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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)

**CONNECTED TRANSACTION
ENTER INTO FIRST SUBSCRIPTION AGREEMENT AND CONSORTIUM
AGREEMENT WITH CONNECTED PERSONS
FOR SUBSCRIPTION OF NEW QUAM SHARES AND MANDATORY
GENERAL OFFERS TO ACQUIRE ALL ISSUED SHARES
AND ALL OUTSTANDING WARRANTS OF QUAM
AND CANCEL ALL OUTSTANDING SHARE OPTIONS OF QUAM**

Subscription of New Quam Shares and Mandatory General Offer

Reference is made to the voluntary announcement of the Company dated 28 April 2015 regarding potential subscription of new Quam Shares by a wholly-owned subsidiary of the Company. Unless the context otherwise requires, capitalised terms in this announcement shall have the same meaning as those defined in the afore-mentioned announcement.

The Board announces that CMBC International, a wholly-owned subsidiary of the Company and the Co-investors (including the Connected Person Acquirers) have entered into the First Subscription Agreement with Quam on 28 August 2015 to subscribe for the new Quam Shares. Pursuant to the First Subscription Agreement, the subscription price is HKD0.565 per new Quam Share. CMBC International and Co-investors (including the Connected Person Acquirers) will subscribe for 23,054,875,391 new Quam Shares with an aggregate consideration of HKD13,026,004,595.92, of which 8,867,256,637 new Quam Shares will be subscribed by CMBC International in consideration of approximately HKD5,009,999,999.91, and 14,187,618,754 new Quam Shares to be subscribed by Co-investors (including the Connected Person Acquirers) in consideration of approximately HKD8,016,004,596.01.

On the same day, the employees of CMBC International and Quam entered into the Second Subscription Agreement to subscribe for 156,000,000 new Quam Shares issued

by Quam in total with an aggregate consideration of HKD88,140,000. The subscription price is HKD0.565 per new Quam Share. Another 164,000,000 new Quam Shares will be subscribed by King Ace with an aggregate consideration of HKD92,660,000 according to the Third Subscription Agreement.

Following the completion of the First Subscription Agreement, CMBC International will make a mandatory unconditional general offer in cash for all the issued Quam Shares (other than those already acquired or agreed to be acquired by CMBC International or the parties acting in concert with it) at HKD1.38 per Quam Share. Pursuant to Rule 13.5 of the Takeovers Code, the Warrant Offer will be made for all the outstanding Warrants and the Option Offer will be made to cancel all outstanding Share Options.

Principal terms of the Offers

Subject to and upon CMBC International Completion, the Offers will be made by Somerley, on behalf of CMBC International, in accordance with the Takeovers Code on the following basis:

The Share Offer

For each Quam Share HK\$1.38 in cash

The Warrant Offer

For each Warrant with the adjusted exercise price of HK\$0.2. HK\$1.18 in cash

The Option Offer

For cancellation of each of the outstanding Share Options with exercise price at HK\$0.7623. HK\$0.6177 in cash

For cancellation of each of the outstanding Share Options with exercise price at HK\$0.8340. HK\$0.5460 in cash

On 28 August 2015, CMBC International and the Co-investors entered into a consortium agreement (including the Connected Person Acquirers) for the purposes of governing their respective rights and liabilities in connection with the Subscription and the Offers.

Under the consortium agreement, each Co-investor has undertaken to CMBC International (i) to subscribe the number of subscription shares and pay for the subscription monies set out in the First Subscription Agreement, (ii) to promptly pay for the Offer Shares, Warrants and Share Options in accordance with the its respective Subscription proportion under the First Subscription Agreement and accept the transfer of Offer Shares and Warrants in accordance with the its respective Subscription in the subscription under the First Subscription Agreement, and (iii) to reimburse CMBC International for third party cost and expenses incurred by CMBC International in connection with its due diligence, the First Subscription Agreement and the Offers (including, without limitation, fees for professional advisors, financial printers and other

intermediaries) in its proportion in the Subscription under the First Subscription Agreement.

Implication of the Listing Rules

CMBC International is a wholly-owned subsidiary of the Company.

