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If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in China Cinda Asset Management Co., Ltd., you should at once hand this circular and the accompanying proxy form and the reply slip of the annual general meeting to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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China Cinda Asset Management Co., Ltd.

中國信達資產管理股份有限公司

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

(Stock Code: 01359 and 04607 (Preference Shares))

**WORK REPORT OF THE BOARD FOR 2018
REPORT OF THE BOARD OF SUPERVISORS FOR 2018
FINAL FINANCIAL ACCOUNT PLAN FOR 2018
PROFIT DISTRIBUTION PLAN FOR 2018
BUDGET OF INVESTMENT IN CAPITAL
EXPENDITURE FOR 2019
APPOINTMENT OF ACCOUNTING FIRMS FOR 2019
ELECTION OF DIRECTORS
ELECTION OF SUPERVISORS
GRANTING OF GENERAL MANDATE TO ISSUE ADDITIONAL
H SHARES TO THE BOARD
AND
NOTICE OF AGM FOR 2018**

Notice of convening the AGM of China Cinda Asset Management Co., Ltd. at Conference Room 1111, 11th Floor, No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing, the PRC on Tuesday, June 25, 2019 at 9:00 a.m. is set out on pages 39 to 43 of this circular.

If you wish to appoint a proxy to attend the AGM on your behalf, you are required to complete and return the accompanying proxy form in accordance with the instructions printed thereon no later than 24 hours before the time appointed for holding the AGM (i.e. no later than 9:00 a.m. on Monday, June 24, 2019, Hong Kong time) or any adjourned meeting thereof (as the case may be). If you wish to attend the AGM in person or by proxy, you are required to complete and return the accompanying reply slip in accordance with the instructions printed thereon on or before Wednesday, June 5, 2019. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or at any adjourned meeting should you so wish.

May 10, 2019

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting for 2018 of the Company to be held at Conference Room 1111, 11th Floor, No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing, the PRC on Tuesday, June 25, 2019 at 9:00 a.m.
“Articles”	the current Articles of Association of China Cinda Asset Management Co., Ltd.
“Board”	the board of directors of the Company
“Board of Supervisors”	the board of supervisors of the Company
“CBIRC”	China Banking and Insurance Regulatory Commission
“Cinda Investment”	Cinda Investment Co., Ltd.
“Cinda Real Estate”	Cinda Real Estate Co., Ltd.
“Company Law of the PRC”	the Company Law of the People’s Republic of China
“Director(s)”	director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for or credited as paid up in RMB
“H Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Jingu Trust”	China Jingu International Trust Co., Ltd.
“Latest Practicable Date”	May 8, 2019, being the latest practicable date for the purpose of ascertaining certain information contained in this circular prior to its printing

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“MOF”	Ministry of Finance of the People’s Republic of China
“(our) Company”	China Cinda Asset Management Co., Ltd., a joint stock limited company incorporated in the PRC with its H Shares listed on the Hong Kong Stock Exchange
“(our) Group”	the Company and its subsidiaries
“PRC”	the People’s Republic of China excluding, for the purpose of this circular only, Hong Kong, the Macau Special Administrative Region, the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, comprising H Shares and Domestic Shares
“Shareholder(s)”	holder(s) of the Share(s) of the Company
“Supervisor(s)”	supervisor(s) of the Company
“Yuan”	Renminbi yuan

LETTER FROM THE BOARD



China Cinda Asset Management Co., Ltd.

中國信達資產管理股份有限公司

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

(Stock Code: 01359 and 04607 (Preference Shares))

Executive Directors:

Zhang Zi'ai
Chen Xiaozhou

Non-executive Directors:

He Jieping
Xu Long
Yuan Hong
Zhang Guoqing
Liu Chong

Independent non-executive Directors:

Chang Tso Tung, Stephen
Xu Dingbo
Zhu Wuxiang
Sun Baowen

Registered address:

No. 1 Building
9 Naoshikou Street, Xicheng District
Beijing
the PRC

*Principal place of business
in Hong Kong:*

12/F
AIA Central
1 Connaught Road Central
Central, Hong Kong

May 10, 2019

To the Shareholders

Dear Sir or Madam,

**WORK REPORT OF THE BOARD FOR 2018
REPORT OF THE BOARD OF SUPERVISORS FOR 2018
FINAL FINANCIAL ACCOUNT PLAN FOR 2018
PROFIT DISTRIBUTION PLAN FOR 2018
BUDGET OF INVESTMENT IN CAPITAL
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ELECTION OF DIRECTORS
ELECTION OF SUPERVISORS
GRANTING OF GENERAL MANDATE TO ISSUE ADDITIONAL
H SHARES TO THE BOARD
AND
NOTICE OF AGM FOR 2018**

1. INTRODUCTION

The purpose of this circular is to provide you with the notice of AGM and the information on certain proposed resolutions to be considered at the AGM so that you are able to make an informed decision on whether to vote for or against those resolutions at the AGM.

LETTER FROM THE BOARD

2. MATTERS TO BE CONSIDERED AT THE AGM

Ordinary resolutions to be proposed at the AGM for the Shareholders to consider and approve include: (a) work report of the Board for 2018; (b) report of the Board of Supervisors for 2018; (c) final financial account plan for 2018; (d) profit distribution plan for 2018; (e) budget of investment in capital expenditure for 2019; (f) appointment of accounting firms for 2019; (g) election of directors; and (h) election of supervisors.

Special resolution to be proposed at the AGM for the Shareholders to consider and approve is: the proposal of granting of general mandate to issue additional H Shares to the Board.

Resolution to be proposed at the AGM for Shareholders' consideration only and not for approval is: review of the work report of the independent non-executive Directors for 2018.

Details of the matters to be considered at the AGM are set out on pages 39 to 43 in the Notice of AGM for 2018 in this circular. In order to enable you to have a better understanding of the resolutions to be proposed at the AGM and to make well-informed decisions, the Company has provided detailed information in this circular, including matters to be considered at the AGM for 2018 (see Appendix I), the work report of the Board for 2018 (see Appendix II), the report of the Board of Supervisors for 2018 (see Appendix III), biographies of candidates for Directors (see Appendix IV), biographies of candidates for Supervisors (see Appendix V), granting of general mandate to issue additional H Shares to the Board (see Appendix VI) and the work report of the independent non-executive Directors for 2018 (see Appendix VII).

3. AGM

The AGM will be held at Conference Room 1111, 11th Floor, No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing, the PRC on Tuesday, June 25, 2019 at 9:00 a.m. The notice of the AGM is set out in this circular.

In order to determine the H Shareholders who are entitled to attend the AGM, the H Shares register of members of the Company will be closed from Sunday, May 26, 2019 to Tuesday, June 25, 2019 (both days inclusive), during which period no transfer of H Shares will be effected. H Shareholders of the Company who intend to attend the AGM shall deposit the share certificates together with the transfer documents at the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, at or before 4:30 p.m. on Friday, May 24, 2019. H Shareholders whose names appear on the H Shares register of members of the Company at the close of business on Friday, May 24, 2019 are entitled to attend the AGM.

LETTER FROM THE BOARD

A proxy form and a reply slip for use at the AGM are enclosed herein and also published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk). H Shareholders who intend to attend the AGM by proxy shall complete and return the proxy form to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 24 hours before the time appointed for holding the AGM (i.e. no later than 9:00 a.m. on Monday, June 24, 2019, Hong Kong time). Completion and return of the proxy form will not preclude a Shareholder from attending the AGM and voting in person if he so wishes. H Shareholders who intend to attend the AGM in person or by proxy should complete and return the reply slip by hand, by post or by fax to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on or before Wednesday, June 5, 2019.

The voting at the AGM shall be by way of registered poll.

4. RECOMMENDATION

The Directors consider that all resolutions set out in the notice of AGM for consideration and approval by Shareholders are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all resolutions to be proposed at the AGM.

Yours faithfully,
By order of the Board
China Cinda Asset Management Co., Ltd.
Zhang Zi'ai
Chairman

I. TO CONSIDER AND APPROVE THE WORK REPORT OF THE BOARD FOR 2018

In accordance with the applicable regulatory requirements, the Articles and other relevant provisions, and based on the actual work of the Board in 2018, the Company formulated the Work Report of the Board for 2018 of China Cinda Asset Management Co., Ltd. (see Appendix II).

Such report has been considered and approved at the second meeting and the second regular meeting of the Board in 2019, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles and other relevant provisions.

II. TO CONSIDER AND APPROVE THE REPORT OF THE BOARD OF SUPERVISORS FOR 2018

In accordance with the applicable regulatory requirements, the Articles and other relevant provisions, and based on the actual work of the Board of Supervisors in 2018, the Company formulated the Report of the Board of Supervisors for 2018 of China Cinda Asset Management Co., Ltd. (see Appendix III).

Such report has been considered and approved at the second meeting and the second regular meeting of the Board of Supervisors in 2019, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles.

III. TO CONSIDER AND APPROVE THE FINAL FINANCIAL ACCOUNT PLAN FOR 2018

According to the 2018 consolidated financial statements and audit report prepared in accordance with the International Financial Reporting Standards, details of the final financial account plan of the Group for 2018 are as follows:

I. Overall results of operation

In 2018, total profit, net profit of the Group and net profit attributable to owners of parent company were 18,789 million, 11,880 million and 12,036 million, respectively. Basic earnings per share, return on average total assets, return on average net assets and capital adequacy ratio were 0.29, 0.8%, 8.3% and 16.01%, respectively.

