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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)

**PROPOSED NON-PUBLIC ISSUANCE OF THE
OFFSHORE PREFERENCE SHARES**

**PROPOSED AUTHORIZATION TO THE BOARD AND
ITS AUTHORIZED PERSONS TO EXERCISE FULL POWER
TO DEAL WITH MATTERS RELATING TO
THE NON-PUBLIC ISSUANCE OF THE OFFSHORE
PREFERENCE SHARES**

**EXTENSION OF VALIDITY PERIOD OF THE RESOLUTION
OF SHAREHOLDERS' GENERAL MEETING IN RESPECT
OF THE NON-PUBLIC ISSUANCE OF THE DOMESTIC
PREFERENCE SHARES AND AUTHORIZATION PERIOD
TO THE BOARD AND ITS AUTHORIZED PERSONS
TO DEAL WITH RELEVANT MATTERS**

The twelfth meeting (the “**Meeting**”) of the seventh session of the board of directors (the “**Board**”) of China Minsheng Banking Corp., Ltd. (the “**Company**”) was held in Beijing on site on 30 October 2018.

The following proposals (among others) were considered and approved at the Meeting:

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

Reference is made to the announcement of the Company dated 14 December 2016 in relation to the issuance of U.S.\$1,439,000,000 offshore preference shares (the “**Existing Preference Shares**”).

In order to improve the capital structure of the Company, provide capital support for effective implementation of the corporate strategy, increase the level of capital adequacy ratio and enhance the sustainable development of the Company, the Company proposed to issue the offshore preference shares (the “**Offshore Preference Shares**”) in a non-public method to replenish additional tier-1 capital. For details of the Proposal in respect of the Plan of the Non-public Issuance of Offshore Preference Shares by China Minsheng Banking Corp., Ltd., please see Appendix I of this announcement.

The directors of the Company believe that the terms of the non-public issuance of the Offshore Preference Shares are fair and reasonable and in the interests of the Company and its shareholders as a whole. The proposal is subject to approval item by item at the shareholders’ general meeting, A share class meeting, H share class meeting and the Existing Preference Share class meeting, respectively, of the Company by way of special resolutions and the approvals of China Banking and Insurance Regulatory Commission (“**CBIRC**”) and China Securities Regulatory Commission (“**CSRC**”). Further details about the proposed non-public issuance of the Offshore Preference Shares will be set out in the circular for the shareholders’ general meeting to be dispatched to the shareholders of the Company.

PROPOSAL IN RESPECT OF AUTHORIZATION BY THE SHAREHOLDERS’ GENERAL MEETING TO THE BOARD AND ITS AUTHORIZED PERSONS TO EXERCISE FULL POWER TO DEAL WITH MATTERS RELATING TO THE NON-PUBLIC ISSUANCE OF THE OFFSHORE PREFERENCE SHARES

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

The proposal is subject to approval at the shareholders’ general meeting, A share class meeting, H share class meeting and the Existing Preference Share class meeting by way of special resolution. Further details about the proposed authorization by the shareholders’ general meeting to the Board of the Company and its authorized persons to exercise full power to deal with matters relating to the non-public issuance of the Offshore Preference Shares will be set out in the circular of the shareholders’ general meeting to be dispatched to the shareholders of the Company in due course.

EXTENSION OF VALIDITY PERIOD OF THE RESOLUTION OF SHAREHOLDERS' GENERAL MEETING IN RESPECT OF THE NON-PUBLIC ISSUANCE OF THE DOMESTIC PREFERENCE SHARES AND AUTHORIZATION PERIOD TO THE BOARD AND ITS AUTHORIZED PERSONS TO DEAL WITH RELEVANT MATTERS