To the best knowledge of the Board, Quam is an independent third party of the Company as of the date of this announcement.

Among all the Co-investors, New Hope Global, United Energy International, Good First International, China Alliance Properties and Mind Power are connected persons of the Company as defined under Chapter 14A of the Listing Rules.

- Each of our Directors Mr. Liu Yonghao, Mr. Zhang Hongwei, Mr. Wu Di and Mr. Guo Guangchang is entitled to exercise or procure to exercise above 30% voting rights in the general meetings of each of New Hope Global, United Energy International, Good First International and China Alliance Properties, respectively. As such, in accordance with Chapter 14A of the Listing Rules, each of New Hope Global, United Energy International, Good First International and China Alliance Properties is an associate of Mr. Liu Yonghao, Mr. Zhang Hongwei, Mr. Wu Di and Mr. Guo Guangchang, respectively, thus each constitutes a connected person of the Company.
- In addition, Anbang Group and its subsidiaries are, in aggregate, entitled to exercise more than 10% of voting power in the Company. Mind Power is a wholly-owned subsidiary of Anbang Group. As such, in accordance with Chapter 14A of the Listing Rules, Mind Power is a connected person of the Company.

Divine Unity is a wholly-owned subsidiary of Mr. Ko Po Ming, the director and chief executive director of CMBC International. As CMBC International is an insignificant subsidiary of the Company, Mr. Ko Po Ming and his associate, Divine Unity, are exempted from being treated as connected persons of the Company pursuant to Rule 14A.09 of the Listing Rules.

Moreover, each of China Shipowners Mutual Assurance Association and its subsidiary China P&I Services constitutes a related party of the Company as defined under the listing rules of the Shanghai Stock Exchange but not a connected person of the Company as defined under the Listing Rules.

In accordance with Chapter 14A of the Listing Rules, the Subscription and the General Offers contemplated under the First Subscription Agreement and the consortium agreement by and amongst CMBC International and the Connected Person Acquirers would constitute connected transactions of the Company. In accordance with the Listing Rules, as the highest applicable percentage ratio exceeds 0.1% but less than 5%, the Subscription and the General Offers are subject to the reporting and announcement

requirements of Chapter 14A of the Listing Rules but exempt from the independent shareholders' approval requirement.

To the best knowledge of the Board, among all the Co-investors, each of Tis éMedia Fund LP, Novel Well Limited, Ristora Investments Limited and Insight Multi-Strategy Funds SPC is an independent third party of the Company.

The Board announces that CMBC International, a wholly-owned subsidiary of the Company, and the Co-investors (including the Connected Person Acquirers) have entered into the First Subscription Agreement with Quam on 28 August 2015 to subscribe the new Quam Shares. Pursuant to the First Subscription Agreement, the subscription price is HKD0.565 per new Quam Share. CMBC International and the Co-investors (including the Connected Person Acquirers) will subscribe for 23,054,875,391 new Quam Shares with an aggregate consideration of HKD13,026,004,595.92, of which 8,867,256,637 new Quam Shares will be subscribed by CMBC International in consideration of approximately HKD5,009,999,999.91 and 14,187,618,754 new Quam Shares to be subscribed by the Co-investors (including the Connected Person Acquirers) in consideration of approximately HKD8,016,004,596.01.

On the same day, the employees of CMBC International and Quam entered into the Second Subscription Agreement to subscribe for 156,000,000 new Quam Shares with an aggregate consideration of HKD88,140,000. The subscription price is HKD0.565 per new Quam Share. Another 164,000,000 new Quam Shares will be subscribed by King Ace with an aggregate consideration of HKD92,660,000 according to the Third Subscription Agreement.

For detailed information of the Subscription, please refer to the announcement jointly published by Quam and CMBC International on 28 August 2015.

