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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)

CONTINUING CONNECTED TRANSACTIONS

ENTERING INTO THE SUPPLEMENTAL AGREEMENT TO THE BUSINESS COOPERATION FRAMEWORK FOR AGENCY SALES OF FINANCIAL PRODUCTS

Reference is made to the announcement dated 31 January 2023 (the “**Announcement**”) of China Minsheng Banking Corp., Ltd. (the “**Bank**”), in relation to, among other things, the entering into the Business Cooperation Framework Agreement for Agency Sales of Financial Products between the Bank and Dajia Life Insurance Co., Ltd. Unless the context otherwise requires, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

ENTERING INTO THE SUPPLEMENTAL AGREEMENT TO THE BUSINESS COOPERATION FRAMEWORK FOR AGENCY SALES OF FINANCIAL PRODUCTS

According to the business development needs, the Board considered and approved the Resolution on Entering into the Supplemental Agreement to the Business Cooperation Framework Agreement for Agency Sales of Financial Products between the Bank and Dajia Life Insurance Co., Ltd. on 31 July 2023, and will enter into the Supplemental Agreement to the Business Cooperation Framework for Agency Sales of Financial Products between China Minsheng Banking Corp., Ltd. and Dajia Life Insurance Co., Ltd. (the “**Supplemental Agreement**”) with Dajia Life Insurance in due course to revise the existing proposed annual cap for the year ending 31 December 2023 and set the proposed annual cap for the year ending 31 December 2024 and for the period from 1 January 2025 to 8 June 2025, respectively.

The term of the Supplemental Agreement shall become effective from the date when the legal representatives or authorized representatives of both parties have affixed their signatures and official seals or contract seals, and shall be applied retrospectively to the cooperation activities commencing from 1 January 2023, and the term will expire on 8 June 2025. The term of the Supplemental Agreement 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 Bank, if so required by the stock exchanges in the places of listing of the Bank and the competent regulatory authorities.

EXISTING PROPOSED ANNUAL CAP AND HISTORICAL TRANSACTION AMOUNT

Existing proposed annual cap and historical transaction amount are as follows:

	Existing Proposed Annual Cap For the year ended 31 December 2023 (RMB in million)	Historical Transaction Amount From 1 January 2023 to 31 May 2023 (RMB in million)
Service Fees	350	286

REVISED PROPOSED ANNUAL CAP AND BASIS OF DETERMINATION

Since 1 January 2023, the Bank's business in agency sales of insurance has achieved rapid development. The business cooperation with Dajia Life Insurance has continued to be deepened and the cooperation business volume has continued to rise. As of 31 May 2023, the transaction amount under the Business Cooperation Framework Agreement for Agency Sales of Financial Products between the Bank and Dajia Life Insurance has reached RMB286 million, and the original proposed annual cap will not be able to meet the business development needs. In addition, the Bank expects to continue to deepen its business cooperation with Dajia Life Insurance in the coming years. Accordingly, the Board proposes to revise the existing proposed annual cap and set the proposed annual cap for the year ending 31 December 2024 and for the period from 1 January 2025 to 8 June 2025, respectively, to further increase the Bank's revenue from its retail banking intermediary business. The details are as follows:

	Revised Proposed Annual Cap		
	For the year ending 31 December 2023 (RMB in million)	For the year ending 31 December 2024 (RMB in million)	For the period from 1 January 2025 to 8 June 2025 (RMB in million)
Service Fees	700	1,200	1,000

In setting the proposed annual cap, the Bank has made reference to the historical transaction amount. In addition to referring to the historical transaction amounts, the Bank has also considered the following key factors: the Bank will provide agency sales services of financial products and agency sales of insurance products to Dajia Life Insurance, and receive relevant Service Fees. The business covered by the agency sales agreement of financial products is subject to change from year to year due to certain external reasons, including but not limited to unexpected fluctuations in the financial market, the fact that financial product investment transactions are market-driven and generally determined by the customers' decision on the wealth management portfolio, which is beyond the Bank's control, and the potential changes that may occur in the current and expected operating conditions of the continuing connected transactions between the Bank and Dajia Life Insurance, with reference to prevailing market conditions, the expected growth of the relevant transaction volume and Service Fees, etc. Given the increase in Service Fees for the agency sales of financial products is market-driven, the rapid development the Bank's business in agency sales of insurance since the beginning of this year and the increasing cooperation business volume arising from the continuous deepening of business cooperation with Dajia Life Insurance at the same time made the original cap of the total Service Fees for 2023 unable to meet the needs of business development. Therefore, the Bank considers it's reasonable to adjust the annual cap of total Service Fees in 2023 to RMB700 million, to set the annual cap of total Service Fees in 2024 at RMB1.2 billion, to set the cap of total Service Fees from 1 January 2025 to 8 June 2025 at RMB1.0 billion, which allows the Bank and Dajia Life Insurance to effect higher transaction amount in a convenient manner, thereby enabling the Bank to benefit from the growth of the PRC economy and financial investment market and to make an effort to increase its revenue generated from these services.