As of the end of 2018, total assets of the Group amounted to 1,495,759 million, representing an increase of 7.85% as compared with the beginning of 2018. Of which, assets in distressed asset management segment increased by 8.43% to 643,036 million. Total liabilities of the Group were 1,317,191 million, representing an increase of 8.08% as compared with the beginning of 2018.

As of the end of 2018, total equity and equity attributable to shareholders of parent company were 178,568 million and 156,493 million, representing increases of 6.12% and 4.75%, respectively, as compared with the beginning of 2018.

The tables below set forth the major operating data:

Table 1 Major operating data (*in millions, except for percentages*)

Item	2018	2017
Total assets	1,495,759.21	1,386,937.55
Total liabilities	1,317,190.74	1,218,672.89
Equity	178,568.47	168,264.66
Equity attributable to shareholders		
of parent company	156,492.83	149,394.48
Operating income	107,026.03	120,034.63
Total profit	18,788.55	26,130.82
Net profit	11,879.91	18,757.83
Net profit attributable to owners		
of parent company	12,036.13	18,122.39
Return on average shareholders' equity	8.3%	14.7%
Return on average total assets	0.8%	1.5%
Cost-to-income ratio	30.4%	24.9%
Basic earnings per share (<i>in Yuan</i>)	0.29	0.45
Capital adequacy ratio	16.01%	16.77%

II. Major financial income and expenses

(I) Operating income

In 2018, operating income was 107,026 million, representing a decrease of 10.84% as compared with the same period last year. Of which, income from distressed debt assets measured at amortized cost was 19,308 million, representing an increase of 1,535 million as compared with income from distressed debt assets classified as receivables in the last year. Fair value changes on distressed debt assets were 11,451 million, representing an increase of 3,185 million as compared with last year. Gains or losses and investment income from fair value changes on other financial assets were 15,223 million, representing a decrease of 16,825 million as compared with last year. Other income was 61,043 million, representing a decrease of 904 million as compared with last year.

(II) Operating expenses

In 2018, operating expenses were 90,208 million, representing a decrease of 4.28% as compared with the same period last year. Of which, interest expense was 46,475 million, representing an increase of 10,564 million as compared with last year. Impairment losses on assets were 8,159 million, representing a decrease of 3,246 million as compared with last year. Other expenses were 29,427 million, representing a decrease of 10,083 million as compared with last year. Employee benefits were 6,147 million, representing a decrease of 1,264 million as compared with last year. The Group's net profit attributable to parent company was 12,036 million, representing a decrease of 33.58% as compared with last year. Using the base of total wages and salaries of 6,096 million in 2017 and calculating according to the policy of linking pay to performance at a proportion of 1:0.6, wages and salaries, bonuses, allowances and subsidies under the payable employee benefits in 2018 decreased by 1,228 million, or 20.15%, to 4,868 million as compared with last year.

Table 2 Statement of major incomes and expenses (*in millions, except for percentages*)

Items of major income and expenses	Amount	2018 Change	Growth rate	2017
Income from distressed debt assets measured at amortized cost/Income from distressed debt assets classified as receivables	19,308.31	1,535.29	8.64%	17,773.02
Fair value changes on distressed debt assets	11,451.47	3,185.10	38.53%	8,266.36
Gains or losses from fair value changes on other financial assets	15,068.93	12,486.70	483.56%	2,582.22
Investment income	154.41	(29,311.34)	(99.48%)	29,465.75
Other income	61,042.92	(904.35)	(1.46%)	61,947.28
Total income	107,026.03	(13,008.60)	(10.84%)	120,034.63
Interest expense	(46,474.97)	(10,563.89)	29.42%	(35,911.08)
Impairment losses on assets	(8,158.98)	3,245.70	(28.46%)	(11,404.68)
Employee benefits	(6,147.10)	1,264.24	(17.06%)	(7,411.34)
Other expenses	(29,426.52)	10,083.12	(25.52%)	(39,509.64)
Total expenses	(90,207.57)	4,029.16	(4.28%)	(94,236.74)
Change in net assets attributable to other holders of consolidated structured entities	(526.83)	757.92	(58.99%)	(1,284.75)
Share of results of associates	2,496.92	879.25	54.35%	1,617.67
Profit before tax	18,788.55	(7,342.27)	(28.10%)	26,130.82
Income tax expense	(6,908.64)	464.35	(6.30%)	(7,372.99)
Net profit for the year	11,879.91	(6,877.92)	(36.67%)	18,757.83
Profit attributable to:				
Shareholders of the Company	12,036.13	(6,086.26)	(33.58%)	18,122.39
Non-controlling interests	(156.22)	(791.66)	(124.59%)	635.44

(III) Financial position

As of the end of 2018, total assets amounted to 1,495,759 million, representing an increase of 108,822 million as compared with the beginning of 2018. Of which, balances of assets in the three segments including distressed asset management, financial investment and asset management, and financial services were 643,036 million, 330,003 million and 570,828 million, representing increases of 49,975 million, 28,437 million and 25,612 million as compared with the beginning of 2018, respectively.

As of the end of 2018, total equity was 178,568 million, representing an increase of 10,304 million as compared with the beginning of 2018. Of which, net assets in the three segments including distressed asset management, financial investment and asset management, and financial services were 91,129 million, 49,957 million and 39,848 million, representing increases of 2,861 million, 3,399 million and -468 million as compared with the beginning of 2018, respectively.

Table 3 Changes in total assets and net assets of the business segments (*in millions, except for percentages*)

	As of December 31,							
	2018		2017		2018		2017	
	Total assets	Percentage in total (%)	Total assets	Percentage in total (%)	Net assets	Percentage in total (%)	Net assets	Percentage in total (%)
Distressed asset management	643,036.17	43.17%	593,061.64	42.92%	91,129.19	51.04%	88,268.41	52.64%
Financial investment and asset management	330,003.35	22.15%	301,566.34	21.82%	49,956.55	27.98%	46,557.27	27.76%
Financial services	570,828.06	38.32%	545,215.74	39.46%	39,847.89	22.32%	40,315.52	24.04%
Elimination	(54,268.17)	(3.64%)	(58,056.98)	(4.20%)	(2,384.91)	(1.34%)	(7,442.33)	(4.44%)
Total amount allocatable to segments	1,489,599.40	100.00%	1,381,786.74	100.00%	178,548.71	100.00%	167,698.86	100.00%

Such resolution has been considered and approved at the second meeting and the second regular meeting of the Board in 2019, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles and other relevant provisions.

IV. TO CONSIDER AND APPROVE THE PROFIT DISTRIBUTION PLAN FOR 2018

According to the audited financial report for 2018 of the Company, the Group recorded a net profit attributable to owners of parent company of 12,036 million, and the Company recorded a net profit of 9,157 million in 2018. Proposed profit distribution plan for 2018 is as follows:

- I. In accordance with the Company Law of the PRC and the Articles, an appropriation of 916 million, or 10% of the net profit for 2018 of the Company of 9,157 million, was made to the statutory surplus reserve.
- II. Pursuant to the Administrative Measures for the Provision of Reserves of Financial Enterprises (Caijin [2012] No. 20) issued by the MOF, the balance of the general reserve shall be maintained at not less than 1.5% of the balance of the risk assets at the end of the reporting period. According to such requirement, the general reserve for 2018 amounted to 549 million.
- III. Cash dividends for 2018 of 0.95 per 10 shares (tax inclusive), totaling approximately 3,626 million, would be distributed to all Shareholders (Shareholders whose names appear in the register of shareholders at the close of business on July 4, 2019).

Such resolution has been considered and approved at the second meeting and the second regular meeting of the Board in 2019, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles and other relevant provisions.

V. TO CONSIDER AND APPROVE THE BUDGET OF INVESTMENT IN CAPITAL EXPENDITURE FOR 2019

According to the Articles and relevant provisions, the Company has drawn up the budget of investment in capital expenditure of the Company (at parent company level, the same below) for 2019. The proposed budget of investment in capital expenditure for 2019 is 145.34 million, including:

budget for daily equipment purchase of 24.57 million;

budget for information construction of 90.99 million;

budget for business office decoration and renovation of 29.78 million.

Such resolution has been considered and approved at the first meeting and the first regular meeting of the Board in 2019, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles and other relevant provisions.

VI. TO CONSIDER AND APPROVE THE APPOINTMENT OF ACCOUNTING FIRMS FOR 2019

In accordance with the requirements under the Administrative Measures of the Tendering Procedures for the Appointment of Accounting Firms by Financial Enterprises (Provisional) (Caijin [2010] No. 169) issued by the MOF and Rules for Centralized Procurement Management of the Company, the Company appointed Ernst & Young Hua Ming LLP and Ernst & Young as the onshore and offshore accounting firms for 2015 by means of invited tendering to take charge of the audit of annual financial statements, review of the interim financial statements, audit of internal control and other professional services for 2015.

In accordance with Administrative Measures of the Appointment of Accounting Firms by Financial Enterprises (Caijin [2016] No. 12) issued by the MOF, once the accounting firms have won the bid, the validity period shall not exceed five years unless otherwise specified. During the validity period of the tender, if the financial enterprise reappoints the same accounting firms, tendering is not required and the reappointment shall be subject to the company's governance process. The Company has reappointed Ernst & Young as the onshore and offshore accounting firms for three consecutive years in 2016-2018.