First Subscription Agreement

Date	28 August 2015
Parties	CMBC International, the Co-investors (including the Connected Person Acquirers) and Quam
Objective of Subscribed Shares	CMBC International and the Co-investors (including the Connected Person Acquirers) have in aggregate conditionally agreed to subscribe for 23,054,875,391 new Quam Shares, of which 8,867,256,637 new Quam Shares and 14,187,618,754 new Quam Shares are to be subscribed by CMBC International and the Co-investors (including the Connected Person Acquirers), respectively. Detailed amounts are as follows:

	Number of new Quam Shares to be subscribed	Proportion
CMBC International	8,867,256,637	38.46%
New Hope Global	2,908,584,000	12.62%
United Energy International	2,908,584,000	12.62%
Mind Power	2,908,584,000	12.62%
China P&I Services	1,450,000,000	6.29%
Good First International	707,964,000	3.07%
Tis éMedia Fund LP	700,000,000	3.03%
Novel Well Limited	700,000,000	3.03%
Insight Multi-Strategy Funds SPC for the account of Insight Phoenix Fund III SP	1,242,000,000	5.39%
Ristora Investments Limited	301,899,200	1.31%
Divine Unity	180,003,554	0.78%
China Alliance Properties	180,000,000	0.78%

Consideration and Payment The subscription price is HKD0.565 per new Quam Share (the average closing price of Quam for the last five trading days up to the date of this announcement is HKD1.26).

The consideration of approximately HK\$13,026,004,595.92 shall be payable by CMBC International and the Co-investors (including the Connected Person Acquirers) in their respective proportions at the completion of the First Subscription Agreement. CMBC International and the Co-investors (including the Connected Person Acquirers) shall settle their respective subscription consideration in cash upon the completion of the First Subscription Agreement.

Basis of Consideration The subscription price was arrived at after arm's length negotiations based on 20% discount to the average closing price for the last 30 trading days preceding the date of the MOU after taking into account the publicly available financial information of Quam for the two years ended 31 March 2014 and the six months ended 30 September 2014. After reviewing the annual report of Quam for the year ended 31 March 2015, no change in the subscription price is considered necessary among the parties.

Conditions Precedent for CMBC International Completion: CMBC International Completion is conditional upon satisfaction or waiver by CMBC International in the cases of items (v), (vi), (vii) and (viii) of the following conditions:

- (i) the passing by the shareholders of Quam in a general meeting of resolution(s) approving (a) the Subscription pursuant to the First

Subscription Agreement, the Second Subscription Agreement, the Third Subscription Agreement and the transactions contemplated thereunder; and (b) the allotment and issue of the subscription shares in accordance with the requirements of the Listing Rules, its bye-laws and as required by applicable law;

- (ii) the relevant consents and approvals being granted by the China Banking Regulatory Commission and China Securities Regulatory Commission and the relevant filing being made to the State Administration of Foreign Exchange of the PRC for the subscription under the First Subscription Agreement and the transactions contemplated thereunder and the General Offers (if necessary);
- (iii) the granting of the approval of the Securities and Futures Commission of Hong Kong for change in substantial shareholders of a licenced corporation as required by the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) in connection with the transaction contemplated therein under the CMBC International Subscription and the Co-investors Subscription under the First Subscription Agreement and the General Offers;
- (iv) listing of and permission to deal in all of the subscription shares being granted by Hong Kong Stock Exchange;
- (v) CMBC International having received a certified copy of the board resolution(s) of Quam duly approving the First Subscription Agreement and other incidental matters thereto and the issuance of shares under the First Subscription Agreement;
- (vi) Quam having complied with its obligations (including not having breached any of its warranties the result of which may have a material adverse effect on Quam and its subsidiaries) and otherwise having performed in all material respects with all of its obligations contained in the First Subscription Agreement which are required to be performed or complied with by it on or before CMBC International Completion;
- (vii) none of the Licenses having been revoked nor any governmental authority having notified Quam or its subsidiaries that they will or may be revoked; and
- (viii) the Quam Shares not having been suspended from trading on Hong Kong Stock Exchange for 14 consecutive trading days or more (save for any temporary suspension in connection with

transactions contemplated under the First Subscription Agreement or such other period as CMBC International may agree) and Quam not having been put on any list of Hong Kong Stock Exchange for delisting purposes.

CMBC International Completion is not conditional upon Co-investors Completion nor Employees Completion.

