

CHINA MINSHENG BANKING CORP., LTD.
Capital Composition of 2021

APPENDIX I: CAPITAL COMPOSITION

Unit: million (in RMB), % (Data of the Group)

Core Tier 1 capital (CET1 capital):		Amount
1	Paid-in capital	43,782
2	Retained revenue	
2a	Surplus reserve	51,843
2b	General reserve	87,013
2c	Retained earnings	243,144
3	Accumulated other comprehensive income and public reserve	
3a	Capital reserve	58,149
3b	Others	385
4	Amount as attributable to CET1 capital during the transition period (only applicable to non-shareholding company and mark "0" for the banks which are joint stock companies)	
5	Valid portion of minority interests	7,070
6	CET1 capital before regulatory adjustments	491,386
CET1 capital: regulatory adjustments		
7	Prudential valuation adjustments	
8	Goodwill (net of deferred tax liabilities)	188
9	Other intangible assets (excluding land use rights) (net of deferred tax liabilities)	1,917
10	Net deferred tax assets due to operation losses subject to future profits	2
11	Cash-flow hedge reserves of the projects not measured at fair value	
12	Shortfall of provisions for loan impairment	
13	Gain on sale related to assets securitisation	
14	Unrealized gains and losses arising from the change in the fair value of debts due to the change in credit exposure	
15	Defined-benefit pension fund net assets (net of deferred tax liability)	
16	Ordinary shares held directly or indirectly by the Bank	
17	Reciprocal cross-holdings in CET1 capital instruments	
18	Deductible amount from insignificant minority capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	
19	Deductible amount from significant minority capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory	

	consolidation	
20	Mortgage servicing rights	
21	Deductible amount from other net deferred tax assets subject to future profits of the Bank	2,727
22	Deductible amount of non-deducted part of significant minority capital investments in CET1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation and other net deferred tax assets subject to future profits of the Bank in excess of 15% of CET1 capital	
23	Of which: deductible amount from significant minority interests in financial institutions	
24	Of which: deductible amount from mortgage servicing rights	
25	Of which: deductible amount from other net deferred tax assets subject to future profits of the Bank	
26a	Investment on CET1 capital by financial sector entities that are under control but not subject to consolidation	
26b	Insufficiency in CET1 capital by financial sector entities that are under control but not subject to consolidation	
26c	Total amount of other deductible items of CET1 capital	
27	Non-deducted gap deductible from additional Tier 1 and Tier 2 capital	
28	Total regulatory adjustments to CET1 capital	4,834
29	CET1 capital	486,552
Additional tier 1 capital (AT1 capital):		
30	Qualifying AT1 capital instruments plus related premium	89,964
31	Of which: classified as equity	89,964
32	Of which: classified as liabilities	
33	Capital instruments subject to phase out from AT1 capital after transitional period	
34	Valid portion of minority interests	943
35	Of which: instruments subject to phase out from AT1 capital after transitional period	
36	AT1 capital before regulatory adjustments	90,907
AT1 capital: regulatory adjustments		
37	AT1 capital instruments held directly or indirectly by the Bank	
38	Reciprocal cross-holdings in AT1 capital instruments	
39	Deductible amount from insignificant minority capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	
40	Significant minority capital investments in AT1 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	380

41a	Investments in AT1 capital instruments issued by financial sector entities that are under control but not subject to consolidation	
41b	Insufficiency in AT1 capital by financial sector entities that are under control but not subject to consolidation	
41c	Other deduction in AT1 capital	
42	Non-deducted gap deductible from tier2 capital	
43	Total regulatory adjustments to AT1 capital	380
44	AT1 capital	90,527
45	Tier 1 capital (CET1 capital + AT1 capital)	577,079
Tier 2 capital:		
46	Qualifying Tier 2 capital instruments plus related premium	119,967
47	Capital instruments subject to phase out from Tier 2 capital after transitional period	
48	Valid portion of minority interests	1,885
49	Of which: instruments subject to phase out after transitional period	
50	Surplus provisions for loan impairment included in Tier 2 capital	34,772
51	Tier 2 capital before regulatory adjustments	156,624
Tier 2 capital: regulatory adjustments		
52	Tier 2 capital held directly or indirectly by the Bank	
53	Reciprocal cross-holdings in Tier 2 capital instruments	
54	Deductible amount from insignificant minority capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	
55	Significant minority capital investments in Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	
56a	Investments in Tier 2 capital instruments issued by financial sector entities that are under control but not subject to consolidation	
56b	Insufficiency in Tier 2 capital by financial sector entities that are under control but not subject to consolidation	
56c	Other deduction in Tier 2 capital	
57	Total regulatory adjustments to Tier 2 capital	-
58	Tier 2 capital	156,624
59	Total capital (Tier 1 capital + Tier 2 capital)	733,703
60	Total risk-weighted assets	5,379,458
Capital ratios and buffers		
61	National CET1 capital adequacy ratio	9.04%
62	National Tier 1 capital adequacy ratio	10.73%