The Company proposed to continue the appointment of Ernst & Young Hua Ming LLP and Ernst & Young as the onshore and offshore accounting firms for 2019 to take charge of the audit of financial report, review of the interim financial report, audit of internal control and other professional services for 2019. The total audit fees will be 13.80 million (excluding audit fees of subsidiaries), which includes the audit (review) fees of financial reports of 12.20 million, and the audit fees of internal control of 1.60 million.

Such resolution has been considered and approved at the second meeting and the second regular meeting of the Board in 2019, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles and other relevant provisions.

VII. TO CONSIDER AND APPROVE THE ELECTION OF DIRECTORS

Pursuant to laws and regulations such as the Company Law of the PRC and the Articles, the term of the third session of the Board will expire in June 2019. In order to ensure on-time re-election and smooth implementation of the work of the Board, it is proposed to elect 11 candidates for Directors of the Company, including two executive Directors, five non-executive Directors and four independent non-executive Directors. Candidates are as follows:

1. Mr. Zhang Zi'ai will be re-elected as an executive Director of the Company;
2. Mr. Chen Xiaozhou will be re-elected as an executive Director of the Company;
3. Mr. He Jieping will be re-elected as a non-executive Director of the Company;
4. Mr. Xu Long will be re-elected as a non-executive Director of the Company;

5. Ms. Yuan Hong will be re-elected as a non-executive Director of the Company;
6. Mr. Zhang Guoqing will be re-elected as a non-executive Director of the Company;
7. Mr. Liu Chong will be re-elected as a non-executive Director of the Company;
8. Mr. Zhu Wuxiang will be re-elected as an independent non-executive Director of the Company;
9. Mr. Sun Baowen will be re-elected as an independent non-executive Director of the Company;
10. Mr. Lu Zhengfei will be elected as an independent non-executive Director of the Company;
11. Mr. Lin Zhiquan will be elected as an independent non-executive Director of the Company.

The above Director candidates meet the qualification requirements to serve as directors as stipulated in relevant laws, regulations and the Articles. The term of office of the above Directors is three years. The re-appointed Directors will continue to perform their duties from the date of approval by the AGM. The newly appointed Directors will begin to perform their duties upon the approval by the AGM and the approval by the CBIRC on their qualifications.

Pursuant to Rule 3.10A of the Listing Rules, the number of the independent non-executive Directors shall account for at least one-third of the members of the Board. In order to ensure that the composition of the Board complies with the regulations and special committees of the Board perform duties normally, Mr. Chang Tso Tung, Stephen and Mr. Xu Dingbo, independent non-executive Directors, will continue to perform their duties until the qualifications of new independent non-executive directors are approved by the CBIRC.

In reviewing the structure of the Board, the Nomination and Remuneration Committee of the Company considers the diversity of the Board members from many aspects, including but not limited to the age, cultural and educational background, professional experience, skills, knowledge and specific needs of the Company. The Board considers candidates in accordance with the level of talents, skills and experience required for the overall operation of the Board to maintain an appropriate balance of Board members.

In considering the candidates for the independent non-executive Directors, the Nomination and Remuneration Committee of the Company has considered the past performance of the candidates for the independent non-executive Directors, the independence confirmations provided to the Company in accordance with Rule 3.13 of the Listing Rules and their professional background, knowledge and experience. Mr. Zhu Wuxiang, Mr. Sun Baowen, Mr. Lu Zhengfei and Mr. Lin Zhiquan have extensive experience in various fields, including finance, accounting and economics. In addition, their respective education, background,

experience and practice enable them to provide valuable insights and contribute to the diversity of the Board. None of the above independent non-executive Director candidates have served as directors of seven or more listed companies, so they can give sufficient time and attention to the Company.

Please refer to Appendix IV of this circular for the biographical information of the Director candidates.

Such resolution has been considered and approved at the second meeting and the second regular meeting of the Board in 2019 and at the third meeting of the Board in 2019, respectively, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles.

VIII. TO CONSIDER AND APPROVE THE ELECTION OF SUPERVISORS

Pursuant to laws and regulations such as the Company Law of the PRC and the Articles, the term of the third session of the Board of Supervisors will expire in June 2019. In order to ensure on-time re-election and smooth implementation of the work of the Board of Supervisors, it is proposed to elect four candidates for shareholder representative Supervisor and external Supervisors of the Company, including one shareholder representative Supervisor and three external Supervisors. Candidates are as follows:

1. Mr. Gong Jiande will be re-elected as a shareholder representative Supervisor of the Company;
2. Ms. Liu Yanfen will be re-elected as an external Supervisor of the Company;
3. Mr. Zhang Zheng will be re-elected as an external Supervisor of the Company;
4. Mr. Li Chun will be re-elected as an external Supervisor of the Company.

The above Supervisor candidates meet the qualification requirements to serve as shareholder representative supervisor and external supervisors as stipulated in relevant laws, regulations and the Articles. The re-appointed Supervisors will continue to perform their duties from the date of approval by the AGM. Except for Ms. Liu Yanfen and Mr. Li Chun, the term of office of the Supervisors is three years. The term of office of Ms. Liu Yanfen and Mr. Li Chun shall be governed by the relevant provisions of Guidelines on the Corporate Governance of Commercial Banks.

Please refer to Appendix V of this circular for the biographical information of the above Supervisor candidates.

Pursuant to the Articles, employee representative Supervisors shall account for not less than one-third of the Supervisors in the Board of Supervisors and shall be elected at the employees' representative meeting or through other democratic procedures. The Company will convene an employees' representative meeting to elect employee representative Supervisors and will duly publish the announcement.

Such resolution has been considered and approved at the third meeting of the Board of Supervisors in 2019, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles.

IX. TO CONSIDER AND APPROVE THE PROPOSAL OF GRANTING OF GENERAL MANDATE TO ISSUE ADDITIONAL H SHARES TO THE BOARD

In order to further improve the capital supplementation mechanism and structure of the Company, to improve the efficiency of corporate governance, to make full use of the opportunities that favourable market conditions may bring and to timely supplement the Company's core tier 1 capital, with reference to the operating practices of H-share listed companies, the Board proposed to the AGM to grant to the Board the general mandate to issue new shares to no more than 10 external investors in an amount of no more than 20% of the Company's issued H Shares, which is 2,714 million shares, under the appropriate market window.

It is proposed that the Board shall be authorized by the AGM to issue, allot or deal with the new shares of the Company's H Shares within the authorized period in an amount of no more than 20% of the Company's issued H Shares. The Board shall be authorized to decide on specific timing of issuance, amount of single issuance, issuance method, target, use of proceeds raised, and other issues that may be related to the issuance of additional shares. The Board shall also be authorized to increase the registered capital of the Company and make corresponding amendments to the Articles when it deems appropriate to reflect the new share capital structure after issuance of shares and additional shares. The Board shall be authorized to further authorize the specific persons to deal with matters related to issuance of shares. Details of this proposal are set out in Appendix VI of this circular.

Such resolution has been considered and approved at the second meeting and the second regular meeting of the Board in 2019, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles and other relevant provisions.

X. TO REVIEW THE WORK REPORT OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS FOR 2018

In accordance with the Articles and other relevant provisions, the independent non-executive Directors of the Company are required to submit a work report to the Shareholders' general meeting on an annual basis. The work report of the independent non-executive Directors of the Company has been reviewed and finalized by each independent non-executive Director.

The above-mentioned report is hereby submitted to the AGM. The work report of the independent non-executive Directors for 2018 is set out in Appendix VII of this circular for the Shareholders to review. However, it is not subject to the approval of Shareholders.

CHINA CINDA ASSET MANAGEMENT CO., LTD.
WORK REPORT OF THE BOARD FOR 2018

In 2018, facing the severe and complicated domestic and overseas economic situation and the increasingly stringent financial regulatory environment, the Board of China Cinda Asset Management Co., Ltd. (hereinafter referred to as the “Company”) adhered to the general guidelines to achieve steady progress and established the high-quality development ideas of “professional management, efficiency first and value creation”. The Board insisted on returning to major responsibility and core business, deepened reform and innovation, explored new business models, continuously improved corporate governance and strengthened risk prevention and compliance operation to effectively improve the quality and efficiency of corporate development. All directors performed their duties diligently and made decisions conscientiously. The Board operated in a standardized manner and the decision-making process was in compliance with laws and regulations, which ensured the effective review of major issues of the Company and the effective implementation of resolutions of the Shareholders’ general meeting and the Board.

As of December 31, 2018, the consolidated total assets of the Group amounted to 1,495.759 billion, representing an increase of 7.85% as compared to the previous year; equity and net profit attributable to shareholders of the Company were 156.493 billion and 12.036 billion, representing an increase of 4.75% and a decrease of 33.58% respectively as compared to the corresponding period of the previous year; return on average shareholders’ equity (ROE) was 8.3% and return on average total assets (ROA) was 0.8%.