Conditions for Co-investors Completion Co-investors Completion is conditional upon the CMBC International Completion becoming unconditional. The aforementioned condition cannot be waived.

Completion of the First Subscription Agreement CMBC International Completion is expected to take place on the fifth business day after the fulfillment (or waiver as applicable) of the conditions precedent as set out in the paragraph headed “Conditions precedent for CMBC International Completion” under the section headed “First Subscription Agreement”. On CMBC International Completion (provided that the conditions precedent to the CMBC International Completion are fulfilled or waived, as applicable), CMBC International shall pay to the Company the entire subscription monies for CMBC International Subscription being approximately HK\$5,009,999,999.91. Given that CMBC International Completion is not conditional on Co-investors Completion, CMBC International Completion shall take place even if Co-investors Subscription does not proceed to, or some of the Co-investors do not proceed with, Co-investors Completion. Subject to the full payment of the subscription monies, the Quam Shares to be subscribed by CMBC International shall be issued and allotted as fully paid on the date of CMBC International Completion.

Co-investors Completion shall take place simultaneously with the CMBC International Completion. On Co-investors Completion (provided that the conditions precedent for Co-investors Completion are fulfilled), the Co-investors (including the Connected Person Acquirers) shall, in their respective proportion, pay to Quam the entire subscription monies for Co-investors Subscription being approximately HK\$8,016,004,596.01. Subject to the full payment of the subscription monies in their respective proportions, the Quam Shares to be subscribed by the Co-investors shall be issued and allotted as fully paid to the Co-investors on the date of Co-investors Completion.

Mandatory General Offer

Pursuant to Rule 26.1 of the Takeovers Code, CMBC International will be required to make an unconditional mandatory cash offer for all the issued Quam Shares (other than

those already acquired or agreed to be acquired by CMBC International or the parties acting in concert with it). Furthermore, pursuant to Rule 13.5 of the Takeovers Code, the Warrant Offer will be made for all the outstanding Warrants and the Option Offer will be made to cancel all outstanding Share Options. Please see below the principal terms of each of the Share Offer, Warrant Offer and Option Offer:

The Share Offer

For each issued Quam Share HK\$1.38 in cash

The Warrant Offer

For each Warrant with the adjusted
exercise price of HK\$0.2. HK\$1.18 in cash

The Option Offer

For cancellation of each of the outstanding
Share Options with exercise price at HK\$0.7623. HK\$0.6177 in cash

For cancellation of each of the outstanding
Share Options of Quam with exercise price at HK\$0.8340. HK\$0.5460 in cash

Following acceptance of the Share Offer, Warrant Offer and Option Offer, the outstanding Share Options together with all rights attaching thereto will be entirely cancelled and renounced. CMBC International will allocate the acquired Quam Shares and Warrants under the General Offers to Co-investors (including the Connected Person Acquirers) according to their respective subscription proportion and offer price.

Pursuant to the consortium agreement, each Co-investor has undertaken to CMBC International (i) to subscribe the number of subscription shares set out in the First Subscription Agreement, (ii) to promptly pay for the Offer Shares, Warrants and Share Options in the Agreed Proportion (as set out below) (the “**Agreed Proportion**”) and accept the transfer of Offer Shares and Warrants in its Agreed Proportion, and (iii) to reimburse CMBC International for third party cost and expenses incurred by CMBC International in connection with its due diligence, the First Subscription Agreement and the General Offers (including, without limitation, fees for professional advisors, financial printers and other intermediaries) in its Agreed Proportion.

Furthermore, the Co-investors (including the Connected Person Acquirers) have granted CMBC International the right to take all actions relating to the First Subscription Agreement and the General Offers.

Below is the Agreed Proportion for CMBC International and the Co-investors (including the Connected Person Acquirers):

CMBC International and the Co-investors	Agreed Proportion
CMBC International	38.46%
New Hope Global	12.62%
United Energy International	12.62%
Mind Power	12.62%
China P&I Services	6.29%
Good First International	3.07%
Tis éMedia Fund LP	3.03%
Novel Well Limited	3.03%
Insight Multi-Strategy Funds SPC for the account of Insight Phoenix Fund III SP	5.39%
Ristora Investments Limited	1.31%
Divine Unity	0.78%
China Alliance Properties	0.78%

In the event that any Co-investor fails to proceed with their completion, the Agreed Proportion for the remaining non-defaulting Co-investors shall be proportionately adjusted. For the avoidance of doubt, the failure of any Co-investor to proceed with Co-investors Completion shall not cause the Agreed Proportion for CMBC International to be adjusted or affected in any way.

