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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)**

## **CONTINUING CONNECTED TRANSACTIONS**

### **BUSINESS COOPERATION FRAMEWORK AGREEMENT FOR AGENCY SALES OF FINANCIAL PRODUCTS WITH DAJIA LIFE INSURANCE CO., LTD.**

#### **CONTINUING CONNECTED TRANSACTIONS**

On 28 December 2021, the Board considered and approved the Resolution on the Provision of General Credit Lines at Group Level to Dajia Insurance Group Co., Ltd. and Specific Business thereunder. The general credit lines at group level will be provided to Dajia Insurance Group Co., Ltd. and its related parties. The Company will enter into the Business Cooperation Framework Agreement for Agency Sales of Financial Products with Dajia Life Insurance, a subsidiary of Dajia Insurance Group Co., Ltd., in due course.

As at the date of this announcement, Dajia Life Insurance holds 7,810,214,889 shares in the Company, representing 17.84% of the total shares of the Company, and is a substantial shareholder of the Company. Dajia Life Insurance constitutes a connected person of the Company and the transactions between the Group and Dajia Life Insurance constitute continuing connected transactions under the Hong Kong Listing Rules.

As the highest applicable percentage ratio for the annual cap of the Service Fees payable by Dajia Life Insurance under the Business Cooperation Framework Agreement for Agency Sales of Financial Products exceeds 0.1% but is less than 5%, the transactions constitute non-exempt continuing connected transactions of the Company and are subject to the reporting and announcement requirements but are exempted from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

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## **RELATIONSHIP BETWEEN THE PARTIES**

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## **BUSINESS COOPERATION FRAMEWORK AGREEMENT FOR AGENCY SALES OF FINANCIAL PRODUCTS**

The major terms of the Business Cooperation Framework Agreement for Agency Sales of Financial Products are as follows:

**Term:** The Business Cooperation Framework Agreement for Agency Sales of Financial Products shall become effective from the date of the execution and seal by authorized representatives of both parties with retroactive effect from 1 January 2022. The term of the Business Cooperation Framework Agreement for Agency Sales of Financial Products will expire on 31 December 2022. The Business Cooperation Framework Agreement for Agency Sales of Financial Products may be extended subject to agreement between the parties, approvals of the stock exchanges in the places of listing and the competent regulatory authorities and/or the approval of the Board or general meeting of the Company, if so required by the stock exchanges in the places of listing of the Company and the competent regulatory authorities.

**Parties:** The Company and Dajia Life Insurance

**Transaction details:** Subject to the laws and regulations, regulatory requirements and internal control of the Company, the Company will provide agency sales services of financial products to Dajia Life Insurance, including but not limited to insurance products, asset management products, fund products and securities products, for Service Fees. The provisions of relevant services shall be subject to specific implementation agreements to be entered into.

Pricing: The Service Fees shall be determined through arm's length negotiation and on normal commercial terms on the following basis:

- (i) according to the prices fixed by the PRC government; or
- (ii) according to the prices suggested by the government if no prices fixed by the PRC government are applicable; or
- (iii) according to market prices determined through arm's length negotiations between the parties if no prices fixed or suggested by the PRC government are applicable. The service fee rate shall be no less favourable to the Company than that available to independent third parties in ordinary and usual course of business.

The transactions under the Business Cooperation Framework Agreement for Agency Sales of Financial Products shall be conducted on a non-exclusive basis. Payment shall be calculated on the aforementioned basis. However, the Company may solicit quotations from suppliers providing similar products or refer to the terms of certain transactions of similar products and services with independent third parties during the same period to make sure that the prices and terms offered by Dajia Life Insurance are fair and reasonable and comparable with those offered by independent third parties.

Payment: Service Fees shall be settled by cash at the end of the term or settled in other manners agreed by the parties and in accordance with the schedule and manner as specified by the implementation agreement to be entered into by the Company and Dajia Life Insurance in due course.

## HISTORICAL TRANSACTION AMOUNT, PROPOSED ANNUAL CAP AND BASES OF DETERMINATION

Historical transaction amount and proposed annual cap are as follows:

	<b>Historical Transaction Amount<sup>Note</sup></b>		
	<b>For the year ended 31 December 2019</b>	<b>For the year ended 31 December 2020</b>	<b>From 1 January 2021 to 27 December 2021</b>
Service Fees	<u>250</u>	<u>206</u>	<u>189</u>

*Note:* The historical transaction amounts prior to 28 August 2019 were the service fees received for the agency sales of financial products of Anbang Insurance Group Co., Ltd. and its associates by the Company. On 28 August 2019, pursuant to the approval by the CBIRC, Anbang Life Insurance Co., Ltd. has been renamed as Dajia Life Insurance Co., Ltd. and its controlling shareholder has been changed from Anbang Insurance Group Co., Ltd. to Dajia Insurance Group Co., Ltd.

	<b>Proposed Annual Cap For the year ending 31 December 2022 (RMB in million)</b>
Service Fees	<u>300</u>

## REASONS FOR AND BENEFITS OF CONTINUING CONNECTED TRANSACTIONS

To proactively adapt to changes in the retail market, cooperation between the Company and Dajia Life Insurance will broaden the Company's range of products offered to individual customers and achieve sharing of resources and synergy effects with Dajia Life Insurance, so as to further increase the Company's revenue from its retail banking intermediary business.