63	National capital adequacy ratio	13.64%
64	Institution specific buffer requirement	
65	Of which: capital conservation buffer requirement	134,486
66	Of which: countercyclical buffer requirement	-
67	Of which: G-SIB buffer requirement	
68	CET1 capital available to meet buffers (as a percentage of risk weighted assets)	4.04%
National minima		
69	National CET1 capital adequacy ratio	5%
70	National Tier 1 capital adequacy ratio	6%
71	National capital adequacy ratio	8%
Amounts below the thresholds for deduction		
72	Insignificant minority capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	7,285
73	Significant minority capital investments in CET1 capital instruments, AT1 capital instruments and Tier 2 capital instruments issued by financial sector entities that are outside the scope of regulatory consolidation	1,932
74	Mortgage servicing rights (net of deferred tax liability)	
75	Other net deferred tax assets subject to future profits of the Bank (net of deferred tax liability)	48,928
Applicable caps on the inclusion of provisions for loan impairment in Tier 2 capital		
76	Actual provisions for loan impairment subject to standardised approach	109,271
77	Cap for inclusion of surplus provisions for loan impairment in Tier 2 under standardised approach	61,829
78	Actual surplus provisions for loan impairment subject to internal ratings-based approach	
79	Cap for inclusion of surplus provisions for loan impairment in Tier 2 under internal ratings-based approach	
Capital instruments subject to phase-out arrangements		
80	Amount attributable to CET1 capital subject to transitional period arrangement	
81	Amount excluded from CET1 capital due to transitional period arrangement	
82	Amount attributable to AT1 capital subject to transitional period arrangement	
83	Amount excluded from AT1 capital due to transitional period arrangement	
84	Amount attributable to Tier 2 capital subject to transitional period arrangement	
85	Amount excluded from Tier 2 capital due to transitional period arrangement	

APPENDIX II: DESCRIPTION OF RELATED ITEMS

Unit: million (in RMB)

	Balance sheet under regulatory scope of consolidation	Note
Goodwill	188	a
Intangible assets	5,286	b
Of which: land use rights	3,369	c
Deferred income tax liabilities	247	
Of which: deferred tax liabilities related to goodwill		d
Of which: deferred tax liabilities related to other intangible assets (excluding land use rights)		e
Paid-in capital	43,782	
Of which: valid portion of CET1 capital	43,782	f
Of which: valid portion of AT1 capital		g

APPENDIX III: CORRESPONDENCE BETWEEN ITEMS IN APPENDIX II AND CAPITAL COMPOSITION

Unit: million (in RMB)

CET1 capital		Amount	Note
1	Paid-in capital	43,782	f
2a	Surplus reserve	51,843	
2b	General reserve	87,013	
2c	Retained earnings	243,144	
3a	Capital reserve	58,149	
8	Goodwill (net of related tax liabilities)	188	a-d
9	Other intangible assets (excluding land use rights) (net of deferred tax liabilities)	1,917	b-c-e