Each of New Hope Global Holding Co., Limited, United Energy International Trading Limited, Mind Power Investments Limited has given a deed of undertaking to CMBC International to vote in CMBC International absolute discretion in any general meeting of Quam in respect of 1,246,471,140 Quam Shares held by each of them for a period of one year from the date of Completion. As a result, CMBC International will control the voting rights of about 51% of the issued Quam Shares as enlarged by the Subscription. In addition, each of New Hope Global Holding Co., Limited, United Energy International Trading Limited and Mind Power Investments Limited has agreed not to dispose of such 1,246,471,140 Quam Shares for a period of one year from the date of Completion.

Upon Completion, Quam will become a subsidiary of CMBC International and the financial results of Quam and its subsidiaries will be consolidated in the financial results of CMBC International.

In the event there will be less than 25% of Quam's entire issued ordinary share capital held by the public upon the close of General Offers, CMBC International and each Co-

investor agree to make arrangements to restore the minimum public float of Quam provided that any placing of Quam Shares by a Co-investor shall be subject to the prior written consent of such Co-investor.

Reasons and Benefits for the Subscription and General Offers

CMBC International participates in this transaction together with the Co-investors (including the Connected Person Acquirers) for the following reasons and benefits:

- (i) The Company, through CMBC International, will become the single largest shareholder of Quam;
- (ii) The subscription of Quam Shares by the Connected Person Acquirers and other independent third party Co-investors further increases the Quam's capital to enhance its market position and competitiveness. Quam will become a leading Chinese-funded investment bank in Hong Kong in terms of shareholders' equity;
- (iii) The introduction of the Connected Person Acquirers as shareholders of Quam may enhance the business cooperation between the Connected Person Acquirers and Quam; and
- (iv) The support to the long-term business development of Quam from the Connected Person Acquirers may bring synergies and facilitate the business growth of Quam, which is in the interests of the Company in the long run;

The Directors (including independent non-executive Directors) consider the terms of the transaction are entered into after arm's length negotiations by all parties, the proposed Subscription and General Offers have been entered into on normal commercial terms, are fair and reasonable and in the interest of the Company and shareholders of the Company as a whole.

Implication of the Listing Rules

CMBC International is a wholly-owned subsidiary of the Company.

To the best knowledge of the Board, Quam is an independent third party of the Company as of the date of this announcement.

Among all the Co-investors, New Hope Global, United Energy International, Good First International, China Alliance Properties and Mind Power are connected persons of the Company as defined under Chapter 14A of the Listing Rules.

- Each of our Directors Mr. Liu Yonghao, Mr. Zhang Hongwei, Mr. Wu Di and Mr. Guo Guangchang are entitled to exercise or procure to exercise above 30% voting rights in the general meetings of each New Hope Global, United Energy International, Good First International and China Alliance Properties, respectively. As such, in

accordance with Chapter 14A of the Listing Rules, each of New Hope Global, United Energy International, Good First International and China Alliance Properties is an associate of Mr. Liu Yonghao, Mr. Zhang Hongwei, Mr. Wu Di and Mr. Guo Guangchang, respectively, thus each constitutes a connected person of the Company.

- In addition, Anbang Group and its subsidiaries are, in aggregate, entitled to exercise more than 10% of voting power in the Company. Mind Power is a wholly-owned subsidiary of Anbang Group. As such, in accordance with Chapter 14A of the Listing Rules, Mind Power is a connected person of the Company.

Divine Unity is a wholly-owned subsidiary of Mr. Ko Po Ming, the director and chief executive office of CMBC International. As CMBC International is an insignificant subsidiary of the Company, Mr. Ko Po Ming and his associate, Divine Unity, are exempted from being treated as connected persons of the Company pursuant to Rule 14A.09 of the Listing Rules.