Since the application for the non-public issuance of the domestic preference shares of the Company (the “**Domestic Preference Shares**”) is still pending, and the validity period of the resolution in respect of the non-public issuance of the Domestic Preference Shares passed at the first extraordinary general meeting for 2018, the first A share class meeting for 2018 and the first H share class meeting for 2018 on 26 February 2018 and the authorization period of the authorization by the shareholders' general meeting to the Board and its authorized persons to exercise full power to deal with matters relating to the issuance of the Domestic Preference Shares will soon expire, the Board proposes at the shareholders' general meeting, the A share class meeting and the H share class meeting for an extension of the validity period of the resolution in respect of the non-public issuance of the Domestic Preference Shares for twelve months and the authorization period of the authorization by the shareholders' general meeting to the Board and its authorized persons to exercise full power to deal with matters relating to the issuance of the Domestic Preference Shares for twelve months. Further details about the Proposal in respect of the Extension of Validity Period of the Resolution of Shareholders' General Meeting of China Minsheng Banking Corp., Ltd. in respect of the Non-public Issuance of the Domestic Preference Shares and Authorization Period to the Board and its Authorized Persons to Deal with Relevant Matters, please see Appendix III of this announcement.

CONVENING OF SHAREHOLDERS' GENERAL MEETING, A SHARE CLASS MEETING, H SHARE CLASS MEETING AND EXISTING PREFERENCE SHARE CLASS MEETING

The Company will convene shareholders' general meeting, A share class meeting, H share class meeting and the Existing Preference Share class meeting to consider and, if thought fit, to approve, the above matters. A circular containing the above detailed information will be dispatched to the shareholders of H shares in due course.

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

Beijing, PRC
30 October 2018

As at the date of this announcement, the executive directors of the Company are Mr. Hong Qi and Mr. Zheng Wanchun; the non-executive directors are Mr. Zhang Hongwei, Mr. Lu Zhiqiang, Mr. Liu Yonghao, Mr. Shi Yuzhu, Mr. Wu Di, Mr. Song Chunfeng, and Mr. Weng Zhenjie; and the independent non-executive directors are Mr. Liu Jipeng, Mr. Li Hancheng, Mr. Xie Zhichun, Mr. Peng Xuefeng, Mr. Liu Ningyu and Mr. Tian Suning.

APPENDIX I

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

(I) TYPE AND NUMBER OF SECURITIES TO BE ISSUED

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

(II) MATURITY

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

(III) METHOD OF ISSUANCE

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

(IV) PLACEEES

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

(V) NOMINAL VALUE AND ISSUE PRICE

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

(VI) DIVIDEND DISTRIBUTION PROVISIONS

1. Basis of coupon rates

The coupon rate of the Offshore Preference Shares, which will be determined based on the issue price denominated in foreign currency of the Offshore Preference Shares (which shall be similarly construed hereinafter), may be adjusted at different intervals, i.e. the coupon rate may either remain unchanged during the term of the Offshore Preference Shares, or there will be coupon rate adjustment periods and the coupon rate will be fixed for a certain period after the issuance of the Offshore Preference Shares and will be readjusted once after each specified period thereafter (Such coupon rate will be the sum of the benchmark rate and the fixed spread. The fixed spread will be equal to the spread between the coupon rate for the Offshore Preference Shares at the time of issuance and the benchmark rate, which will remain unchanged during the term of the Offshore Preference Shares). The coupon rate for the Offshore Preference Shares will be determined by the Company in accordance with market pricing practice and shall not exceed the weighted annual average return on equity¹ of the Company for the latest two financial years. The actual coupon rate shall be determined by the Board with reference to factors including the market conditions, the actual circumstances of the Company and investor appetite, subject to the authorization at the shareholders' general meeting, which may be further delegated.

2. Conditions of dividend distribution

- (1) Subject to the fulfillment of regulatory requirements relating to capital adequacy ratio, the Company may distribute dividends to the holders of the Offshore Preference Shares with its distributable after-tax profits² after making up losses and appropriations to its statutory reserve and general reserve according to law. The Offshore Preference Shares issued by the Company have priority over the ordinary shares of the Company in terms of dividend distribution. Payment of dividends to the holders of the Offshore Preference Shares will not be affected by the rating of the Company and will not be adjusted due to any change to such rating.

