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招商銀行股份有限公司

CHINA MERCHANTS BANK CO., LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)

(H Share Stock Code: 03968)

NEW ISSUE

OF

**U.S.\$1,000,000,000 4.40% NON-CUMULATIVE PERPETUAL
OFFSHORE PREFERENCE SHARES
(Preference Share Stock Code: 04614)**

Joint Global Coordinators

**CMB International
Capital Limited**

HSBC

**China Merchants
Securities (HK)**

Citigroup

Joint Bookrunners and Joint Lead Managers

**CMB International
Capital Limited**

HSBC

**China Merchants
Securities (HK)**

Citigroup

Wing Lung Bank Limited

J.P. Morgan

ICBC International

BOCI Asia

Wells Fargo Securities

Pursuant to the approvals by Yin Jian Fu [2017] No. 249 issued by the China Banking Regulatory Commission (the “**CBRC**”) and Zheng Jian Xu Ke [2017] No. 1838 issued by the China Securities Regulatory Commission (the “**CSRC**”), China Merchants Bank Co., Ltd. (the “**Company**”) has entered into the subscription agreement on 19 October 2017 with the Joint Global Coordinators and the Joint Lead Managers (the “**Subscription Agreement**”) in relation to the issuance of the U.S.\$1,000,000,000 4.40% Non-Cumulative Perpetual Offshore Preference Shares (the “**Offshore Preference Shares**”). The Offshore Preference Shares have a par value of RMB100 each and will be issued fully paid in U.S. dollars so that the total issuance price of the Offshore Preference Shares will be U.S.\$20 each. The Offshore Preference Shares will be issued in registered form and issued and transferable only in minimum amounts of U.S.\$200,000 (or 10,000 Offshore Preference Shares) and integral multiples of U.S.\$1,000 (or 50 Offshore Preference Shares) in excess thereof. Please refer to the announcement of the Company dated 19 October 2017 for further details of the Subscription Agreement and the Offshore Preference Shares. Unless the context otherwise defined, the capitalised terms used herein shall have the same meanings as defined in such announcement.

An application has been made to The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) for the listing of, and permission to deal in, the Offshore Preference Shares, and such permission is expected to become effective on or about 26 October 2017. The Offshore Preference Shares are offered to professional investors only and are not suitable for retail investors. Investors should not purchase the Offshore Preference Shares in the primary or secondary markets unless they are professional investors. There are restrictions on the offer and sale of the Offshore Preference Shares in certain jurisdictions including but not limited to, the United States, the PRC, Hong Kong, Japan, Singapore, Taiwan and the United Kingdom. The Offshore Preference Shares and the H Shares issuable upon conversion of the Offshore Preference Shares have not been, and will not be, registered under the U.S. Securities Act. Accordingly, the Offshore Preference Shares and the H Shares issuable upon conversion of the Offshore Preference Shares are not allowed to be offered or sold in the United States, except in those transactions where relevant exemption has been obtained or the registration requirements of the Securities Act are not applicable. The Offshore Preference Shares will be offered outside the United States in compliance with Regulation S under the U.S. Securities Act. In addition, the Offshore Preference Shares are not intended to be sold and should not be sold to retail clients in the European Economic Area, as defined in the rules set out in the Product Intervention (Contingent Convertible Instruments and Mutual Society Shares) Instrument 2015 (as amended or replaced from time to time) other than in circumstances that do not and will not give rise to a contravention of those rules by any person.

The issuance of Offshore Preference Shares has been completed on 25 October 2017. The listing of the Offshore Preference Shares on the Hong Kong Stock Exchange is expected to become effective on 26 October 2017.

The total number of the Offshore Preference Shares to be issued is 50,000,000. Based on the CNY Central Parity Rate published by the China Foreign Exchange Trading Centre on 25 October 2017, the gross proceeds from the offering of the Offshore Preference Shares will be approximately RMB6,632.2 million. Subject to applicable laws and regulations and the approvals by the relevant regulatory authorities such as the CBRC and the CSRC, the proceeds raised from the issuance of the Offshore Preference Shares, after deduction of the expenses relating to the issuance, will be used to replenish the Company's Additional Tier 1 Capital.

By order of the Board
China Merchants Bank Co., Ltd.
Wang Liang Seng Sze Ka Mee Natalia
Joint Company Secretaries

25 October 2017

As at the date of this announcement, the executive directors of the Company are Tian Huiyu and Li Hao; the non-executive directors of the Company are Li Jianhong, Li Xiaopeng, Sun Yueying, Fu Gangfeng, Hong Xiaoyuan, Su Min, Zhang Jian and Wang Daxiong; and the independent non-executive directors of the Company are Leung Kam Chung, Antony, Wong Kwai Lam, Pan Chengwei, Pan Yingli, Zhao Jun and Wong See Hong.