Moreover, each of China Shipowners Mutual Assurance Association and its subsidiary China P&I Services constitutes a related party of the Company as defined under the listing rules of the Shanghai Stock Exchange but not a connected person of the Company as defined under the Listing Rules.

In accordance with Chapter 14A of the Listing Rules, the Subscription and the General Offers contemplated under the consortium agreement by, amongst others, CMBC International and the Connected Person Acquirers would constitute connected transactions of the Company. In accordance with the Listing Rules, as the highest applicable percentage ratio exceeds 0.1% but is less than 5%, the Subscription and the General Offers are subject to the reporting and announcement requirements of Chapter 14A of the Listing Rules but exempt from the independent shareholders' approval requirement.

To the best knowledge of the Board, among all the Co-investors, each of Tis é Media Fund LP, Novel Well Limited, Ristora Investments Limited and Insight Multi-Strategy Funds SPC is an independent third party of the Company.

Information of 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 the PRC. The Company and its subsidiaries mainly provide corporate and personal banking, treasury business, finance leasing, asset management and other financial services in the PRC.

CMBC International is incorporated on 11 February 2015 in Hong Kong with limited liability and is a wholly-owned subsidiary of the Company. It is established for the purpose of developing the investment banking platform of the Company outside of China and its current business is investment holding prior to entering into the First Subscription Agreement.

Information of Quam

Quam is a company incorporated in Bermuda with limited liability and its shares are listed on Hong Kong Stock Exchange. It is principally engaged in dealings of securities, futures and options, securities placement and underwriting services, margin financing and money lending services, corporate finance advisory and general advisory services, fund management and wealth management services, insurance broking, website management, investment holding and securities trading.

The audited net profits before and after taxation of Quam for each of the two financial years ended 31 March 2014 and 31 March 2015 respectively are as follows:

	For the year ended 31 March 2014 (HK\$ 000)	For the year ended 31 March 2015 (HK\$ 000)
Profit before income tax	36,036	40,339
Profit attributable to the owners of Quam	31,602	36,037

Information of Co-investors

New Hope Global is principally engaged in overseas investments, mergers and acquisitions and trading of agricultural chemical products. It is beneficially owned by Mr. Liu Yonghao and his family. Mr. Liu is currently the vice chairman and non-executive director of the Company.

United Energy International is an investment holding company and is an indirect wholly-owned subsidiary of United Energy Group, a company listed on the Hong Kong Stock Exchange, which is principally engaged in the sales and production of crude oil, condensate gas and liquefied petroleum gas and provision of patented technology supporting services to oilfields. Mr. Zhang Hongwei, being the controlling shareholder and chairman of United Energy Group, is also the vice chairman and non-executive director of the Company.

Mind Power is principally engaged in investment holding and is indirectly wholly-owned by Anbang Life Insurance. Anbang Life Insurance, together with its holding company Anbang Insurance Group Co., Ltd. and the latter's subsidiaries Anbang Property & Casualty Insurance Co., Ltd. and Hexie Health Insurance Co., Ltd., is a substantial shareholder (as defined in the Listing Rules) of the Company. Mr. Yao Dafeng, the chairman of the board of directors of Anbang Life Insurance, is also a non-executive director of the Company.

China P&I Services is principally engaged in marine protection and indemnity services and is owned as to 99.99% by China Shipowners Mutual Assurance Association. China Shipowners Mutual Assurance Association is one of the leading marine protection and

indemnity mutual insurance clubs in the Asia Pacific region, offering protection and indemnity insurance cover and comprehensive professional services for ship owners and charterers. Mr. Wang Yugui, the general manager of China Shipowners Mutual Assurance Association, is also the non-executive director of the Company.

China Alliance Properties is a property development, management, and investment holding company. It is wholly-owned by Shanghai Forte Land Co., Ltd. which, in turn, is owned as to approximately 99.11% by Fosun International Limited, a company listed on the Hong Kong Stock Exchange, the principal businesses of which include integrated finance (insurance, investment, asset management and banking and other financial business) and industrial operations (health, happy lifestyle, steel, property development and sales and resources). Mr. Guo Guangchang, being the executive director and chairman of Fosun International Limited, is also a non-executive director of the Company.