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

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

- (2) Under all circumstances, the Company shall have the right to cancel dividend payments to the holders of the Offshore Preference Shares after going through certain regulatory procedures and upon approval by the shareholders' general meeting, and the cancellation shall not constitute an event of default. The Company, at its discretion, may use any dividends so cancelled to repay other debts that are due. The cancellation of any dividend payment to the holders of the Offshore Preference Shares will only constitute a restriction on the payment of dividend to the ordinary shareholders, and will not lead to any other restrictions on the Company. The Company will fully consider the rights and interests of the holders of the preference shares when exercising the above-mentioned rights.

3. Method of dividend payment

Dividends for the Offshore Preference Shares will be payable in cash calculated based on the aggregate par value of the relevant tranche of the Offshore Preference Shares issued and outstanding, being the product of the issue price denominated in foreign currency of the Offshore Preference Shares times the total number of the Offshore Preference Shares of the relevant tranche issued and outstanding during the period (which shall be similarly construed hereinafter). Dividends for the Offshore Preference Shares shall be paid annually and denominated and declared in RMB and paid in cash of the currency. The dividends will accrue from the payment due date of the relevant tranche of the Offshore Preference Shares. Taxes payable on the dividend income of the holders of the Offshore Preference Shares shall be borne by such shareholders in accordance with relevant laws and regulations. The payment of dividends to holders of the Offshore Preference Shares shall be in full discretion of the Board pursuant to the issuance proposal, subject to the authorization at the shareholders' general meeting, which may be further delegated.

4. Dividend stopper

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

5. Dividend accumulation

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

6. Distribution of remaining profit

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

(VII) CONDITIONAL REDEMPTION

1. Subject of the right of redemption

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

2. Redemption conditions and period

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

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

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

3. Redemption price

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

(VIII) MANDATORY CONVERSION PROVISIONS

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

1. Conditions for mandatory conversion

- (1) Upon the occurrence of trigger event of additional Tier-1 capital instruments meaning the core Tier-1 capital adequacy ratio of the Company decreases to 5.125% or below, the issued and outstanding Offshore Preference Shares shall be wholly or partially converted into ordinary H Shares according to the total amount in order to restore

the Company's core Tier-1 capital adequacy ratio to above 5.125% without the prior consent of the holders of preference shares. In the case of partial conversion, all the Offshore Preference Shares under the issuance shall be converted on a pro rata basis on the same conditions. The Offshore Preference Shares shall not be converted back into preference shares under any conditions after the conversion to ordinary H Shares.

- (2) Upon the occurrence of trigger event of Tier-2 capital instruments, the issued and outstanding Offshore Preference Shares shall be wholly converted into ordinary H Shares according to the total amount without the prior consent of the holders of preference shares. The Offshore Preference Shares shall not be converted back into preference shares under any conditions after the conversion to ordinary H Shares. The trigger event of Tier-2 capital instruments shall be regarded as the occurrence of the earlier of the following two situations: (i) the CBIRC is of the view that the Company can no longer sustain itself if the preference shares are not converted or written-down; (ii) relevant authorities are of the view that the Company can no longer sustain itself without capital injections from the public sector or any support to the same effect.

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

2. Mandatory conversion amount and its basis

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

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

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

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

3. Mandatory conversion price and its basis

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

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

4. Mandatory conversion period

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

5. Method of adjustments of the mandatory conversion price

Upon the occurrence of certain prescribed events relating to the ordinary H shares of the Company (e.g. bonus issuance, capital conversion or increase, issuance of new shares at a price lower than the market price (excluding any increase in the share capital as a result of conversion of certain financial instruments issued by the Company that are convertible into ordinary shares) and placement) after the date of passing the Board resolution in respect of the issuance plan of the Offshore Preference Shares, the mandatory conversion price shall be subject to cumulative adjustments in the same order of the occurrence of such events. The distribution of cash dividends to the ordinary shareholders of the Company will not result in any adjustment to the mandatory conversion price. The mandatory conversion price will be adjusted based on the following:

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

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

In the above formulae, "P0*" denotes the effective mandatory conversion price before adjustment; "N*" denotes the total ordinary H share capital of the Company before the bonus issuance for ordinary H shares, capital conversion or increase, issuance of new shares or placement; "n*" denotes the number of new shares as a result of the bonus

issuance for ordinary H shares, capital conversion or increase, issuance of new shares or placement; “A*” denotes the price for the issuance of the new H shares or placement; “M*” denotes the closing price of ordinary H shares on the trading date immediately preceding the date of announcement of issuance or placement of new H shares (i.e. announcement containing the effective and irrevocable terms of issuance or placement of new H shares); and “P1*” denotes the effective mandatory conversion price after adjustment.