The work completed by the Board in 2018 was set out as follows:

I. THE BOARD GAVE FULL PLAY TO THE ROLE OF STRATEGIC LEADERSHIP AND ESTABLISHED HIGH-QUALITY DEVELOPMENT IDEAS

(I) The Board grasped the new requirements of industrial development to continuously adjust and optimize the strategy

The Board has always attached great importance to strategic management and strategic risk prevention, paid attention to the study of the country’s political and economic situation and regulatory policies, evaluated and made timely adjustments to the implementation of the strategy through field research, listening to reports from the management and expert discussions, so as to ensure the continuous improvement of the corporate strategy. In 2018, the Board completed the revision of the second five-year strategic plan of the Company according to the new situation that China’s economy has shifted from high-speed growth to high-quality development, and the future financial work direction established by the 19th National Congress of CPC and the Fifth National Financial Work Conference. Following the principle of “relative concentration, focusing on main business”, the Board appropriately adjusted the strategic positioning, strategic objectives, strategic priorities and strategic measures of the Company. The newly revised strategic plan better reflected the financial policy and regulatory orientation, and better fitted the functional positioning and development direction of asset management companies.

(II) The Board established high-quality development ideas to improve the development quality and efficiency of the Company

In order to cope with the complicated and severe internal and external situation and improve the development quality of the Company, the Board of the Company has established high-quality development ideas of “professional management, efficiency first, and value creation”. The Board adhered to prudent operation without blindly pursuing speed and scale, and focused on effective delivery to promote the development of the Company from scale and quantity to quality and efficiency. The Board took the business plan as the main focus, coordinated the allocation of various resources, improved performance appraisal, strengthened risk management and control, and promoted the implementation of strategic plan in a planned and step-by-step manner to ensure that all tasks are implemented.

II. THE BOARD ADHERED TO MAJOR RESPONSIBILITY AND CORE BUSINESS AND PRACTICED THE MISSION OF FINANCIAL ASSET MANAGEMENT COMPANIES

(I) The Board insisted on developing core business of distressed asset management, serving the real economy, and supporting supply-side structural reform

Under the guidance of the Board, firstly, the Company adhered to major responsibility and core business, exerted the professional advantages of distressed asset management, strengthened market analysis, attached importance to business innovation, paid close attention to regional event risks and liquidity risks, and expanded business centering on distressed entities and distressed assets to effectively improve the capacity to serve the real economy and promote the transformation of the Company to resource integrator and value creator. Secondly, with a focus on serving the real economy, the Company gave full play to the resource allocation function, paid attention to the opportunities in the supply-side structural reform and actively explored the scope of “extensive distressed asset” management to consolidate its industry leading edge.

(II) The Board optimized the structure of subsidiaries to enhance the Group’s synergy

Firstly, the Board guided the subsidiaries to revise their development plans according to the group strategy, and further clarified the development direction and functional orientation of the subsidiaries around the core business to strengthen the Group’s synergy. Secondly, the Board initiated the transfer of the equity of Jingu Trust partly held by the Company through public listing, and explored mixed-ownership reform of the subsidiaries to stimulate the vitality of the subsidiaries. Thirdly, the Board rationalized the equity management relationship of Cinda Real Estate, and transferred the equity of Cinda Real Estate directly held by the Company to Cinda Investment to promote the management of relevant equity.

III. THE BOARD CONTINUED TO OPTIMIZE THE CORPORATE GOVERNANCE MECHANISM TO ENSURE THE COMPLIANCE MANAGEMENT OF THE COMPANY

(I) The Board explored and practiced consolidating the leadership enhancement of the Party with the improvement of corporate governance

The Board adhered to the unity of the Party's leadership and the modern corporate governance mechanism, and actively incorporated the Party's leadership into all aspects of corporate governance. The Company strictly implemented the "Three Importance and One Greatness" decision-making mechanism, clarified the boundaries of powers and responsibilities, and rationalized the relationship between the Party organization and the Board of Directors. The Party Committee of the Company played a leading role in accordance with the responsibility and authority stipulated in the Articles, the rules of procedures of the Party Committee, and "Three Importance and One Greatness" decision-making system. All the major issues decided by the Board have been studied and discussed by the Party Committee of the Company in advance.

(II) The Board implemented risk appetite transmission and strengthened risk management

The Board adhered to the risk management concept of "active management and securing the bottom line" and continuously strengthened comprehensive risk management.

Firstly, the Board actively promoted the implementation and transmission of the risk appetite management system of the Group. In 2018, the Board considered and approved the Risk Appetite Statement of the Group (2018) of China Cinda based on internal and external environment and the actual situation of the Company, improved and optimized risk quantification indicators, improved the transmission mechanism of risk appetite, and linked risk appetite with economic capital possession and assessment to further reflect the guiding role of risk appetite on the risk management and operation management of the Group.

Secondly, the Board guided the Company to formulate the Rules of Implementation on the Working Plans for Further Rectifying of Market Chaos. The Company comprehensively carried out the rectification of market chaos, thoroughly investigated and deeply analyzed the problems found, and formulated the rectification plan. The Company regularly followed up the progress of various work, and continuously strengthened the compliance management awareness of all employees.

Thirdly, the Board took multiple measures to prevent systemic risks. Asset Preservation Department was set up to speed up the disposal of endogenous distressed assets, revitalize existing assets and improve operational efficiency; the concentration management and the risk management of key customers of the Group were incorporated into the risk monitoring and comprehensive evaluation system. The internal rating system, connected transaction management system, collateral management system and risk alert system were continuously optimized and improved to lay a solid foundation for further achieving a refined and scientific risk management.

(III) The Board continued to improve the internal control system and enhance the awareness of compliance management

In 2018, according to the regulatory requirements, and the business development and risk profile of the Company, the Board facilitated the improvement of the internal control system with an aim to promote the Company's continuous improvement of effective risk management and internal control compliance, and periodically reviewed the effectiveness of the internal control system according to the requirements of the Listing Rules of Hong Kong Stock Exchange.

Firstly, the Board carried out special audits to eliminate potential risks. Special audits were carried out around major projects of the Company, to timely prompt and warn the potential risks in project launching and management, supervise and implement rectification, and effectively prevent project risks.

Secondly, the Board actively cooperated with the National Audit Office to conduct on-site audit for the Company. Guided by the Board, all departments, subsidiaries and branches of the Company cooperated fully to ensure the smooth implementation of the audit work.

Thirdly, the Board actively facilitated the cultural construction of internal control compliance. Focusing on weak links in business management, the Board deeply analyzed the root causes of institutional mechanism, carried out system re-examination, and at the same time, revised and improved the internal control system according to external regulations and further optimized the construction of internal control system. The Board carried out compliance awareness education to solidly promote system implementation and create corporate compliance culture.

(IV) The Board standardized information disclosure to strengthen effective communication with the capital market

Firstly, the Board worked continuously to enhance the quality of information disclosure to protect the legitimate rights and interests of investors. In 2018, the Company dedicated to information disclosure in strict compliance with the true, accurate, complete, timely and fair principles. The Company also worked continuously to enhance the quality of disclosures contained in regular reports by adjusting the disclosures contained therein in accordance with the new accounting standards and ensuring the effectiveness and continuity of the disclosures

contained in the regular reports. The Company also dedicated to accurately disclose temporary announcements in a timely manner, and to actively encourage voluntary disclosure and improve transparency in information disclosure. The Company also dedicated to protect investors' right to know, improved the working mechanism for information disclosure and strengthened confidentiality of its inside information.

Secondly, the Board optimized the management of investor relations, and constantly strengthened communication with the capital market. The Board attached great importance to communication with investors and focused on the timely, compliant, fair and efficient management of investor relations. The Company conducted investor exchanges in a variety of ways, such as results announcement, non-deal roadshow, large investment forums and investment bank summits, and daily investor visits, to listen to investors' opinions and suggestions. The Company earnestly conducted two-way communication to help investors correctly understand the value of the Company, enhance investors' confidence, and further improve the recognition and brand influence of the Company in the capital market.

IV. THE BOARD STRENGTHENED ITS SELF-CONSTRUCTION TO IMPROVE THE LEVEL OF SCIENTIFIC DECISION-MAKING

(I) The Board performed its duties in accordance with laws and regulations and made scientific decisions on major issues

The Board has held various meetings in accordance with the corporate governance procedures to consider and decide on major issues of the Company and promote the implementation of important decisions. The special committees of the Board exerted their respective professional advantages, earnestly performed their duties, and effectively played the role of assisting the Board in performing duties. During the year, the Board convened two Shareholders' general meetings, at which 10 proposals were considered and approved, and one report was reviewed; convened eight Board meetings, at which 41 proposals were considered and approved, and 13 reports were reviewed; and convened 22 meetings of the special committees of the Board, at which 37 proposals (reports) were considered and approved, and 19 reports were reviewed. The Board carefully implemented relevant resolutions in accordance with the resolutions of the Shareholders' general meetings.

(II) The Board improved the evaluation mechanism for the performance of Directors and strengthened the performance appraisal of Directors

In 2018, the Board formulated and implemented the Implementation Plan of the Board for the Evaluation of the Performance of Directors in accordance with the Articles and other requirements, to improve the evaluation system of the Board for the performance appraisal of Directors, and promote the standardized management of the Board. According to the new implementation plan for the evaluation of the performance of Directors, the results of the performance evaluation of the 11 Directors in 2018 were "competent". All Directors of the Company earnestly performed their decision-making and supervisory duties, faithfully and diligently exercised their functions and powers as Directors, and participated in the

Shareholders' general meetings, the Board meetings, meetings of the special committees of the Board and other relevant meetings in strict accordance with the national policies and regulations, the Hong Kong Listing Rules, the Articles and internal rules. During the performance of duties in 2018, all Directors paid close attention to the economic situation and changes in the operating environment of the Company, comprehensively understood the Company's operating conditions, strategic planning and risk appetite, and actively offered advice and suggestions. The Directors fully understood the content of the proposal and gave full play to their professional advantages to put forward suggestions for improvement. The Directors actively expressed opinions at the meetings, to strive to promote the scientific decision-making and efficient operation of the Board, earnestly safeguard the legitimate rights and interests of shareholders and the Company, and fully support the sustainable and healthy development of the Company.