APPENDIX IV: MAIN FEATURES OF CAPITAL INSTRUMENTS

1	Issuer	China Minsheng Banking Corp., Ltd.						
2	Identification Code	1728016	1728023	1928002	1928013	360037	2028022	2128016
3	Applicable law	PRC/ Administrative Measures for the Capital of Commercial Banks (for Trial Implementation) (《商業銀行資本管理辦法(試行)》) and Securities Law of the People’s Republic of China (《中華人民共和國證券法》), etc.	PRC/ Administrative Measures for the Capital of Commercial Banks (for Trial Implementation) (《商業銀行資本管理辦法(試行)》) and Securities Law of the People’s Republic of China (《中華人民共和國證券法》), etc.	PRC/ Administrative Measures for the Capital of Commercial Banks (for Trial Implementation) (《商業銀行資本管理辦法(試行)》) and Securities Law of The People’s Republic of China (《中華人民共和國證券法》), etc.	PRC/ Administrative Measures for the Capital of Commercial Banks (for Trial Implementation) (《商業銀行資本管理辦法(試行)》) and Securities Law of The People’s Republic of China (《中華人民共和國證券法》), etc.	PRC/Guiding Opinions on Launching the Pilot Program of Preferred Shares(關於開展優先股試點的指導意見), Regulations of Trial of Preference Shares (優先股試點管理辦法), Administrative Measures for the Capital of Commercial Banks (for Trial Implementation) (《商業銀行資本管理辦法(試行)》) and Guiding Opinions on Commercial Banks Offering Preferred Shares to Replenish Tier 1 Capital (關於商業銀行發行優先股補充一級資本的指導意見), etc.	PRC/ Administrative Measures for the Capital of Commercial Banks (for Trial Implementation) (《商業銀行資本管理辦法(試行)》) and Securities Law of The People’s Republic of China (《中華人民共和國證券法》), etc.	PRC/ Administrative Measures for the Capital of Commercial Banks (for Trial Implementation) (《商業銀行資本管理辦法(試行)》) and Securities Law of The People’s Republic of China (《中華人民共和國證券法》), etc.

	Regulatory treatment							
4	Of which: transition arrangement of Administrative Measures for the Capital of Commercial Banks (for Trial Implementation) (《商業銀行資本管理辦法(試行)》)	Tier 2 capital	Tier 2 capital	Tier 2 capital	Additional tier 1 capital	Additional tier 1 capital	Tier 2 capital	Additional tier 1 capital
5	Of which: post transition arrangement of Administrative Measures on Capital of Commercial Banks (for Trial Implementation) (《商業銀行資本管理辦法(試行)》)	Tier 2 capital	Tier 2 capital	Tier 2 capital	Additional tier 1 capital	Additional tier 1 capital	Tier 2 capital	Additional tier 1 capital
6	Of which: Applicable to bank/group level	Bank and group level	Bank and group level	Bank and group level	Bank and group level	Bank and group level	Bank and group level	Bank and group level
7	Category of instrument	Tier 2 capital bonds	Tier 2 capital bonds	Tier 2 capital bonds	Undated additional Tier 1 capital bonds	Domestic preference shares	Tier 2 capital bonds	Undated additional Tier 1 capital bonds

8	Amount recognized in regulatory capital (Unit: million)	RMB14,989	RMB14,989	RMB39,994	RMB39,993	RMB19,975	RMB49,995	RMB29,996
9	Par value of instrument (Unit: million)	RMB15,000	RMB15,000	RMB40,000	RMB40,000	RMB20,000	RMB50,000	RMB30,000
10	Accounting classification	Debt securities issued	Debt securities issued	Debt securities issued	Other equity instruments	Other equity instruments	Debt securities issued	Other equity instruments
11	Initial date of issuance	2017-9-12	2017-11-27	2019-2-27	2019-5-30	2019-10-15	2020-6-24	2021-4-19
12	Perpetual or dated	Dated	Dated	Dated	Perpetual	Perpetual	Dated	Perpetual
13	Of which: original maturity date	2027-9-14	2027-11-29	2029-3-1	-	-	2030-6-29	-
14	Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes	Yes	Yes	Yes
15	Of which: redemption date and amount (Unit: million)	2022-9-14, 15,000	2022-11-29, 15,000	2024-3-1, 40,000	The first redemption date will be 2024-6-4 (full or partial redemption)	The first redemption date will be 2024-10-18 (full or partial redemption)	2025-6-29, 50,000	The first redemption date will be 2026-4-21 (full or partial redemption)
16	Of which: subsequent redemption date, if applicable	Nil	Nil	Nil	6/4 in every year since the first redemption date	10/18 in every year since the first redemption date	Nil	4/21 in every year since the first redemption date