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

6. Entitlement to dividends of ordinary shares in the year of mandatory conversion

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

(IX) RESTRICTION ON AND RESTORATION OF VOTING RIGHTS

1. Restriction on voting rights

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

- (1) amendments to the provisions of the articles of association of the Company (the “**Articles of Association**”) in relation to preference shares;
- (2) decrease in the registered capital of the Company by more than 10% on one occasion or in aggregate;
- (3) merger, division, dissolution or change in form of incorporation of the Company;
- (4) issuance of preference shares by the Company;

- (5) other circumstances specified by laws, administrative regulations, departmental rules, any securities regulatory authorities of the listing places of shares of the Company or the Articles of Association of the Company.

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

2. Restoration of voting rights

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

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

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

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

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

Upon the occurrence of certain prescribed events relating to the ordinary H shares of the Company (e.g. bonus issuance, capital conversion or increase, issuance of new shares at a price lower than the market price (excluding any increase in the share capital as a result of conversion of certain financial instruments, such as preference shares and convertible

corporate bonds, issued by the Company that are convertible into ordinary shares) and placement) after the issuance of the preference shares, the simulated conversion price shall be subject to cumulative adjustments in the same order of the occurrence of such events. The adjustment method is the same as that applicable to the mandatory conversion price as specified in “VIII. Mandatory Conversion Provisions”.

3. Cancellation of restoration of voting rights

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

(X) ORDER OF DISTRIBUTION AND BASIS FOR LIQUIDATION

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

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

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

(XI) USE OF PROCEEDS

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

(XII) RATING

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

(XIII) GUARANTEE ARRANGEMENT

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

(XIV) TRANSFERABILITY

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

(XV) COMPLIANCE OF LATEST REGULATORY REQUIREMENTS

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

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

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

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

APPENDIX II

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

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

- (1) to formulate and implement the final proposal for the issuance, including but not limited to the issue size, coupon rates (including the method of determination and the final coupon rates), conversion arrangements, timing of issuance, arrangements relating to issuance by tranches, method of issuance, placees, arrangements of rating and transfer arrangements of the Offshore Preference Shares;
- (2) to appropriately amend, adjust and supplement the terms of the issuance of the Offshore Preference Shares based on the opinions of the regulatory authorities and the actual condition of the Company in compliance with the laws and regulations;
- (3) to make necessary adjustments to the issuance plan of the Offshore Preference Shares according to any new regulatory rules of the government on preference shares, new policy requirements of the relevant regulatory authorities or changes of market condition, except those matters that require a separate vote at a shareholders' general meeting in accordance with the relevant laws and regulations as well as the Articles of Association of the Company;
- (4) to sign, execute, amend or terminate any agreement, contract, prospectus or other documents in relation to the issuance or transfer of the Offshore Preference Shares, including but not limited to underwriting agreement or agreement relating to raising funds, etc.;
- (5) to complete the procedures for approval, registration, filing, verification and obtaining consent from the relevant domestic and foreign government and regulatory authorities (including but not limited to CSRC, CBIRC, Securities & Futures Commission of Hong Kong, and The Stock Exchange of Hong Kong Limited) for the issuance and transfer of the Offshore Preference Shares; to sign, execute, amend and complete the proposals, agreements, application documents and other documents to be submitted to the relevant domestic and foreign government and regulatory authorities, organizations and individuals; and to do all acts and things considered by them to be necessary, desirable or expedient regarding the issuance and transfer of the Offshore Preference Shares;

