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

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

(Stock Code: 01988)

(USD Preference Shares Stock Code: 04609)

ANNOUNCEMENT
CHANGES IN ACCOUNTING POLICIES

1. SUMMARY OF THE CHANGES IN ACCOUNTING POLICIES

In 2017, the Ministry of Finance of the People's Republic of China (the “**MOF**”) newly issued the “Accounting Standard for Business Enterprises No.42 — Non-Current Assets Held for Sale, Disposal Groups and Discontinued Operations” and the “Notice on the Changes in Format of Financial Statements of General Business Enterprises” (Cai Kuai [2017] No.30) and revised the “Accounting Standard for Business Enterprises No.16 — Government Grants”. China Minsheng Banking Corp., Ltd. (the “**Company**”) has adopted the abovementioned standards and requirements for the preparation of its financial statements for 2017 on the basis of Chinese Accounting Standards. The abovementioned changes in accounting policies and their impacts are disclosed in the 2017 annual report of the Company published on the websites of Shanghai Stock Exchange and the Company.

The Resolution Regarding the Changes in Accounting Policies of China Minsheng Banking Corp., Ltd. for 2017 was considered and approved at the seventh meeting of the seventh session of the board of directors of the Company (the “**Board**”) and the sixth meeting of the seventh session of the supervisory board of the Company (the “**Supervisory Board**”) on 29 March 2018, respectively, pursuant to which the changes in accounting policies in accordance with the abovementioned standards were approved. The changes in accounting policies are not subject to the consideration and approval at shareholders' general meeting of the Company.

2. DETAILS OF THE CHANGES IN ACCOUNTING POLICIES AND ITS IMPACTS ON THE COMPANY

(1) Adoption of accounting standard of non-current assets held for sale, disposal groups and discontinued operations

In April 2017, the MOF issued the “Accounting Standard for Business Enterprises No.42 — Non-Current Assets Held for Sale, Disposal Groups and Discontinued Operations” to specify the classification, measurement and recognition of non-current assets held for sale and disposal groups and the recognition of discontinued operations. The standard became effective on 28 May 2017 and are subject to prospective application method. Adoption of the standard does not have material impacts on the current and previous profit or loss, total assets and net assets of the Company.

(2) Changes in accounting policies in respect of government grants

In May 2017, the MOF revised the “Accounting Standard for Business Enterprises No.16 — Government Grants” and stipulated that government grants related to assets can offset the carrying amount of such assets; for government grants related to income, those related to the daily activities of enterprises can be included in other income or offset relevant cost based on the nature of business. The standard became effective on 12 June 2017. According to the provisions for the transitional period, the enterprises’ government grants existed on 1 January 2017 are subject to prospective application method and the new government grants received between 1 January 2017 and the date of implementation will be adjusted pursuant to this standard. The changes in this standard do not have material impacts on the current and previous profit or loss, total assets and net assets of the Company.

(3) Changes in format of financial statements

In December 2017, the MOF issued the “Notice on the Changes in Format of Financial Statements of General Business Enterprises” (Cai Kuai [2017] No.30) and financial institutions are required to make adjustment accordingly. The Company has adopted the requirements in such notice for the preparation of its financial statements for 2017 on the basis of China accounting standards, and has adjusted the presentation of its comparative financial statements by applying retrospective application method. The requirements of the “Notice on the Changes in Format of Financial Statements of General Business Enterprises” do not have material impacts on the current and previous profit or loss, total assets and net assets of the Company.

3. CONCLUSION OF INDEPENDENT DIRECTORS, SUPERVISORY BOARD AND ACCOUNTING FIRM

The independent directors and the Supervisory Board of the Company have agreed the changes in accounting policies of the Company and are of the view that the changes are reasonably made based on the relevant documents stipulated by the MOF. The changes conform to the relevant requirements of the MOF, China Securities Regulatory Commission, Shanghai Stock Exchange and other regulatory authorities, reflecting the Company's financial conditions and operating results in an objective and fair manner and in line with the interests of the Company and its shareholders. The procedures for the consideration of the changes in accounting policies are in compliance with the relevant laws and regulations and the Articles of Association of China Minsheng Banking Corp., Ltd. The accounting firm issued a special report on the changes in accounting policies.

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

Beijing, PRC
29 March 2018

As at the date of this announcement, 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.