In addition to extending the term of the Business Cooperation Framework Agreement for Agency Sales of Financial Products, revising the existing proposed annual cap for the year ending 31 December 2023 and setting proposed annual cap for the year ending 31 December 2024 and for the period from 1 January 2025 to 8 June 2025, respectively, the Supplemental Agreement does not make further changes to the Business Cooperation Framework Agreement for Agency Sales of Financial Products, and the remaining terms of the Business Cooperation Framework Agreement for Agency Sales of Financial Products remain unchanged. For other details of the Business Cooperation Framework Agreement for Agency Sales of Financial Products, including but not limited to transaction details, pricing criteria and payment terms, please refer to the Announcement.

REASONS FOR AND BENEFITS OF CONTINUING CONNECTED TRANSACTIONS

To proactively adapt to changes in the retail market, cooperation between the Bank and Dajia Life Insurance will broaden the Bank'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 Bank'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 Bank (i) is entered into in the ordinary and usual course of business of the Bank; (ii) is based on normal commercial terms or more favorable terms from the perspective of the Bank (determined through arm's length negotiation or not more favorable than the terms offered by the Bank to independent third parties); and (iii) the terms and proposed annual cap are fair and reasonable, and are in the interests of the Bank and its shareholders as a whole.

As Mr. Yang Xiaoling and Mr. Zhao Peng, both being Directors, were related to Dajia Insurance Group, they 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 at the date of this announcement, Dajia Life Insurance holds 7,810,214,889 shares in the Bank, representing 17.84% of the total shares of the Bank, and is a substantial shareholder of the Bank. Dajia Life Insurance constitutes a connected person of the Bank and the Supplemental Agreement entered into between the Group and Dajia Life Insurance and the transactions thereunder 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 Supplemental Agreement exceeds 0.1% but is less than 5%, the transactions constitute non-exempted continuing connected transactions of the Bank 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 BANK AND DAJIA LIFE INSURANCE

Formally established in Beijing in 1996, the Bank is the first national joint-stock commercial bank in China primarily initiated and founded by the non-state-owned enterprises. Upon the approval of relevant regulatory authorities, the Bank operates the following commercial banking businesses: taking deposits from the public, granting short-, mid-to long-term loans, handling domestic and foreign settlements; accepting and discounting negotiable instruments, and issuing financial bonds; issuing, settling and underwriting government bonds as an agent; buying and selling government bonds and financial bonds; operating interbank borrowing and lending; buying and selling foreign exchange, and buying and selling foreign exchange as an agent; settling and selling foreign exchange; operating bank card business; providing letter of credit services and guaranty; receiving and paying funds as an agent; providing safe deposit box service; operating other businesses approved by the banking regulatory authority of the State Council; operating insurance business as a sideline agent; selling securities investment funds and providing custody services for securities investment funds. (The market entity independently chooses and operates businesses in accordance with laws; Operations of sideline insurance agency, sales of securities investment funds, custody of securities investment funds, and businesses subject to approvals according to laws shall be carried out upon approvals of relevant authorities and within the approved scopes; It is not allowed to operate businesses prohibited or restricted by national and municipal industry policies.)

Dajia Life Insurance is mainly engaged in personal insurance business such as life insurance, health insurance and accidental injury insurance; the reinsurance of the above business; related business by using insurance fund as allowed by the laws and regulations of China; and other business as approved by the China Insurance Regulatory Commission (currently known as the National Administration of Financial Regulation (國家金融監督管理總局)). 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. Dajia Insurance Group is held as to 98.23% by China Insurance Security Fund Co., Ltd. China Insurance Security Fund Co., Ltd. is a state-owned institution, which is 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. Dajia Insurance Group is held as to 1.22% by Shanghai Automotive Industry Corporation (Group) (its ultimate beneficial owner is State-owned Assets Supervision and Administration Commission of Shanghai Municipal Government) and as to 0.55% by China Petrochemical Corporation (its ultimate beneficial owner is the State-owned Assets Supervision and Administration Commission of the State Council), respectively.

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

Beijing, PRC
31 July 2023

As at the date of this announcement, the Executive Directors of the Bank 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.