Good First International is an investment holding company. Good First International is beneficially owned as to 50% by Mr. Wu Di and 50% by Ms. Huang Xi. Mr. Wu is currently the non-executive director of the Company.

Divine Unity Limited is an investment holding company.

Tis éMedia Fund LP, an independent third party of the Company, is principally engaged in investment holding and its general partner is Tis éManagement Limited.

Novel Well Limited, an independent third party of the Company, is principally engaged in investment holding.

Ristora Investments Limited, an independent third party of the Company, is principally engaged in long-term investments in securities.

Insight Phoenix Fund III SP, an independent third party of the Company, is a segregated portfolio of Insight Multi-Strategy Funds SPC, which is a segregated portfolio company established under the laws of Cayman Islands. Insight Multi-Strategy Funds SPC is principally engaged in investment holding and is managed, advised and controlled, in terms of investment decisions, by Insight Capital Management (Cayman) Limited. Insight Capital Management (Hong Kong) Limited in turn provides investment advisory and management services to Insight Capital Management (Cayman) Limited as manager of Insight Multi-Strategy Funds SPC for the assets of Insight Phoenix Fund III SP. Both Insight Capital Management (Hong Kong) Limited and Insight Capital Management (Cayman) Limited are principally engaged in asset management and advisory business.

Directors' interests in the Subscription and General Offers

New Hope Global, United Energy International, Good First International and China Alliance Properties is an associate of our Directors Mr. Liu Yonghao, Mr. Zhang Hongwei, Mr. Wu Di and Mr. Guo Guangchang, respectively. Our Director Mr. Wang Yugui was previously a director of China Shipowners Mutual Assurance Association, and

our director Mr. Yao Dafeng serves as the chairman of the board of directors of Anbang Life Insurance. As such, the above-mentioned Directors have material interests in the resolutions regarding this transaction and thus abstained from voting of such resolution.

Definitions

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

“Anbang Group”	Anbang Insurance Group Co., Ltd.
“Anbang Life Insurance”	Anbang Life Insurance Co., Ltd.
“Board” or “Board of Directors”	the Board of Directors of the Company
“China Alliance Properties”	China Alliance Properties Limited
“China P&I Services”	China P&I Services (Hong Kong) Ltd.
“CMBC International”	CMBC International Holdings Limited, a wholly-owned subsidiary of the Company
“CMBC International Completion”	Completion of the CMBC International Subscription
"CMBC International Subscription"	the subscription of 8,867,256,637 new Quam Shares by CMBC International at HKD 0.565 per Quam Share pursuant to the First Subscription Agreement
“Co-investors”	New Hope Global, United Energy International, Good First International, China Alliance Properties, China P&I Services, Divine Unity, Mind Power, Tisé Media Fund LP, Novel Well Limited, Ristora Investments Limited and Insight Multi-Strategy Funds SPC for the account of Insight Phoenix Fund III SP
“Co-investors Completion”	Completion of the Co-investors Subscription

“Co-investors Subscription”	the subscription of 14,187,618,754 new Quam Shares by the Co-investors at HKD0.565 per Quam Share pursuant to the First Subscription Agreement
“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
"Completion"	CMBC International Completion, Co-investors Completion and Employees Completion
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Connected Person Acquirers”	New Hope Global, United Energy International, Good First International, China Alliance Properties and Mind Power
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing rules
“Director(s)”	the directors of the Company
“Divine Unity”	Divine Unity Limited
“Employees Completion”	Completion of the Second Subscription Agreement and the Third Subscription Agreement
“Employees Subscription”	the subscription of 320,000,000 new Quam Shares in aggregate by the employees of CMBC International and King Ace at HKD0.565 per new Quam Share pursuant to the Second Subscription Agreement and the Third Subscription Agreement
“First Subscription Agreement”	the subscription agreement dated 28 August 2015 entered into among Quam, CMBC International and the Co-investors in relation to the CMBC International Subscription and the Co-investors Subscription