(III) The Board strengthened service guarantee and promoted the performance of Directors

The Company continued to improve the mechanism for information communication between the management and the Board. In 2018, the Company increased special Board meetings, meetings for business briefings of the Board and other forms of meetings, and regularly or irregularly reviewed reports from the management to further protect the Directors' right to know and recommend. The Company organized research and trainings for Directors to provide necessary document support and regulatory provisions for the daily performance of the Directors, and promote the Directors to fully understand the Company's business, market and industry development. The Directors actively participated in the internal and external trainings to continuously improve their ability to perform duties and facilitate the scientific decision-making and standardized operation of the Board.

In 2019, under the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Board will fully carry out the principles proposed at the 19th National Congress of CPC and the Central Economic Work Conference, adhere to the general guidelines to achieve steady progress and adhere to deepening reform and professional management in accordance with the decisions and deployment of "relative concentration, focusing on main business" by the CBIRC, so as to promote the high-quality development of the Company.

**CHINA CINDA ASSET MANAGEMENT CO., LTD.
REPORT OF THE BOARD OF SUPERVISORS FOR 2018**

In 2018, pursuant to the national laws, regulations, regulatory requirements and the requirements of the Articles, the Board of Supervisors conscientiously carried out the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and strictly implemented the regulatory requirements. By closely centering on the operation and development of the Company and targeting at promoting and supervising the Company to focus on its main business as well as transformation and development, the Board of Supervisors strengthened the effectiveness of supervision with a focus on implementing the regulatory requirements of the CBIRC, innovating the method of supervision and reinforcing risk prevention and control and mitigation to further improve the pertinence and effectiveness of supervision, thereby facilitating the sustainable and healthy development of the Company.

I. MAJOR WORK COMPLETED

Continuously enhancing the supervision of duty-performance. The Board of Supervisors has closely paid attention to the performance of the Board and the Senior Management in implementing the relevant routes, guidelines and policies, and regulatory requirements of the CPC Central Committee and the State Council, focusing on the main business, mitigating risks for the state and serving the development of the real economy. The Board of Supervisors conducted evaluations on the performance of duties by the Directors, Supervisors and Senior Management and made a report in accordance with the relevant requirements, evaluated the scientificity, rationality and effectiveness of the strategic plans of the Company, paid attention to the implementation of the remuneration system of the Company and drove the Company to improve its remuneration management system.

Thoroughly carrying out the supervision of risk internal control. The Board of Supervisors has closely paid attention to the building of a comprehensive risk management system, facilitated the Company to improve its risk governance structure and fulfilled its risk management and control responsibilities; paid attention to the mitigation of existing risk assets and the effective control of new asset risks, with a focus on compliance risk, credit risk, concentration risk and liquidity risk profile, so as to advance the improvement of the management and control mechanism of the Group and increase the effectiveness of internal control. Meanwhile, it has further rectified the chaos in the market as required by the CBIRC and issued opinions on supervision.

Conscientiously enhancing financial supervision. The Board of Supervisors has provided opinions on periodical reports and carried out supervision, paid attention to material changes affecting the truthfulness, accuracy and completeness of the financial reports, and conducted analysis and gave prompts in a timely manner. The Board of Supervisors has paid attention to capital planning and the management of capital adequacy, enhanced capital constrain to ensure that the regulatory indicators met requirements; promoted and enhanced debt financing and liquidity management, paid attention to the impacts on the liquidity of the Company arising from changes in regulatory policies to keep assets and liabilities maturity

mismatch within a reasonable range and improve the level of refined management; paid attention to the application of supervision achievements, followed up the implementation of recommendations on the investigation and research of the management of tax planning of the Company to promote the improvement of the overall management standard of tax planning of the Group.

Focusing on self-construction. Under the situation of strict supervision, the Board of Supervisors continuously improved self-construction in accordance with the focus of the regulatory authorities, conducted in-depth investigation and research, and put forward opinions and suggestions with a definite object in view by accurately grasping the key points of supervision. The Board of Supervisors organized and held supervision training seminars to promote the improvement of the governance system and mechanism building of the Board of Supervisors of the Group, and actively participated in duty performance training and enhanced working communications with industry peers to constantly improve the ability of supervisors to perform their duties.

Performing supervisory duties according to law. In accordance with the regulatory requirements and the actual work requirements, the Board of Supervisors kept improving the working system to fully cover the regulatory requirements. In 2018, the Board of Supervisors provided independent opinions on legal operation, financial reports, duty performance, internal control, use of proceeds raised and other aspects of the Company in accordance with the relevant laws and regulations. In addition, the members of the Board of Supervisors diligently performed their duties, conscientiously reviewed relevant proposals, and effectively performed their duties of supervision to actively promote the implementation of regulatory opinions.

II. INDEPENDENT OPINIONS ON RELEVANT MATTERS

Lawful operation

During the Reporting Period, the operation of the Company was in compliance with laws and regulations, and its decision-making procedures are in compliance with relevant laws, regulations and the Articles. The Board of Supervisors had no objection to the matters submitted to the Shareholders' general meeting for consideration. The Board duly implemented the resolutions approved at the Shareholders' general meetings. Directors and Senior Management duly performed their duties. The Board of Supervisors is not aware of any breach of laws, regulations and the Articles or any act detrimental to the interests of the Company by any of the Directors or Senior Management in performing their duties.

Financial reports

The financial reports for the year reflected the financial position and operating results of the Company truthfully and fairly.

Opinions on the performance evaluation of Directors and Senior Management of the Company

The results of the performance evaluation of all Directors and Senior Management for 2018 were competent.

Internal control

During the Reporting Period, the Company continued to improve its internal control and the Board of Supervisors had no objections to the evaluation opinions on internal control of the Company for 2018.

Use of proceeds raised

During the Reporting Period, the Company's use of proceeds raised from the issuance of Offshore Preference Shares and the issuance of new H shares under the general mandate granted to the Board by the 2015 annual general meeting was in compliance with the use undertaken by the Company.

APPENDIX IV BIOGRAPHIES OF CANDIDATES FOR DIRECTORS

I The detailed information of the candidates for executive Directors of the Company is as follows:

The candidates for executive Directors of the Company are all re-appointed Directors, whose biographical information is set out in the section headed “Directors, Supervisors and Senior Management” in 2018 Annual Report published by the Company on April 26, 2019. As at the Latest Practicable Date, the abovementioned biographical information has not changed.

Save as disclosed above, the candidates for executive Directors did not hold any directorship in any other public companies listed in Hong Kong or any overseas securities markets in the past three years, do not hold any other positions in the Company or any of its subsidiaries, and do not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, the candidates for executive Directors do not have any interest in the shares of the Company (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)). The candidates for executive Directors have not been subject to any punishment imposed by the China Securities Regulatory Commission or any other relevant authorities and stock exchanges.

The term of office of the candidates for executive Directors is three years from the date of approval by the 2018 AGM. Upon expiration of the term, the candidates may be re-appointed. The abovementioned candidates for executive Directors have entered into service contracts with the Company. The remuneration of the executive Directors shall follow the relevant regulations. The remuneration settlement scheme will be considered by the Nomination and Remuneration Committee of the Board and subsequently considered and approved by the Board, and will be submitted to the Shareholders’ general meeting for consideration and approval. The details of the remuneration of the executive Directors of the Company are available in the Company’s annual reports.

The candidates for executive Directors confirm that there is no other matter relating to their appointment that needs to be brought to the attention of the Shareholders of the Company, nor is there any other information that needs to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

II The detailed information of the candidates for non-executive Directors of the Company is as follows:

The candidates for non-executive Directors of the Company are all re-appointed Directors, whose biographical information is set out in the section headed “Directors, Supervisors and Senior Management” in 2018 Annual Report published by the Company on April 26, 2019. As at the Latest Practicable Date, the abovementioned biographical information has not changed.

APPENDIX IV BIOGRAPHIES OF CANDIDATES FOR DIRECTORS

Save as disclosed above, the candidates for non-executive Directors did not hold any directorship in any other public companies listed in Hong Kong or any overseas securities markets in the past three years, do not hold any other positions in the Company or any of its subsidiaries, and do not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, the candidates for non-executive Directors do not have any interest in the shares of the Company (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)). The candidates for non-executive Directors have not been subject to any punishment imposed by the China Securities Regulatory Commission or any other relevant authorities and stock exchanges.

The term of office of the abovementioned candidates for non-executive Directors is three years from the date of approval by the 2018 AGM. Upon expiration of the term, the candidates may be re-appointed. The abovementioned candidates for non-executive Directors have entered into service contracts with the Company, but have not received any remuneration from the Company.