	Coupons/dividends							
17	Of which: fixed or floating dividend/coupon	Fixed interest rate	Fixed interest rate	Fixed interest rate	Par interest rate will be adjusted once every five years from the payment due date of initial issue. Interest will be paid at fixed interest rate within the five year period	Floating interest rate. The dividend rate will be fixed for the dividend adjustment period (five-year period) and the dividend rate will be reset every five years	Fixed interest rate	Par interest rate will be adjusted once every five years from the payment due date of initial issue. Interest will be paid at fixed interest rate within the five year period
18	Of which: Par interest rate	4.70%	4.70%	4.48%	The interest rate for the first five years will be 4.85%. If no redemption right is exercised as by the end of the five-year period, the interest rate will be reset every five years. The interest rate shall be the sum of the benchmark rate at the date of the reset and fixed interest spread upon issue	The interest rate for the first five years will be 4.38%. If no redemption right is exercised as by the end of the five-year period, the interest rate will be reset every five years. The interest rate shall be the sum of the benchmark rate as at the date of the reset and fixed interest spread upon issue	3.75%	The interest rate for the first five years will be 4.30%. If no redemption right is exercised as by the end of the five-year period, the interest rate will be reset every five years. The interest rate shall be the sum of the benchmark rate at the date of the reset and fixed interest spread upon issue
19	Of which: existence of a dividend stopper	No	No	No	Yes	Yes	No	Yes

20	Of which: discretion to cancel coupon/dividend	No discretion	No discretion	No discretion	Full discretion	Full discretion	No discretion	Full discretion
21	Of which: existence of redemption incentive mechanism	No	No	No	No	No	No	No
22	Of which: cumulative or non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Conversion into shares	No	No	No	No	Yes	No	No
24	Of which: if convertible, the trigger event(s) of the conversion	N/A	N/A	N/A	N/A	Upon the occurrence of an Additional Tier 1 Capital Trigger Event, in which the CET 1 capital adequacy ratio of the Bank drops to 5.125% or below; upon the occurrence of a Non-Viability Trigger Event, in which the CBIRC has decided that without a conversion or write-off of the Bank's capital, the Bank would become non-viable or relevant authorities have decided that a public sector injection of capital or equivalent support is necessary,	N/A	N/A

						without which the Bank would become nonviable		
25	Of which: if convertible, fully or partially	N/A	N/A	N/A	N/A	Upon the occurrence of an Additional Tier 1 Capital Trigger Event, the shares shall be converted fully or partially; upon the occurrence of a Non-Viability Trigger Event, the shares shall be converted fully	N/A	N/A
26	Of which: if convertible, the determination method of the conversion price	N/A	N/A	N/A	N/A	Initial conversion price is equivalent to the average trading price of A Shares for 20 days immediately before the date of announcement of the Board resolution in respect of the proposal of the issuance of the Preference Shares	N/A	N/A
27	Of which: if convertible, mandatory conversion or not	N/A	N/A	N/A	N/A	Yes	N/A	N/A

28	Of which: if convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	Core Tier 1 capital	N/A	N/A
29	Of which: if convertible, specify issuer of instrument convertible into	N/A	N/A	N/A	N/A	The Bank	N/A	N/A
30	Write-down or not	Yes	Yes	Yes	Yes	No	Yes	Yes
31	Of which: if write-down, trigger event(s) of the write-down	The occurrence of the earlier of the following two situations: (i) the CBIRC deciding that a write-down is necessary, without which the issuer is no longer able to sustain itself; and (ii) any relevant authorities deciding that a public sector injection of capital or equivalent support is necessary,	The occurrence of the earlier of the following two situations: (i) the CBIRC deciding that a write-down is necessary, without which the issuer is no longer able to sustain itself; and (ii) any relevant authorities deciding that a public sector injection of capital or equivalent support is necessary,	The occurrence of the earlier of the following two situations: (i) the CBIRC deciding that a write-down is necessary, without which the issuer is no longer able to sustain itself; and (ii) any relevant authorities deciding that a public sector injection of capital or equivalent support is necessary,	Upon the occurrence of an Additional Tier 1 Capital Trigger Event, in which the Issuer's CET1 Capital Adequacy Ratio drops to 5.125% or below, the Issuer has the right, subject to the approval of the CBIRC but without the need for the consent of the Bondholders, to write down all or part of the aggregate amount of the Bonds then issued and outstanding, in	N/A	The occurrence of the earlier of the following two situations: (i) the CBIRC deciding that a write-down is necessary, without which the issuer is no longer able to sustain itself; and (ii) any relevant authorities deciding that a public sector injection of capital or equivalent support is necessary,	Upon the occurrence of a Non-Viability Trigger Event, the Issuer has the right to write off the bond fully or partially without the need for the consent of the Bondholders, as a percentage of the outstanding Tier 1 capital instruments with the same trigger event. A Non-Viability Trigger Event refers to the earlier of the following events:

		necessary, without which the issuer is no longer able to sustain itself	without which the issuer is no longer able to sustain itself	without which the issuer is no longer able to sustain itself	order to restore the CET 1 Capital Adequacy Ratio to above 5.125%. Upon the occurrence of a Tier 2 Capital Trigger Event, the Issuer has the right to write off in whole, without the need for the consent of the Bondholders, the aggregate principal amount of the Bonds then issued and outstanding according to the outstanding par value. A Tier 2 Capital Trigger Event refers to the earlier of the following events: (a) the CBIRC having decided that the Issuer would become non-viable without a write-off; (b) any relevant authority having decided that a public sector injection of capital or equivalent support is	itself	(a) the CBIRC having decided that the Issuer would become non-viable without a write-off; (b) any relevant authority having decided that a public sector injection of capital or equivalent support is necessary, without which the Issuer would become non-viable
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35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	The claims in respect of the Bonds shall be subordinated to the depositors of the Bank and ordinary creditors and ranked ahead of equity capital of the issuer, additional Tier 1 capital instruments and hybrid capital bonds; It shall rank pari passu among other subordinated bonds in issue which have the same position in subordination hierarchy in liquidation for the current period, and rank pari passu among the Tier 2 capital bonds to be issued.	The claims in respect of the Bonds shall be subordinated to the depositors of the Bank and ordinary creditors and ranked ahead of equity capital of the issuer, additional Tier 1 capital instruments and hybrid capital bonds; It shall rank pari passu among other subordinated bonds in issue which have the same position in subordination hierarchy in liquidation for the current period, and rank pari passu among the Tier 2 capital bonds to be issued.	The claims in respect of the Bonds shall be subordinated to the depositors of the Bank and ordinary creditors and ranked ahead of equity capital of the issuer, additional Tier 1 capital instruments and hybrid capital bonds; It shall rank pari passu among other subordinated bonds in issue which have the same position in subordination hierarchy in liquidation for the current period, and rank pari passu among the Tier 2 capital bonds to be issued.	The claims in respect of the Bonds, in the event of a winding-up of the Issuer, will be subordinated to claims of depositors, general creditors, and subordinated obligations that ranks senior to the Bonds; will rank in priority to all classes of shares held by the Issuer's shareholders and pari passu with the claims in respect of any other additional Tier 1 capital instruments of the Issuer that rank pari passu with the Bonds. If subsequent amendments to the PRC Enterprise Bankruptcy Law or relevant regulations are applicable, such relevant laws and regulations shall prevail.	The claims in respect of the Bonds shall be subordinated to the depositors of the Bank, general creditors and subordinated obligations (including but not limited to holders of subordinated bonds, hybrid capital bonds and Tier 2 capital bonds), and rank in priority to ordinary shareholders and pari passu without any preference among themselves	The claims in respect of the repayments of the principal and interests shall be subordinated to the depositors of the Bank and general creditors, but in priority to equity capital, additional Tier 1 capital instruments and hybrid capital bonds, and will rank pari passu among other subordinated obligations previously issued that rank the same with the Bonds in the event of a winding-up, and rank pari passu among other Tier 2 capital instruments which may be issued in the future.	The claims in respect of the Bonds, in the event of a winding-up of the Issuer, will be subordinated to claims of depositors, general creditors, and subordinated obligations that ranks senior to the Bonds; will rank in priority to all classes of shares held by the Issuer's shareholders and pari passu with the claims in respect of any other additional Tier 1 capital instruments of the Issuer that rank pari passu with the Bonds. If subsequent amendments to the PRC Enterprise Bankruptcy Law or relevant regulations are applicable, such
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