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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)**

**CONNECTED TRANSACTION**

**AIRCRAFT LEASING BETWEEN MINSHENG JIASHI  
AND  
OCEANWIDE INTERNATIONAL**

**DIRECT LEASING OF GULFSTREAM G650**

The Board hereby announces that a resolution on the aircraft leasing between a subsidiary of Minsheng Financial Leasing Co., Ltd. and China Oceanwide International Investment Co., Ltd. was considered and passed on 7 June 2016, pursuant to which the Direct Leasing of Gulfstream G650 between Minsheng Jiashi and Oceanwide International was approved.

**LISTING RULES IMPLICATION**

As at the date of this announcement, Mr. Lu Zhiqiang, the vice chairman and a Non-executive Director of the Company, indirectly holds all shares of Oceanwide Group. As associates of Mr. Lu Zhiqiang, Oceanwide Group and its subsidiary, Oceanwide International, are thus connected persons of the Company. Therefore, the Transaction between the Group and Oceanwide International constitutes a connected transaction under the Hong Kong Listing Rules.

As the highest applicable percentage ratio for the Transaction exceeds 0.1% but is less than 5%, the Transaction constitutes a non-exempted connected transaction of the Company and is subject to the reporting and announcement requirements but is exempted from the independent shareholders' approval requirement under Chapter 14A of Hong Kong Listing Rules.

## **DIRECT LEASING OF GULFSTREAM G650**

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## **RELATIONSHIP BETWEEN THE PARTIES**

As at the date of this announcement, Mr. Lu Zhiqiang, the vice chairman and a Non-executive Director of the Company, indirectly holds all shares of Oceanwide Group. As associates of Mr. Lu Zhiqiang, Oceanwide Group and its subsidiary, Oceanwide International, are thus connected persons of the Company. Therefore, the Transaction between the Group and Oceanwide International constitutes a connected transaction under the Hong Kong Listing Rules.

## **DIRECT LEASING OF GULFSTREAM G650**

The major terms of the Direct Leasing of Gulfstream G650 are as follows:

|                           |   |
|---------------------------|---|
| Parties:                  | Minsheng Jiashi (lessor);<br>Oceanwide International (lessee); and<br>Oceanwide Group (guarantor).  |
| Transaction:              | Minsheng Jiashi will purchase a Gulfstream G650 from Gulfstream Aerospace, an independent third party, at a basic cost of approximately US\$64.50 million (the basic price, the final price is subject to the selection of facilities and mark-ups) to be settled by Minsheng Jiashi and Oceanwide International at 80% and 20% of the total cost respectively. Minsheng Jiashi shall retain the ownership of the aircraft and lease it to Oceanwide International (lessee) under a financial lease arrangement. The lease shall be jointly and severally guaranteed by Oceanwide Group. Oceanwide International shall settle the lease principal payments and interests to Minsheng Jiashi on a regular basis. The ownership of the aircraft shall be transferred to Oceanwide International upon expiry of the lease. |
| Term:                     | Five years from the leasing date of the Finance Lease Agreement.  |
| Lease principal payments: | Approximately US\$51.60 million (US\$64.50 million × 80%), to be paid in equal instalments on a quarterly basis during the lease.   |
| Interests:                | Interest shall be charged at LIBOR plus 3.50% during the lease (3-month LIBOR + 350 BPS). The annual interests are estimated to be approximately US\$1 million and shall be settled quarterly during the lease.   |

Deposit: US\$2,832,428

Fees: US\$1,225,500

Guarantee: The lease shall be jointly and severally guaranteed by Oceanwide Group.

## **REASONS FOR THE DIRECT LEASING OF GULFSTREAM G650**

Minsheng Jiashi is mainly engaged in the provision of finance lease and the Transaction will increase its incomes. The Transaction also facilitates a stronger cooperation between Minsheng Jiashi and Gulfstream Aerospace with a view to securing more favourable terms in future business so as to strengthen the advantage of the Group in the finance lease of business aircrafts. Furthermore, the Transaction will be jointly and severally guaranteed by Oceanwide Group and carries low risks. The interest rate and fee of the Transaction are determined in accordance with the pricing policies of the Company and are not lower than that of its peers. Therefore, the Transaction is in the interests of the Company and its shareholders as a whole.