The candidates for non-executive Directors confirm that there is no other matter relating to their appointment that needs to be brought to the attention of the Shareholders of the Company, nor is there any other information that needs to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

III The detailed information of the candidates for independent non-executive Directors of the Company is as follows:

Mr. Lu Zhengfei, born in 1963, is currently a Professor of Accounting and Doctoral Supervisor of Guanghua School of Management, Peking University, the Director of the Research Center for Financial Analysis and Financial Investment of Peking University, an Executive Director and concurrently the Deputy Director of the Professional Committee for Financial Management of the Chinese Accounting Association, a member of the Editorial Committees of *Accounting Research and Auditing Research*. He was elected into the “Accountant Specialist Training Project” (first batch) of the Ministry of Finance in 2013, and as a Cheung Kong Scholars Chair Professor of the Ministry of Education in 2014. From 1994 to 1999, Mr. Lu served as the head of the Accounting Department of the Business School of Nanjing University. From 2001 to 2015, he successively served as the head of the Accounting Department and vice president of Guanghua School of Management, Peking University. Mr. Lu is currently an independent director of Bank of China Limited, independent non-executive director of Sino Biopharmaceutical Limited, and independent supervisor of PICC Property and Casualty Company Limited. Mr. Lu previously served as the independent non-executive director of Sinotrans Limited and China National Materials Company Limited. Mr. Lu graduated from the Accounting Department of Renmin University of China in 1988 with a master’s degree in Economics and graduated from the Business School of Nanjing University in 1996 with a doctor’s degree in Economics.

APPENDIX IV BIOGRAPHIES OF CANDIDATES FOR DIRECTORS

Mr. Lin Zhiquan, born in 1953, is currently an independent non-executive director of China Pacific Insurance (Group) Co., Ltd. (a company listed on the Hong Kong Stock Exchange, stock code: 02601) and an independent non-executive director of Luks Group (Vietnam Holdings) Co., Ltd. (a company listed on the Hong Kong Stock Exchange, stock code: 00366). Mr. Lin once served as a senior consultant and partner of Ernst & Young and an independent director of Leo Paper Group (Hong Kong) Limited. Mr. Lin received a Higher Diploma in Accounting from the Hong Kong Polytechnic College (now the Hong Kong Polytechnic University) in 1977. He is a member of the Hong Kong Institute of Certified Public Accountants and a senior member of the Association of Chartered Certified Accountants.

Except for Mr. Lu Zhengfei and Mr. Lin Zhiquan, other candidates for independent non-executive Directors of the Company are all re-appointed Directors, whose biographical information is set out in the section headed “Directors, Supervisors and Senior Management” in 2018 Annual Report published by the Company on April 26, 2019. As at the Latest Practicable Date, the abovementioned biographical information has not changed.

Save as disclosed above, the candidates for independent non-executive Directors did not hold any directorship in any other public companies listed in Hong Kong or any overseas securities markets in the past three years, do not hold any other positions in the Company or any of its subsidiaries, and do not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, the candidates for independent non-executive Directors do not have any interest in the shares of the Company (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)). The candidates for independent non-executive Directors have not been subject to any punishment imposed by the China Securities Regulatory Commission or any other relevant authorities and stock exchanges.

Except for Mr. Lu Zhengfei and Mr. Lin Zhiquan, the term of office of the candidates for independent non-executive Directors is three years from the date of approval by the AGM. Upon expiration of the term, the candidates may be re-appointed. The term of office of Mr. Lu Zhengfei and Mr. Lin Zhiquan is three years from the date of approval by the AGM and the approval by the CBIRC on their qualifications. Upon expiration of the term, Mr. Lu and Mr. Lin may be re-appointed. The candidates for the re-appointed independent non-executive Directors have entered into service contracts with the Company, and Mr. Lu Zhengfei and Mr. Lin Zhiquan will enter into service contracts with the Company upon the approval by the CBIRC on their qualifications. The allowance of the independent non-executive Directors shall follow the relevant regulations. The remuneration settlement scheme will be considered by the Nomination and Remuneration Committee of the Board and subsequently considered and approved by the Board, and will be submitted to the Shareholders’ general meeting for consideration and approval. The details of the allowance of the independent non-executive Directors of the Company are available in the Company’s annual reports.

The candidates for independent non-executive Directors confirm that there is no other matter relating to their appointment that needs to be brought to the attention of the Shareholders of the Company, nor is there any other information that needs to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

The detailed information of shareholder representative Supervisor and external Supervisors is as follows:

The candidates for shareholder representative Supervisor and external Supervisors of the Company are all re-appointed Supervisors, whose biographical information is set out in the section headed “Directors, Supervisors and Senior Management” in 2018 Annual Report published by the Company on April 26, 2019. As at the Latest Practicable Date, the abovementioned biographical information has not changed.

Save as disclosed above, the Supervisor candidates did not hold any directorship in any other public companies listed in Hong Kong or any overseas securities markets in the past three years, do not hold any other positions in the Company or any of its subsidiaries, and do not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, the Supervisor candidates do not have any interest in the shares of the Company (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)). The Supervisor candidates have not been subject to any punishment imposed by the China Securities Regulatory Commission or any other relevant authorities and stock exchanges.

Except for Ms. Liu Yanfen and Mr. Li Chun, the term of office of the Supervisor candidates is three years from the date of approval by the AGM. Upon expiration of the term, the candidates may be re-appointed. The term of office of Ms. Liu Yanfen and Mr. Li Chun shall be governed by the relevant provisions of Guidelines on the Corporate Governance of Commercial Banks. The Supervisor candidates have entered into service contracts with the Company. The remuneration of the Supervisors shall follow the relevant regulations. The Supervisor remuneration settlement scheme will be submitted to the Shareholders’ general meeting of the Company for consideration, approval and implementation after being considered according to relevant procedures. The details of the remuneration of the Supervisors of the Company are available in the Company’s annual reports.

The Supervisor candidates confirm that there is no other matter relating to their appointment that needs to be brought to the attention of the Shareholders of the Company, nor is there any other information that needs to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

**GRANTING OF GENERAL MANDATE TO ISSUE
ADDITIONAL H SHARES TO THE BOARD**

In order to meet the long-term development needs of the Company, and to enhance the efficiency of relevant corporate governance processes, so that the Company may make full use of the opportunities that favorable market conditions may bring to supplement the core tier 1 capital of the Company, with reference to the operating practices of H-share listed companies, the Board hereby proposes to the AGM to grant the Board a general mandate to issue ordinary shares in an amount of no more than 20% of issued H shares of the Company, and to authorized the Board to make corresponding amendments to the Articles so as to reflect the capital structure after the completion of the issuance. The above mandate allowed the Board to issue new shares to no more than 10 external investors under the appropriate market window, so as to supplement core tier 1 capital of the Company.

Particulars of the general mandate are set out as follows:

- (I) To authorize the Board to issue additional overseas listed foreign shares (“H Shares”) (additional H shares referred to as “New Shares”) after taking into account the market conditions and the Company’s needs, in an amount of no more than 20% of the issued H Shares of the Company as at the date of passing of this general mandate resolution at the AGM for 2018 of the Company.
- (II) Particulars of the mandate include but are not limited to:
 - 1. To authorize the Board to individually or simultaneously allot, issue and dispose of New Shares in accordance with the Company Law of the PRC and the regulatory requirements of the jurisdictions in which the Shares of the Company are listed based on the market conditions and the needs of the Company, after obtaining the approval of the China Securities Regulatory Commission and other relevant PRC government departments. The number of the New Shares to be allotted and issued (whether pursuant to a share option or otherwise) shall not exceed 20% of the total issued H Shares of the Company as at the date of passing of this resolution.
 - 2. To authorize the Board to exercise all the powers of the Company, to determine the terms and conditions for the allotment and issuance of the New Shares, which include the following:
 - (1) the class and number of the New Shares to be allotted and (or) issued;
 - (2) issuance method;
 - (3) the target of the issuance and the use of proceeds raised;

- (4) pricing method and (or) the issue price (including the price range and the final price) of the New Shares;
 - (5) the commencing and closing dates of the issuance;
 - (6) the class and number of the New Shares to be issued to existing Shareholders; and
 - (7) the making or granting of offers for sale, agreements and options which may require the exercise of such powers.
3. To authorize the Board to execute all necessary documents, to complete the necessary formalities and to take other necessary actions in order to complete the allotment, issuance and listing of the New Shares, provided that there is no violation of the relevant laws, administrative regulations, the regulatory requirements of the jurisdictions in which the Shares of the Company are listed and the Articles, including but not limited to:
- (1) to consider, approve and execute, on behalf of the Company, the agreements in relation to the issuance, including but not limited to the placing underwriting agreement and engagement agreement of intermediaries;
 - (2) to consider, approve and execute, on behalf of the Company, legal documents in relation to the issuance which shall be submitted to the relevant regulatory authorities, and to fulfill the relevant approval processes according to the requirements of the regulatory authorities and the jurisdictions in which the Shares of the Company are listed;
 - (3) to amend the relevant agreements and legal documents mentioned in (1) and (2) above in accordance with the requirements of domestic and overseas regulatory authorities;
 - (4) to decide on the affixing of the Company's seal on the agreements and legal documents in relation to the issuance;
 - (5) to engage intermediaries related to the issuance, to approve and execute all necessary, appropriate, desirable or relevant acts, deeds, documents and other related matters.
4. Subject to the approval of the relevant PRC authorities and in accordance with the Company Law of the PRC, to authorize the Board to increase the registered capital of the Company to the required amount pursuant to the share issuance method, class and number and the actual condition of the Company's

shareholding structure upon the completion of issuance, and take any other required actions and procedures to handle changes in registered capital (including, but not limited to, obtaining approval from relevant regulatory authorities and filing procedures for industrial and commercial registration, etc.).

