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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 IN RELATION TO ADJUSTMENT ON THE
CONVERSION PRICES OF OFFSHORE PREFERENCE SHARES
AND DOMESTIC PREFERENCE SHARES**

Reference is made to the announcement on the poll results of 2017 annual general meeting, the second A Share class meeting for 2018 and the second H Share class meeting for 2018 (the “**Meetings**”) of China Minsheng Banking Corp., Ltd. (the “**Company**”) dated 21 June 2018. At the Meetings, the resolution regarding the conversion of capital reserve into share capital of the Company of 2017 was considered and approved, pursuant to which the capital reserve from the issue of Shares at premium was capitalised to A Shareholders and H Shareholders whose names appeared on the registers as at the record dates in a proportion of 2 Shares for every 10 Shares being held (the “**Conversion**”).

References are made to the announcements on proposed issuance of U.S.\$1,439,000,000 4.95% non-cumulative perpetual offshore preference Shares dated 7 December 2016 and new issue of U.S.\$1,439,000,000 4.95% non-cumulative perpetual offshore preference Shares dated 14 December 2016. In accordance with the relevant requirements of the compulsory conversion clause of the offshore preference Shares, if the Company issues any H Shares, credited as fully paid, to the ordinary shareholders by way of bonus issue or the conversion of capital reserve into share capital, or if any other circumstances occur to the Company, resulting in any changes in the share class, share number and shareholder rights which may affect the rights of offshore preference Shareholders, an adjustment shall be made on the conversion price of the compulsory conversion.

In view of the Conversion, the conversion price of the offshore preference Shares will be adjusted based on the following formula:

$$P1^* = P0^* \times N^* / (N^* + n^*)$$

where: P0* means the effective compulsory conversion price before adjustment; P1* means the effective compulsory conversion price after adjustment; N* means the total number of ordinary Shares of the Company before bonus issue of H Shares, conversion of capital reserve into share capital, new issue and rights issue of ordinary Shares; n* means the number of new Shares issued by way of bonus issue of H Shares, conversion of capital reserve into share capital, new issue and rights issue of ordinary Shares. According to the calculation, the adjusted compulsory conversion price is HK\$6.30 per H Share.

As the Shares issued under the Conversion are expected to be delivered to H Shareholders on 27 July 2018, the conversion price of the offshore preference Shares will be adjusted from HK\$7.56 per H Share to HK\$6.30 per H Share in accordance with the relevant requirements of the compulsory conversion clause of the offshore preference Shares with effect from 27 July 2018.

In addition, the initial conversion price of the proposed domestic preference Shares of the Company was RMB8.79 per A Share, being the average trading price of the ordinary A Share of the Company for 20 trading days immediately before the date of the announcement on the resolution regarding the proposed issuance of domestic preference Shares of the Board meeting (the 12th extraordinary meeting of the sixth session of the Board). Upon the date of the approval of the proposed issuance of the domestic preference Shares by the Board, in the event of any changes in the Shares of the Company resulting from distribution of stock dividends, conversion of capital reserve into share capital, new issue at a price lower than the market price or rights issue (other than additional share capital resulting from the conversion of any financing instruments which is convertible into ordinary Shares of the Company), the Company shall adjust the conversion price according to the sequence of the occurrence of the above circumstances.

In view of the Conversion, the conversion price of the domestic preference Shares will be adjusted based on the following formula:

$$P1 = P0 \times N / (N + n)$$

where: P0 means the effective compulsory conversion price before the adjustment; N means the total number of ordinary Shares of the Company before the distribution of stock dividends, conversion of capital reserve into share capital, new issue or rights issue of ordinary Shares; n means the number of new Shares issued by way of the distribution of stock dividends, conversion of capital reserve into share capital, new issue or rights issue of ordinary Shares; P1 means the effective compulsory conversion price upon the adjustment.

Based on the aforementioned adjustment formula of the conversion price, the conversion price of the proposed domestic preference Shares of the Company will be adjusted from RMB8.79 per A Share to RMB7.33 per A Share.

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

Hong Qi
Chairman

Beijing, PRC
27 July 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. Song Chunfeng and Mr. Weng Zhenjie; and the independent non-executive directors are Mr. Liu Jipeng, Mr. Li Hancheng, Mr. Xie Zhichun, Mr. Peng Xuefeng, Mr. Liu Ningyu and Mr. Tian Suning.