

**CHINA MINSHENG BANKING CORP., LTD.**  
**Capital Composition of 2020**

**APPENDIX I: CAPITAL COMPOSITION**

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

<b>Core Tier 1 capital (CET1 capital):</b>		<b>Amount</b>
1	Paid-in capital	43,782
2	Retained revenue	
2a	Surplus reserve	48,479
2b	General reserve	86,599
2c	Retained earnings	225,247
3	Accumulated other comprehensive income and public reserve	
3a	Capital reserve	57,419
3b	Others	-1,849
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	7,283
6	CET1 capital before regulatory adjustments	466,960
<b>CET1 capital: regulatory adjustments</b>		
7	Prudential valuation adjustments	
8	Goodwill (net of deferred tax liabilities)	193
9	Other intangible assets (excluding land use rights) (net of deferred tax liabilities)	1,456
10	Net deferred tax assets due to operation losses subject to future profits	53
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	3,337
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	<b>Total regulatory adjustments to CET1 capital</b>	5,039
29	<b>CET1 capital</b>	461,921
<b>Additional tier 1 capital (AT1 capital):</b>		
30	Qualifying AT1 capital instruments plus related premium	69,860
31	Of which: classified as equity	69,860
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	971
35	Of which: instruments subject to phase out from AT1 capital after transitional period	
36	<b>AT1 capital before regulatory adjustments</b>	70,831
<b>AT1 capital: regulatory adjustments</b>		
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	404

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	<b>Total regulatory adjustments to AT1 capital</b>	404
44	<b>AT1 capital</b>	70,427
45	<b>Tier 1 capital (CET1 capital + AT1 capital)</b>	532,348
<b>Tier 2 capital:</b>		
46	Qualifying Tier 2 capital instruments plus related premium	143,947
47	Capital instruments subject to phase out from Tier 2 capital after transitional period	3,996
48	Valid portion of minority interests	1,943
49	Of which: instruments subject to phase out after transitional period	
50	Surplus provisions for loan impairment included in Tier 2 capital	29,234
51	<b>Tier 2 capital before regulatory adjustments</b>	175,124
<b>Tier 2 capital: regulatory adjustments</b>		
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	<b>Total regulatory adjustments to Tier 2 capital</b>	-
58	<b>Tier 2 capital</b>	175,124
59	<b>Total capital (Tier 1 capital + Tier 2 capital)</b>	707,472
60	<b>Total risk-weighted assets</b>	5,425,856
<b>Capital ratios and buffers</b>		
61	National CET1 capital adequacy ratio	8.51%
62	National Tier 1 capital adequacy ratio	9.81%

63	National capital adequacy ratio	13.04%
64	Institution specific buffer requirement	
65	Of which: capital conservation buffer requirement	135,646
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)	3.51%
<b>National minima</b>		
69	National CET1 capital adequacy ratio	5%
70	National Tier 1 capital adequacy ratio	6%
71	National capital adequacy ratio	8%
<b>Amounts below the thresholds for deduction</b>		
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	8,164
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	2,693
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)	46,526
<b>Applicable caps on the inclusion of provisions for loan impairment in Tier 2 capital</b>		
76	Actual provisions for loan impairment subject to standardised approach	101,906
77	Cap for inclusion of surplus provisions for loan impairment in Tier 2 under standardised approach	62,377
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	
<b>Capital instruments subject to phase-out arrangements</b>		
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	3,996
85	Amount excluded from Tier 2 capital due to transitional period arrangement	

## APPENDIX II: DESCRIPTION OF RELATED ITEMS

*Unit: million (in RMB)*

	<b>Balance sheet under regulatory scope of consolidation</b>	<b>Note</b>
Goodwill	193	a
Intangible assets	4,938	b
Deferred income tax liabilities	117	
Of which: deferred tax liabilities related to goodwill		c
Of which: deferred tax liabilities related to other intangible assets (excluding land use rights)		d
Paid-in capital	43,782	
Of which: valid portion of CET1 capital	43,782	e
Of which: valid portion of AT1 capital		f

**APPENDIX III: CORRESPONDENCE BETWEEN BALANCE SHEET UNDER REGULATORY SCOPE OF CONSOLIDATION AND CAPITAL COMPOSITION**

*Unit: million (in RMB)*

<b>CET1 capital</b>		<b>Amount</b>	<b>Note</b>
1	Paid-in capital	43,782	e
2a	Surplus reserve	48,479	
2b	General reserve	86,599	
2c	Retained earnings	225,247	
3a	Capital reserve	57,419	
8	Goodwill (net of related tax liabilities)	193	a-c

**APPENDIX IV: MAIN FEATURES OF CAPITAL INSTRUMENTS**

1	Issuer	China Minsheng Banking Corp., Ltd.								
2	Identification Code	1108002	1628014	4609	1728016	1728023	1928002	1928013	360037	2028022
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.	The establishment and issue of the Offshore Preference Shares and the rights and obligations (including non-contractual rights and obligations) attached to them are governed by, and shall be construed in accordance with, the PRC laws	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	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.