5. Upon the completion of the allotment and issuance of new shares, to authorize the Board to make amendments to the Articles as appropriate and necessary pursuant to the share issuance method, class and number and the actual condition of the Company's shareholding structure upon the completion of issuance, in order to reflect the changes in the share capital structure, the registered capital and any other changes of the Company caused by this authorization, and take any other required actions and fulfil the required procedures (including, but not limited to, obtaining approval from relevant regulatory authorities and fulfilling procedures for industrial and commercial registration, etc.).

The Board may further authorize the specific authorized persons to deal with the relevant issuance matters.

(III) The general mandate shall come into force as of the date of passing of this resolution at the AGM for 2018 of the Company and shall continue in force until the earlier of the following two dates:

1. the expiration of the 12-month period following the passing of this resolution at the AGM for 2018 of the Company; or
2. the date on which the authorization granted under this resolution is revoked or amended by a special resolution of the Shareholders of the Company in the Shareholders' general meeting.

(IV) For avoidance of doubts, the shares, stocks, and securities mentioned in this resolution shall refer to ordinary shares and stocks, excluding preference shares.

**CHINA CINDA ASSET MANAGEMENT CO., LTD.
WORK REPORT OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS
FOR 2018**

In 2018, the independent non-executive Directors of China Cinda Asset Management Co., Ltd. (hereinafter referred to as the “Company”) strictly complied with the relevant provisions of domestic and foreign laws and regulations, such as the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Measures for the Supervision of Financial Asset Management Companies, the Corporate Governance Code of the Hong Kong Stock Exchange, the Articles of Association of China Cinda Asset Management Co., Ltd. (hereinafter referred to as the “Articles”), and working rules for independent Directors of the Company, as well as the inherent requirements of good corporate governance for independent directors, performed their duties faithfully and diligently in accordance with the law, actively participated in various work affairs of the Board and its special committees, and fully exerted their independence and professionalism, striving to promote the scientific decision-making and efficient operation of the Board, and earnestly safeguard the legitimate rights and interests of Shareholders and the Company. The performance is reported as follows:

I. INFORMATION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

From January 1, 2018 to December 31, 2018, there were four independent non-executive Directors of the Company, namely Mr. Chang Tso Tung, Stephen, Mr. Xu Dingbo, Mr. Zhu Wuxiang, and Mr. Sun Baowen. The number of independent non-executive Directors accounted for over one-third of the members of the Board, which complied with the Articles, the procedural rules of Board meetings and relevant regulatory requirements. The three special committees of the Board, namely the Audit Committee, the Nomination and Remuneration Committee and the Connected Transaction Control Committee all have independent non-executive Directors as chairmen. Among them, the chairman of the Audit Committee was Mr. Xu Dingbo, the chairman of the Nomination and Remuneration committee was Mr. Sun Baowen, and the chairman of the Connected Transaction Control Committee was Mr. Zhu Wuxiang.

(I) Biographies of independent non-executive Directors

Please refer to the 2018 Annual Report of the Company for the biographies of independent non-executive Directors.

(II) Independence of independent non-executive Directors

The qualification, number and proportion of the independent non-executive Directors of the Company have complied with the requirements of regulatory authorities. The independent non-executive Directors do not have any business or financial interest in the Company and its subsidiaries and do not hold any management position in the Company. The Company has received annual confirmation letters from each of the independent non-executive Directors to confirm their independence and consider them to be independent.

II. ANNUAL PERFORMANCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

(I) Attendance of meetings and relevant resolutions

In 2018, the Company held two general meetings, eight Board meetings and 22 meetings of special committees of the Board. The independent non-executive Directors of the Company fully relied on their rich experience in practice, gave full play to their professional expertise, and actively participated in the research, discussion and decision-making of relevant matters for review. They conducted sufficient studies and communications before the meeting, carefully reviewed the meeting documents, exercised voting rights in an independent, prudent and cautious manner, provided professional opinions to facilitate the Board's scientific decision making in strategic management, corporate governance and risk control, expressed independent opinions on significant matters such as profit distribution plan, nomination of director candidates and appointment of senior management and had no objection to the resolutions of the Board and its special committees.

The attendance of independent non-executive Directors of the Company at Shareholders' general meetings, and meetings of the Board and its special committees during the reporting period is as follows:

Independent non-executive Directors	Number of meetings attended/required to attend						
	Shareholders'		Meetings of special committees under the Board				
	general meetings	Board meetings					Connected transaction control committee
			Strategic development committee	Audit committee	Risk management committee	Nomination and remuneration committee	
Chang Tso Tung, Stephen	2/2	8/8	3/3	5/5			
Xu Dingbo	2/2	8/8		5/5	6/6		2/2
Zhu Wuxiang	0/2	6/8				4/6	2/2
Sun Baowen	2/2	8/8	3/3	5/5		6/6	

Notes:

- (1) "Number of meetings attended" includes attendance at the scene, participation in the conference by telephone, and video.
- (2) During the reporting period, the directors of the Company who were unable to attend the meetings of the Board and the special committees had entrusted other directors to attend and vote on their behalf.

(II) Operation of the Board and its special committees

1. **The Board.** In 2018, the Company convened eight Board meetings to consider and approve 41 resolutions and review 13 reports. The resolutions which were approved by the Board included 14 resolutions on operation and management matters, one resolution on major transaction, four resolutions on work reports, six resolutions on nomination of candidates for directors, three resolutions on remuneration and insurance and 13 other resolutions. The resolutions involve numerous aspects of the Company's strategic management, operation and management and revision of the system and its significant projects.
2. **Special committees of the Board**

The operation of special committees of the Board in 2018 was as follows:

The Strategic Development Committee convened three meetings to consider ten resolutions, mainly including the 2018 consolidated operation plan for the Group, the 2018 fixed asset investment budget, the 2017 final financial account plan, the granting of general mandate to issue additional H Shares to the Board, the revision of the Strategic Development Plan Outline of the Company (2018-2020) and the Plan for Transferring by the Company of Partial Equities of Jingu Trust and debriefed the 2017 corporate governance report.

The Audit Committee convened five meetings to consider eight resolutions including the 2018 internal audit work plan of the Company, the 2017 annual report (the 2017 annual results announcement), the internal control evaluation report for 2017, the risk management report for 2017, the appointment of accounting firms for 2018, the interim report (interim results announcement) for 2018 and the plan for internal control evaluation for 2018, and reviewed six reports from auditors, including the report on management suggestions of the Company for 2017, review report on the 2018 interim financial statements of the Company and report on the audit plan for the 2018 financial statements.

The Risk Management Committee convened six meetings to consider and debrief 12 reports, mainly including risk appetite statement of the Group (2018), revision of comprehensive risk management regulations of the Company, revision of compliance management regulations of the Company, the internal control evaluation report of the Company for 2017 and the risk management report of the Company for 2017, and debriefed report on the phased work of deepened rectification of market chaos and the quarterly risk management reports. The Risk Management Committee of the Board looked into and evaluated the effectiveness of the operation of the Company's risk management and internal control system through measures such as debriefing the risk management reports and internal control evaluation reports, assisting the management in identifying the risk appetite of the Company in accordance with the strategic development target of the Company, participating in work meetings on the Company's system risk management, and investigation and research on site.

The Nomination and Remuneration Committee convened six meetings to consider 11 resolutions, including the nomination of candidates for the Directors of the Company to the Board, the nomination of members of the special committee of the Board, the renewal of liability insurance for Directors, Supervisors and Senior Management, the Implementation Plan of the Board for the Evaluation of the Duty Performance of Directors, the remuneration settlement scheme of Directors and Senior Management for 2017, and reviewed reports on the structure and composition of the Company's Board, the performance of Directors and the independence of independent Directors.

The Connected Transaction Control Committee convened two meetings to consider and debrief five resolutions, mainly including the identification of connected persons of the Company and the 2017 connected transaction management report of the Company, and debriefed the Company's intra-group transaction management report for 2017, the connected transaction management report for the first half of 2018, and the intra-group transaction management report for the first half of 2018.

(III) Cooperation between the Company and independent non-executive Directors in work implementation

In order to ensure the effective performance of duties by independent non-executive Directors, the Company has provided all the necessary conditions for their performance of duties. The Board, senior management and relevant staff members have given active and effective cooperation and support during the performance of duties by independent non-executive Directors. The Company continued to improve the daily information services for independent Directors, including timely offer of comprehensive information covering business operation and financial data, risk management and internal control, information disclosure, governance system of the Company and supervisory regulations through flexible and diverse communication channels, especially the implementation of the system of quarterly business situation briefing for directors in this year, and the organization of research and training activities for Directors including independent Directors, which ensured that the independent Directors enjoyed the same right to know as other Directors, enhanced the information communication between independent Directors and senior management, and effectively improved the quality and efficiency of the review of resolutions by the Board and various special committees.

**III. KEY CONCERNS ON THE PERFORMANCE OF DUTIES OF THE
INDEPENDENT NON-EXECUTIVE DIRECTORS FOR THE YEAR**

The independent non-executive Directors of the Company attached great importance to multiple key tasks including the management of corporate strategies, integration of the Group's strategic resources, qualification and remuneration of the Directors and senior management, control of connected transactions, information disclosure, implementation of internal control

and appointment of accounting firms. They made clear judgment on relevant key matters in accordance with laws and regulations and provided the Company with independent and objective opinions and suggestions.