## **CONFIRMATION OF THE BOARD**

The Directors, including Independent Non-executive Directors, are of the view that the Transaction (i) was entered into in the ordinary and usual course of business of the Group (determined through arm's length negotiation and on terms not less favourable than those offered by independent third parties); (ii) is fair and reasonable; and (iii) is in the interests of the Company and its shareholders as a whole.

As Mr. Lu Zhiqiang, the vice chairman and a Non-executive Director of the Company, is the chairman and a shareholder of Oceanwide Group and is therefore deemed to be interested in the Transaction, he abstained from voting on the resolution of the Transaction at the Board meeting. Save as disclosed above, none of the Directors had material interests in the connected transaction and was therefore required to abstain from voting on the relevant resolution. The resolution was passed by the Directors by poll.

## **HONG KONG LISTING RULES IMPLICATION**

As the highest applicable percentage ratio for the Transaction exceeds 0.1% but is less than 5%, the Transaction constitutes a non-exempted connected transaction of the Company and is subject to the reporting and announcement requirements but is exempted from the independent shareholders' approval requirement under Chapter 14A of Hong Kong Listing Rules.

## **INFORMATION ON THE PARTIES**

### **The Company**

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.

## **Minsheng Jiashi**

Minsheng Jiashi is a subsidiary incorporated in Hong Kong by Minsheng Leasing, a subsidiary of the Company. It is mainly engaged in the provision of aircraft finance leasing services.

## **Oceanwide International**

Oceanwide International, a wholly-owned subsidiary of Oceanwide Group, is an overseas investment platform established in Hong Kong by Oceanwide Group. Established in October 2008, Oceanwide International is registered in Hong Kong with Lu Zhiqiang and Liu Hongwei as its directors. It is mainly engaged in equity investments.

According to the audited consolidated financial statement of Oceanwide International, as at 31 December 2015, its total assets and total liabilities amounted to HK\$5,931.154 million and HK\$5,468.254 million, respectively. The owners' equities and debt-to-asset ratio of Oceanwide International amounted to HK\$462.90 million and 92%, respectively. The incomes and net profits of its principle business for 2015 amounted to HK\$27.37 million and HK\$-393.58 million, respectively.

Being the most important overseas investment platform of Oceanwide Group, Oceanwide International has received strong support in fund and policies from Oceanwide Group. The broad prospects of overseas business of Oceanwide Group in the future will also maximally decrease risks of the Transaction.

## **Oceanwide Group**

Oceanwide Group is a major private enterprise established in 1988 in China. Oceanwide Group is an international conglomerate and its major businesses include finance, real estate, electricity, and general investment. Its major finance businesses include banking, securities, futures, trusts, insurance, pawn business and insurance brokerage. It is one of the shareholders of the Company.

## DEFINITIONS

|                                     |  |
|-------------------------------------|--|
| “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 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   |
| “Finance Lease Agreement”           | the finance lease agreement in respect of the direct leasing of Gulfstream G650 entered into among Minsheng Jiashi, Oceanwide International (lessee) and Oceanwide Group (guarantor)   |
| “Group”                             | the Company and its subsidiaries   |
| “Gulfstream G650”                   | a business aircrafts of Gulfstream Aerospace, a manufacturer of business aircrafts established in the United States  |
| “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  |
| “Hong Kong Stock Exchange”          | The Stock Exchange of Hong Kong Limited  |
| “Direct Leasing of Gulfstream G650” | the finance lease to Oceanwide International of a Gulfstream G650 by Mingsheng Jiashi initially purchased from Gulfstream Aerospace. The lease is jointly and severally guaranteed by Oceanwide Group  |
| “Minsheng Jiashi”                   | Minsheng Jiashi Leasing Corporation (民生嘉實租賃公司), a subsidiary established in Hong Kong by Minsheng Leasing, a subsidiary of the Company   |
| “Minsheng Leasing”                  | Minsheng Financial Leasing Co., Ltd., a subsidiary of the Company  |

|                           |   |
|---------------------------|---|
| “Oceanwide Group”         | China Oceanwide Holdings Group, a connected person of the Company   |
| “Oceanwide International” | China Oceanwide International Investment Co., Ltd., a subsidiary of Oceanwide Group and a connected person of the Company |
| “PRC” or “China”          | the People’s Republic of China  |
| “subsidiary(ies)”         | has the meaning ascribed to it under the Hong Kong Listing Rules  |
| “Transaction”             | The finance lease of the Direct Leasing of Gulfstream G650 between Minsheng Jiashi and Oceanwide International            |

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

Beijing, PRC  
8 June 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.*