- (6) subject to the regulatory requirements of CSRC, CBIRC and other relevant regulatory authorities, to determine the placees and the number of shares to be issued to each placee upon negotiation with the lead underwriter pursuant to the conditions and principles of the resolution on the issuance of the Offshore Preference Shares, and to arrange the application procedures, receive deposit payment, and enter into and give effect to any share subscription agreement or other relevant legal documents with placees as and when necessary;
- (7) to amend and revise the Articles of Association and its annexes from time to time during the issuance and transfer of the Offshore Preference Shares in accordance with the requirements and recommendation of the relevant domestic and foreign government and regulatory authorities. Authorized persons may only exercise such authority to amend and revise the particular terms and wordings of the Articles of Association in accordance with the regulatory requirements on the issuance of preference shares. Upon the completion of the issuance of the preference shares, the Board shall revise the Articles of Association in relation to the change in registered capital and report to relevant government authorities for approval, and complete the change of registration and file the Articles of Association;
- (8) to make relevant amendments to the proposals on the issuance and do not process transfer of the Offshore Preference Shares approved by the shareholders' general meeting in accordance with the requirements of government and regulatory authorities and the relevant approval documents;
- (9) to propose the shareholders' general meeting to authorize the Board to assign relevant persons to deal with any matters relating to the issuance as and when necessary.

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

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

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

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

APPENDIX III

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

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

I. VALIDITY PERIOD OF THE RESOLUTION

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

II. AUTHORIZATION TO ISSUE PREFERENCE SHARES

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

- (1) to finalize and implement proposal for the issuance, including but not limited to the issue size, coupon rates (including the method of determination and the final coupon rates), conversion arrangements, timing of issuance, arrangements relating to issuance by tranches, method of issuance and placees, arrangements of rating and transfer of the preference shares;

- (2) to appropriately amend, adjust and supplement the terms of the issuance of preference shares based on the opinions of the regulatory authorities and the actual condition of the Company in compliance with the laws and regulations;
- (3) to make necessary adjustments to the issuance plan of preference shares according to any new regulatory rules of the government on preference shares, new policies of the relevant regulatory authorities or changes in market condition, except those matters that require a separate vote at a shareholders' general meeting in accordance with the relevant laws and regulations as well as the Articles of Association of the Company;
- (4) to sign, execute, amend or terminate any agreement, contract, prospectus or other documents in relation to the issuance or transfer of preference shares, including but not limited to sponsorship and underwriting agreement or agreement relating to raising funds;
- (5) to complete the procedures for approval, registration, filing, verification and obtaining consent from the relevant domestic and foreign government and regulatory authorities (including but not limited to CSRC, CBIRC, Shanghai Stock Exchange, Securities & Futures Commission of Hong Kong, and The Stock Exchange of Hong Kong Limited) for the issuance and transfer of preference shares; to sign, execute, amend and complete the proposals, agreements, application documents and other documents to be submitted to the relevant domestic and foreign government and regulatory authorities, organizations and individuals; and to do all acts and things considered by them to be necessary, desirable or expedient regarding the issuance and transfer of preference shares;
- (6) subject to the regulatory requirements of CSRC, CBIRC and other relevant regulatory authorities, to determine the places and the number of shares to be issued to each placee through negotiation with the sponsor (the lead underwriter) in accordance with the conditions and principles set out in the resolution on the issuance of preference shares, and to arrange the application procedures, receive deposits, and enter into and enforce any share subscription agreement and other relevant legal documents with investors (being placees of the issuance) as and when necessary;
- (7) to amend and revise the Articles of Association and its annexes from time to time during the issuance and transfer of preference shares in accordance with the requirements and recommendation of the relevant domestic and foreign government and regulatory authorities. Authorized persons may only exercise such authority to amend and revise the particular terms and wordings of the Articles of Association in accordance with the regulatory requirements on the issuance of preference shares. Upon the completion of the issuance of preference shares, the Board shall revise the Articles of Association in relation to the change in registered capital and report to relevant government authorities for approval, and register the change and file the Articles of Association with the authorities of industry and commerce and other relevant government authorities;
- (8) to make amendments to the resolutions on the issuance and transfer of preference shares approved by the shareholders' general meeting in accordance with the requirements of government and regulatory authorities and the relevant approval documents;

- (9) to propose the shareholders' general meeting to authorize the Board to assign relevant persons to deal with any matters relating to the issuance as and when necessary.

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

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

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

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