(I) Overview on the Strategic Management of the Company

In 2018, the Company revised the strategic development plan outline of the Company and formulated the Strategic Development Plan Outline of the Company (2018-2020) (revision) according to the objective changes in internal and external business environment and the requirements of regulatory orientation. The independent non-executive Directors of the Company participated in the special research, seminars with non-executive Directors and meetings of Strategic Development Committee of the Board to look into the implementation of the Company's strategic planning and discuss key and difficult issues in depth. They have put forward many valuable opinions and suggestions regarding strategic adjustment under the new circumstances, guided the Company to actively adapt to the regulatory situation, adjust business strategies and business layout, and improve asset quality, and suggested that the Company should be relatively concentrated and focus on its principal operations. The business philosophy has changed from emphasizing quantity and scale to emphasizing quality and benefit, the cornerstone for the principal operations of distressed asset management was further consolidated, and the synergy of the Group and the core competitiveness of the Company were enhanced.

(II) Integration of strategic resources of the Group

In 2018, the Company strategically integrated the subsidiaries, and internally transferred the equity in Cinda Real Estate directly held by the Company to Cinda Investment, and externally transferred part of the equity in Jingu Trust through listing. Independent non-executive Directors formed independent and professional judgments on relevant matters according to the actual situation of the Company, and emphasized that integration of subsidiaries was of great significance for the Group to adapt to new changes in environment, highlight professional advantages, strengthen the Group's synergy, and improve risk resistance. The independent non-executive Directors agreed to the resolutions of relevant matters.

(III) Qualification and remuneration of the Directors and senior management

During the reporting period, there were certain changes to the composition of the member of the Board and senior management of the Company. The independent non-executive Directors made careful assessment on the composition of the Board and senior management and conducted preliminary review on the qualifications of the candidates for Directors and senior management in strict compliance with the laws and regulations and the requirements of the Articles, and submitted it to the Board for

consideration. The independent non-executive Directors also earnestly considered the annual remuneration settlement scheme for senior management and submitted the same to the Board for consideration based on the annual performance evaluation results of the Company.

(IV) Connected transactions

The independent non-executive Directors regularly reviewed the matters concerning confirmation of connected parties of the Company according to relevant laws, regulations and regulatory requirements and reviewed annual connected transaction management reports of the Company, providing opinions and recommendations on daily management of connected parties and connected transactions, which ensured that connected transactions were conducted in accordance with laws and regulations and to practically protect the interests of minority Shareholders.

(V) Implementation of information disclosure

In 2018, independent non-executive Directors supervised the Company's adaptation to the conversion of financial accounting standards, prepared financial statements in accordance with the law, and conducted information disclosure in compliance with the regulations. The independent non-executive Directors duly reviewed the annual report and interim report, with the focus on the truthfulness, accuracy and completeness of the reports, so as to ensure that there was no false information, misleading statements or material omission. The independent non-executive Directors continued to attach great importance to information disclosure of the Company, promoting a lawful disclosure of regular reports and interim announcements according to the regulatory requirements. Management of insiders with inside information was also enhanced, which ensured the fairness of information disclosure and maintenance of Shareholders' legitimate rights and interests.

(VI) Risk management and implementation of internal control

In 2018, the Board and independent Directors attached great importance to the work related to risk management and deepened rectification of market chaos, and supervised the Company's tight deployment of inspection activities to deepen the rectification of market chaos to strengthen risk management and internal control management, and strictly control compliance risks. The independent non-executive Directors studied risk management reports, internal control evaluation report, and management recommendations from external auditors of the Company on a regular basis. Through internal control evaluation, the independent non-executive Directors approve the effectiveness of the Company's risk management and internal control, and are of the view that the Company has no major defects in internal control of financial reports and no major defects identified in internal control of non-financial reports.

(VII) Appointment of accounting firms

In 2018, the Company appointed Ernst & Young Hua Ming LLP and Ernst & Young as the onshore and offshore auditors for 2018, respectively, responsible for the audit of annual financial reports, review of the interim financial reports, audit of internal control and other professional services of the Company. The independent non-executive Directors considered that the domestic and international accounting firms engaged by the Company were independent, objective and fair in the auditing and completed all work assigned by the Company.

(VIII) Cash dividend and other returns to investors

The formulation and implementation of policy of cash dividend of the Company complied with the requirements of the Articles and the resolutions passed at the Shareholders' general meeting. The standards and proportion of dividends were clear and definite and the procedures and mechanism of decision-making were complete, which met the need of sustainable development of the Company and were considered and approved by the independent non-executive Directors.

IV. GENERAL EVALUATION

In 2018, the independent non-executive Directors of the Company performed their duties diligently, and paid close attention to the Company's strategic management, integration of group resources, risk management and control and other major reform, development and operation management matters. They gave full play to their expertise in providing independent and objective opinions, actively fulfilling various responsibilities and earnestly safeguarding the legitimate rights and interests of the Company and all Shareholders.

In 2019, the independent non-executive Directors of the Company will continue to comply with the laws and regulations, the Articles and the inherent requirements of good corporate governance for independent directors, focus on the work related to the Board and perform the duties of independent Directors carefully, diligently, and in good faith. This will promote the continuous improvement of the Board's scientific decision-making quality and corporate governance standards, safeguard the legitimate rights and interests of the Shareholders of the Company, and make contribution to the sustainable development of the Company.

Independent Non-executive Directors:

Chang Tso Tung, Stephen, Xu Dingbo, Zhu Wuxiang, Sun Baowen

March 2019

NOTICE OF AGM FOR 2018



China Cinda Asset Management Co., Ltd.

中國信達資產管理股份有限公司

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

(Stock Code: 01359 and 04607 (Preference Shares))

NOTICE OF AGM FOR 2018

NOTICE IS HEREBY GIVEN that the annual general meeting of China Cinda Asset Management Co., Ltd. (the “**Company**”) for 2018 (the “**AGM**”) will be held at Conference Room 1111, 11th Floor, No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing, the PRC at 9:00 a.m. on Tuesday, June 25, 2019 for the purpose of considering and, if thought fit, passing the following resolutions:

Ordinary Resolutions

1. To consider and approve the work report of the Board for 2018
2. To consider and approve the report of the Board of Supervisors for 2018
3. To consider and approve the final financial account plan for 2018
4. To consider and approve the profit distribution plan for 2018
5. To consider and approve the budget of investment in capital expenditure for 2019
6. To consider and approve the appointment of accounting firms for 2019
7. To consider and approve item by item the election of Directors of the Company
 - 7.1 Mr. Zhang Zi'ai will be re-elected as an executive Director of the Company;
 - 7.2 Mr. Chen Xiaozhou will be re-elected as an executive Director of the Company;
 - 7.3 Mr. He Jieping will be re-elected as a non-executive Director of the Company;
 - 7.4 Mr. Xu Long will be re-elected as a non-executive Director of the Company;
 - 7.5 Ms. Yuan Hong will be re-elected as a non-executive Director of the Company;

NOTICE OF AGM FOR 2018

- 7.6 Mr. Zhang Guoqing will be re-elected as a non-executive Director of the Company;
- 7.7 Mr. Liu Chong will be re-elected as a non-executive Director of the Company;
- 7.8 Mr. Zhu Wuxiang will be re-elected as an independent non-executive Director of the Company;
- 7.9 Mr. Sun Baowen will be re-elected as an independent non-executive Director of the Company;
- 7.10 Mr. Lu Zhengfei will be elected as an independent non-executive Director of the Company;
- 7.11 Mr. Lin Zhiquan will be elected as an independent non-executive Director of the Company;
- 8. To consider and approve item by item the election of Supervisors of the Company
 - 8.1 Mr. Gong Jiande will be re-elected as a shareholder representative Supervisor of the Company;
 - 8.2 Ms. Liu Yanfen will be re-elected as an external Supervisor of the Company;
 - 8.3 Mr. Zhang Zheng will be re-elected as an external Supervisor of the Company;
 - 8.4 Mr. Li Chun will be re-elected as an external Supervisor of the Company;

Special Resolution

- 9. To consider and approve the granting of general mandate to issue additional H Shares to the Board

As Reporting Document

- 1. To review the work report of the independent non-executive Directors for 2018

NOTICE OF AGM FOR 2018

Notice of Closure of Register of Members

The register of holders of H Shares of the Company will be closed from Sunday, May 26, 2019 to Tuesday, June 25, 2019 (both days inclusive), during which period no transfer of H Shares will be registered. Any holder of H Shares of the Company who wishes to attend the AGM shall deposit the share certificates together with the transfer documents at the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited at or before 4:30 p.m. on Friday, May 24, 2019, Hong Kong time. Shareholders whose names appear on the H Share register of members of the Company at the close of business on Friday, May 24, 2019, Hong Kong time will be entitled to attend the AGM.

The address of the H Share Registrar of the Company:

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

Details of the above resolutions are set out in the circular for AGM for 2018 of the Company dated May 10, 2019. Unless otherwise stated, terms defined in the circular shall have the same meanings in this notice.

By order of the Board
China Cinda Asset Management Co., Ltd.
Zhang Zi'ai
Chairman

Beijing, the PRC
May 10, 2019

NOTICE OF AGM FOR 2018

Notes:

1. The register of members of the Company will be closed from Sunday, May 26, 2019 to Tuesday, June 25, 2019 (both days inclusive). Holders of H Shares and domestic shares whose names appear on the register of members of the Company at the close of business on Friday, May 24, 2019, Hong Kong time shall be entitled to attend and vote at the AGM. