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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 TRANSACTION**

**BUSINESS COOPERATION FRAMEWORK AGREEMENT  
WITH ANBANG INSURANCE GROUP CO., LTD.**

**FOR AGENCY SALE OF FINANCIAL PRODUCTS**

**CONTINUING CONNECTED TRANSACTION**

The Board hereby announces that on 30 March 2016, the Business Cooperation Framework Agreement was entered into between the Company and Anbang Insurance with retrospective effect from 1 January 2016 for a term of one year.

On the date of this announcement, Anbang Insurance Group holds approximately 17.78% 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 WITH ANBANG  
INSURANCE GROUP IN 2015**

In 2015, the Company sold insurance products of Anbang Insurance Group as its agent, and collected service fees of approximately RMB341 million. The highest applicable percentage ratio calculated under the Hong Kong Listing Rules exceeds 0.1% but is less than 5%. The Board has passed a resolution to ratify such Continuing Connected Transactions and announced the same accordingly.

## **CONTINUING CONNECTED TRANSACTION**

The Board announces that on 30 March 2016, the Business Cooperation Framework Agreement was entered into between the Company and Anbang Insurance with retrospective effect from 1 January 2016 for a term of one year.

## **RELATIONSHIP BETWEEN THE PARTIES**

On the date of this announcement, Anbang Insurance Group holds approximately 17.78% 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 Hong Kong Listing Rules.

## **BUSINESS COOPERATION FRAMEWORK AGREEMENT**

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

Date of execution: 30 March 2016

Effective date: 1 January 2016

Parties: The Company and Anbang Insurance

Term: From 1 January 2016 to 31 December 2016 (both dates inclusive)

The parties agree that the Business Cooperation Framework Agreement may be extended subject to 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 placing of listing and the competent regulatory authorities.

Transaction details: 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.

The Company and Anbang Insurance Group will enter into specific implementation agreements under the Business Cooperation Framework Agreement according to the business needs of both parties.

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 and refer to the terms of certain transactions with independent third parties 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.

The agency sale of Anbang insurance products provided by Anbang Insurance Group shall be subject to discussion, assessment and unanimous approval by the retail products committee of the Company. The quantity of products shall be determined by the retail products 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> <i>(RMB in million)</i> For the year ended 31 December 2015	<b>Proposed annual cap</b> <i>(RMB in million)</i> For the year ending 31 December 2016
Service Fees	<u>341</u>	<u>6,000</u>

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 sales

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 market changes, the Company and Anbang Insurance entered into the Business Cooperation Framework Agreement to achieve sharing of resources and synergy effects, which in turn further increases the Company's income from its retail banking intermediary business. In addition, entering into the Business Cooperation Framework Agreement can simplify the disclosure procedure and reduce compliance cost of the Company.

## **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 caps are fair and reasonable, and are in the interests of the Company and its shareholders as a whole.

As Mr. Yao Dafeng, a Director of the Company, is a director and the vice president of Anbang Insurance and is therefore deemed to be interested in the Continuing Connected Transactions, he abstained from voting on the resolution of Continuing Connected Transactions at the Board meeting. Save as disclosed above, none of the Directors had material interests in the Continuing Connected Transaction and was therefore required to abstain from voting on the relevant resolutions. 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 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 company, Anbang Insurance is engaged in various insurance businesses, including financial insurance, life insurance, medical insurance, assets management, sales of insurance and insurance brokerage.

## **CONTINUING CONNECTED TRANSACTIONS WITH ANBANG INSURANCE GROUP IN 2015**

In 2015, the Company sold insurance products of Anbang Insurance Group as its agent for a total amount of RMB16.1 billion, and collected service fees of approximately RMB341 million. The highest applicable percentage ratio exceeds 0.1% but is less than 5%. The Board had passed a resolution to ratify such Continuing Connected Transactions and announced the same accordingly.

## **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
“Business Cooperation Framework Agreement”	the China Minsheng Banking Corp., Ltd. and Anbang Insurance Group Co., Ltd. Business Cooperation Framework Agreement for the Agency Sale of Financial Products entered into between the Company and Anbang Insurance on 30 March 2016
“Company”	China Minsheng Banking Corp., Ltd., a joint stock limited 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” or “Renminbi”	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 March 2016

*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. Wang Yugui, Mr. Wang Hang, Mr. Wang Junhui, Mr. Wu Di, Mr. Guo Guangchang and Mr. Yao Dafeng; and the independent non-executive directors are Mr. Qin Rongsheng, Mr. Wang Lihua, Mr. Han Jianmin, Mr. Cheng Hoi-chuen, Mr. Ba Shusong and Ms. You Lantian.*