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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)**

**CONTINUING CONNECTED TRANSACTIONS**

**BUSINESS COOPERATION FRAMEWORK AGREEMENT  
WITH ANBANG INSURANCE GROUP CO., LTD.  
FOR AGENCY SALE OF FINANCIAL PRODUCTS**

**CONTINUING CONNECTED TRANSACTION**

The Board has considered and approved the entering into and the terms of the Business Cooperation Framework Agreement between the Company and Anbang Insurance on 30 August 2018. The Company and Anbang Insurance will execute the Business Cooperation Framework Agreement in due course.

On the date of this announcement, Anbang Insurance Group holds approximately 17.84% of the shares in the Company and is a substantial shareholder of the Company. Anbang Insurance Group constitutes a connected person of the Company. The transactions between the Group and Anbang Insurance Group 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 Anbang Insurance Group under the Business Cooperation Framework Agreement 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.

## **CONTINUING CONNECTED TRANSACTIONS**

The Board has considered and approved the entering into and the terms of the Business Cooperation Framework Agreement between the Company and Anbang Insurance on 30 August 2018. The Company and Anbang Insurance will execute the Business Cooperation Framework Agreement in due course.

## **RELATIONSHIP BETWEEN THE PARTIES**

On the date of this announcement, Anbang Insurance Group holds approximately 17.84% of the shares in the Company and is a substantial shareholder of the Company. Anbang Insurance Group constitutes a connected person of the Company. The transactions between the Group and Anbang Insurance Group constitute continuing connected transactions under the Hong Kong Listing Rules.

## **BUSINESS COOPERATION FRAMEWORK AGREEMENT**

The major terms of Business Cooperation Framework Agreement are as follows:

- Term:** This agreement has become effective from the date of the execution and seal by authorized representatives of both parties with retroactive effect from 1 January 2018. The term of this agreement will end on 31 December 2018. The Business Cooperation Framework Agreement may be extended subject to agreement between the parties, approval of the stock exchange in the place of listing and the competent regulatory authorities and/or the approval of the Board or general meeting of the Company, if so required by such stock exchange in the place of listing and the competent regulatory authorities.
- Parties:** The Company and Anbang Insurance
- Transaction details:** Subject to the laws and regulations, regulatory requirements and internal control system, the Company will provide agency sale services of financial products to Anbang Insurance Group, including but not limited to insurance products, asset management products, funds products and securities products, and charge Service Fees in return.
- Pricing:** 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 Chinese government;

- (ii) according to the prices suggested by the government if no prices fixed by the Chinese government are applicable; or
- (iii) market prices determined through arm's length negotiations between the parties shall be used if no fixed or suggested prices provided by the Chinese government are applicable. The Service Fees shall be no less favourable to the Company than terms available to independent third parties in an ordinary and usual course of business.

The transactions under the Business Cooperation Framework Agreement shall be conducted on a non-exclusive basis. Payment shall be calculated on the aforementioned basis. However, the Company shall 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 Anbang Insurance Group 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 time and the manner as specified by the agreement to be entered into by the Company and Anbang Insurance Group from time to time.

In addition, the Company's acceptance of Anbang Insurance products provided by Anbang Insurance Group is subject to discussion, assessment and unanimous approval by the retail wealth management business assessment committee of the Company. The quantity of products is determined by the retail wealth management business assessment committee of the Company through discussion and assessment with reference to a number of factors, including the rating of Anbang Insurance, the ranking of Anbang Insurance among insurance companies in China and the proposed sale volume of the insurance products.

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

Historical transaction amount and proposed annual cap are as follows:

	<b>Historical Transaction Amount</b>		
	<b>For the year ended 31 December 2015</b>	<b>For the year ended 31 December 2016</b>	<b>For the year ended 31 December 2017</b>
	<i>(RMB in million)</i>		
Service Fees	<u>341</u>	<u>1,372</u>	<u>352</u>

**Proposed  
Annual Cap  
For the year  
ending  
31 December 2018  
(RMB in million)**

Service Fees

2,000

To determine the annual cap of the transactions under the Business Cooperation Framework Agreement, the Company has considered a number of factors, including the current and future operating conditions of Continuing Connected Transactions between the Company and Anbang Insurance Group. The Company also took into account the possibility of increase in income from retail banking intermediary business through sharing of resources and synergy effects based on the cooperation between both parties. In addition, the Company has also considered the future sale volume and fee rates for the agency sales of insurance and financial products including conventional banking insurance, other financial general insurance, accident insurance and innovative insurance wealth management products, funds agency sale and securities products. The increase of service fees for agency sales of financial products is driven by the market.

## **REASONS FOR CONTINUING CONNECTED TRANSACTIONS**

To proactively cope with retail market changes, cooperation between the Company and Anbang Insurance will broaden its range of products offered to individual customers and achieve sharing of resources and synergy effects with Anbang Insurance Group, which in turn further increases the Company's size of its retail banking intermediary business.

## **CONFIRMATION OF THE BOARD**

The Board, including independent non-executive Directors, are of the view that the Business Cooperation Framework Agreement (i) was entered into in the ordinary and usual course of business of the Company; (ii) is based on normal commercial terms (determined through arm's length negotiation or not less favourable to the Company than the terms available 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.

None of the Directors had material interests in the Continuing Connected Transactions and was therefore required to abstain from voting on the relevant resolution. The relevant resolution was passed by the Directors of the Company by poll.

## HONG KONG LISTING RULES IMPLICATION

As the highest applicable percentage ratio for the annual cap of the Service Fees payable by Anbang Insurance Group under the Business Cooperation Framework Agreement 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 ANBANG INSURANCE

The Company, incorporated in Beijing on 12 January 1996, is the first national joint stock commercial bank with contributions from non-state-owned enterprises in China. The Company and its subsidiaries mainly provide corporate and personal banking, treasury business, finance leasing, asset management and other financial services in China.

Anbang Insurance is one of the insurance conglomerates in China. As an integrated insurance group, Anbang Insurance is engaged in various insurance businesses, including financial insurance, life insurance, medical insurance, assets management, sales of insurance and insurance brokerage.

## DEFINITIONS

“Anbang Insurance”	Anbang Insurance Group Co., Ltd.
“Anbang Insurance Group”	Anbang Insurance and its subsidiaries, including their respective associates for the purpose of this announcement
“associates”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Board”	the Board of Directors of the Company
“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
“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

“PRC” or “China”	the People’s Republic of China
“RMB”	the lawful currency of the PRC
“Service Fees”	fees received by the Company from Anbang Insurance Group for agency sale of financial products under the Business Cooperation Framework Agreement
“Continuing Connected Transactions”	transactions to be conducted under the Business Cooperation Framework Agreement between the Company and Anbang Insurance
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed to it under the Hong Kong Listing Rules

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

Beijing, PRC  
30 August 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.*