“Fosun International”	Fosun International Limited, a company listed on Hong Kong Stock Exchange (stock code: 656)
“Good First International”	Good First International Holding Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HKD / HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“King Ace”	King Ace Services Limited, and investment asset holding vehicle wholly owned by the Quam Trustee
“Licenses”	collectively (i) the type 4 license (advising on securities) and type 9 license (asset management) held by Quam Asset Management Limited; (ii) type 1 license (dealing in securities), type 2 license (dealing in futures contracts), type 4 license (advising on securities), type 6 license (advising on corporate finance) and type 9 license (asset management) held by Quam Securities Company Limited and; (iii) the type 6 license (advising on corporate finance) held by Quam Capital Limited
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mind Power”	Mind Power Investments Limited
“MOU”	the memorandum of understanding entered into between Quam and CMBC International on 27 April 2015 in respect of the possible Subscription and the General Offer, upon CMBC International Completion
“New Hope Global”	New Hope Global Holding Co., Limited

“Offer Share(s)”	the Quam Share(s) (other than those already acquired by or agreed to be acquired by CMBC International or parties acting in concert with it) which are the subject of the Share Offer
“Offers / General Offers”	the Share Offer, the Option Offer and the Warrant Offer
“Option Offer”	the possible unconditional mandatory cash offer to be made by Somerley on behalf of CMBC International to cancel the Share Options in accordance with the Takeovers Code as a result of (and subject to and upon) CMBC International Completion
“PRC” or “China”	the People’s Republic of China
“Quam”	Quam Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange of Hong Kong Limited (stock code: 952)
“Quam Share(s)”	Ordinary share(s) of Hong Kong one third of one cent each in the share capital of Quam
“Quam Trustee”	TMF Trust (HK) Limited
“RMB” or “Renminbi”	the lawful currency of the PRC
“Second Subscription Agreement”	the subscription agreement dated 28 August 2015 entered into between Quam and the employees of CMBC International to subscribe for 156,000,000 new Quam Shares in aggregate
“Share Offer”	the possible unconditional mandatory general cash offer to be made by Somerley on behalf of CMBC International to acquire all the issued Quam Shares (other than those already acquired or agreed to be acquired by CMBC International or parties acting in concert with it) in accordance with the Takeovers Code as a result of (and subject to and upon) CMBC International Completion

“Share Options”	3,994,067 outstanding share options granted pursuant to an employee share option scheme of Quam adopted on 30 September 2002 with rights to subscribe for a total of 3,994,067 Quam Shares
“Somerley”	Somerley Capital Limited, a corporation licensed under the SFO to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities, and the financial adviser to CMBC International in respect of the Offers
“Subscription”	the CMBC International Subscription, the Co-investors Subscription and the Employees Subscription
“Takeovers Code”	The Code on Takeovers and Mergers
“Third Subscription Agreement”	the subscription agreement dated 28 August 2015 entered into between Quam and King Ace to subscribe for 164,000,000 new Quam Shares
“United Energy Group”	United Energy Group Limited
“United Energy International”	United Energy International Trading Limited
“Warrants”	44,354,800 outstanding unlisted warrants issued by Quam on 4 April 2014 with rights to convert into a total of 44,354,800 Quam Shares
“Warrant Offer”	the possible unconditional mandatory cash offer to be made by Somerley on behalf of CMBC International in accordance with the Takeovers Code to acquire the Warrants (other than those already owned by or agreed to be acquired by CMBC International or parties acting in concert with it) as a result of (and subject to and upon) CMBC International Completion
“%”	percentage

By Order of the Board of Directors
CHINA MINSHENG BANKING CORP., LTD.

Hong Qi
Chairman

Beijing, PRC
28 August 2015

As at the date of this announcement, the executive directors of the Company are Mr. Hong Qi and Mr. Liang Yutang; the non-executive directors of the Company 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 of the Company are Mr. Qin Rongsheng, Mr. Wang Lihua, Mr. Han Jianmin, Mr. Cheng Hoi-chuen, Mr. Ba Shusong and Ms. You Lantian.