## **CONFIRMATION OF THE BOARD**

The Board, including independent non-executive Directors, are of the view that the agency sales of financial products by the Company (i) is to be entered into in the ordinary and usual course of business of the Company; (ii) is based on normal commercial terms or more favorable terms from the perspective of the Company (determined through arm's length negotiation or not more favourable than the terms offered by the Company to independent third parties); and (iii) the terms and proposed annual cap are fair and reasonable, and are in the interests of the Company and its shareholders as a whole.

As Mr. Yang Xiaoling and Mr. Zhao Peng, both being Directors, served at Dajia Insurance Group, they were deemed to have material interests in the Continuing Connected Transactions, and had abstained from voting on the relevant resolution on the Board meeting. Save as disclosed above, none of the Directors are required to abstain from voting on the relevant resolution. The relevant resolution was passed by the Directors by poll.

## **HONG KONG LISTING RULES IMPLICATION**

As the highest applicable percentage ratio for the annual cap of the Service Fees payable by Dajia Life Insurance under the Business Cooperation Framework Agreement for Agency Sales of Financial Products exceeds 0.1% but is less than 5%, the transactions constitute non-exempted continuing connected transactions of the Company and are subject to the reporting and announcement requirements but are exempted from the independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

## **INFORMATION ON THE COMPANY AND DAJIA LIFE INSURANCE**

The Company, incorporated in Beijing in 1996, is the first national joint stock commercial bank with contributions from non-state-owned enterprises in China. The Company and its subsidiaries mainly engage in the following commercial banking activities: deposits taking from the general public; provision of short-, medium- and long-term loans; domestic and international settlement; bills acceptance and discounting; issue of financial bonds; agency issue, cashing and underwriting of government bonds; trading of government bonds and financial bonds; inter-bank borrowing and lending; trading or agency trading of foreign exchange; bank card business; L/C services and guarantee; agency collections and payments and agency insurance; safe-box services, and other banking activities approved by relevant regulatory authorities.

Dajia Life Insurance is mainly engaged in personal insurance business such as life insurance, health insurance and accidental injury insurance; and the reinsurance of the above business. Dajia Insurance Group directly holds 99.984% of the shares in Dajia Life Insurance and indirectly holds 0.016% of the shares in Dajia Life Insurance through Dajia Property Insurance Co., Ltd. China Insurance Security Fund Co., Ltd. (a state-owned enterprise, mainly engaged in fund-raising, management and operation of insurance and protection funds, monitoring and evaluation of insurance industry risks, participation in insurance business risk disposal, management and disposal of foreclosed assets, and other businesses approved by the State Council), Shanghai Automotive Industry Corporation (Group) (its ultimate beneficial owner is State-owned Assets Supervision and Administration Commission of Shanghai Municipal Government (wholly-owned)) and China Petrochemical Corporation (its ultimate beneficial owner is the State-owned Assets Supervision and Administration Commission of the State Council (wholly-owned)) respectively holds 98.23%, 1.22% and 0.55% of the shares in Dajia Insurance Group.

## DEFINITIONS

“associate(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Board”	the board of Directors of the Company
“Business Cooperation Framework Agreement for Agency Sales of Financial Products”	the business cooperation framework agreement for agency sales of financial products to be entered into between the Company and Dajia Life Insurance
“CBIRC”	the China Banking and Insurance Regulatory Commission, including the former China Insurance Regulatory Commission, if applicable, the functions of which are currently borne by the CBIRC
“Company”	China Minsheng Banking Corp., Ltd., a joint stock company incorporated in the PRC with limited liability, the H shares and A shares of which are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively
“connected person(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Continuing Connected Transactions”	transactions to be conducted under the Business Cooperation Framework Agreement for Agency Sales of Financial Products between the Company and Dajia Life Insurance
“Dajia Insurance Group”	Dajia Insurance Group Co., Ltd.
“Dajia Life Insurance”	Dajia Life Insurance Co., Ltd., formerly known as Anbang Life Insurance Co., Ltd. and was renamed pursuant to the approval by the CBIRC on 28 August 2019
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“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
“PRC” or “China”	the People’s Republic of China
“RMB”	the lawful currency of the PRC

“Service Fees” fees received by the Company from Dajia Life Insurance for agency sales of financial products under the Business Cooperation Framework Agreement for Agency Sales of Financial Products

“subsidiaries” has the meaning ascribed to it under the Hong Kong Listing Rules

By order of the Board  
**CHINA MINSHENG BANKING CORP., LTD.**  
**Gao Yingxin**  
*Chairman*

Beijing, PRC  
28 December 2021

*As at the date of this announcement, the Executive Directors of the Company are Mr. Gao Yingxin, Mr. Zheng Wanchun and Mr. Yuan Guijun; the Non-Executive Directors are Mr. Zhang Hongwei, Mr. Lu Zhiqiang, Mr. Liu Yonghao, Mr. Shi Yuzhu, Mr. Wu Di, Mr. Song Chunfeng, Mr. Yang Xiaoling and Mr. Zhao Peng; and the Independent Non-Executive Directors are Mr. Liu Jipeng, Mr. Li Hancheng, Mr. Xie Zhichun, Mr. Peng Xuefeng, Mr. Liu Ningyu and Mr. Qu Xinjiu.*