6	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)》)	Not Included in regulatory capital	Included in regulatory capital	Included in regulatory capital	Included in regulatory capital					
7	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	Bank and group level	Bank and group level
8	Category of instrument	Subordinated bonds	Tier 2 capital bonds	Offshore preference shares	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
9	Amount recognized in regulatory capital (Unit: million)	RMB3,996	RMB19,985	Equal to RMB9,892	RMB14,987	RMB14,987	RMB39,993	RMB39,993	RMB19,975	RMB49,999
10	Par value of instrument (Unit: million)	RMB4,000	RMB20,000	USD1,439	RMB15,000	RMB15,000	RMB40,000	RMB40,000	RMB20,000	RMB50,000
11	Accounting classification	Debt securities	Debt securities	Other equity instruments	Debt securities	Debt securities	Debt securities	Other equity instruments	Other equity instruments	Debt securities



19	Of which: fixed or floating dividend/coupon	Fixed interest rate	Fixed interest rate	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	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
20	Of which: Par interest rate	5.70%	3.50%	The interest rate for the first five years will be 4.95%. 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 yield of five-year US bonds at the	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	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	3.75%

				date of the reset and 314.7 base points				reset and fixed interest spread upon issue	reset and fixed interest spread upon issue	
21	Of which: existence of a dividend stopper	No	No	Yes	No	No	No	Yes	Yes	No
22	Of which: discretion to cancel coupon/dividend	No discretion	No discretion	Full discretion	No discretion	No discretion	No discretion	Full discretion	Full discretion	No discretion
23	Of which: existence of redemption incentive mechanism	No	No	No	No	No	No	No	No	No
24	Of which: cumulative or non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
25	Conversion into shares	No	No	Yes	No	No	No	No	Yes	No
26	Of which: if convertible, the trigger event(s) of the conversion	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	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	N/A

				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, without which the Bank would become nonviable					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, without which the Bank would become nonviable	
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27	Of which: if convertible, fully or partially	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	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
28	Of which: if convertible, the determination method of the conversion price	N/A	N/A	Initial conversion price is equivalent to the average trading price of H Shares for 20 days immediately before the date of announcement of the Board resolution in respect of the proposal of	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	N/A

				the issuance of the Offshore Preference Shares.					the issuance of the Preference Shares.	
29	Of which: if convertible, mandatory conversion or not	N/A	N/A	Yes	N/A	N/A	N/A	N/A	Yes	N/A
30	Of which: if convertible, specify instrument type convertible into	N/A	N/A	Core Tier 1 capital	N/A	N/A	N/A	N/A	Core Tier 1 capital	N/A
31	Of which: if convertible, specify issuer of instrument convertible into	N/A	N/A	The Bank	N/A	N/A	N/A	N/A	The Bank	N/A
32	Write-down or not	No	Yes	No	Yes	Yes	Yes	Yes	No	Yes
33	Of which: if write-down, trigger event(s) of the write-down	N/A	The occurrence of the earlier of the following two situations: (i) the CBIRC deciding that a write-down is necessary,	N/A	The occurrence of the earlier of the following two situations: (i) the CBIRC deciding that a write-down is necessary,	The occurrence of the earlier of the following two situations: (i) the CBIRC deciding that a write-down is necessary,	The occurrence of the earlier of the following two situations: (i) the CBIRC deciding that a write-down is necessary,	Upon the occurrence of an Additional Tier 1 Capital Trigger Event, in which the Issuer's CET1 Capital Adequacy	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, without which the issuer is no longer able to sustain itself		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, without which the issuer is no longer able to sustain itself	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, without which the issuer is no longer able to sustain itself	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, without which the issuer is no longer able to sustain itself	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 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		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, without which the issuer is no longer able to sustain itself
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								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		
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	carrying amount									
37	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 but rank ahead of additional Tier 1 capital instruments and hybrid capital bonds	The claims in respect of the Bonds will, in the event of the winding-up of the Issuer, be subordinated to the claims of depositors and general obligations of the Issuer and rank in priority to the claims of all holders of equity capital, additional Tier 1 capital instruments and hybrid capital bonds of the Issuer, present or future, and will rank at least pari passu with the claims in respect of any	The claims in respect of the Bonds shall be subordinated to the depositors of the Bank, general creditors and holders of subordinated bonds, convertible bonds as well as Tier 2 capital bonds, but rank in priority to ordinary shareholders	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	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	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	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 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,

