be delivered to its shareholders before the convening of the H Share Class Meeting.
8. References to times and dates of this notice are to Hong Kong times and dates.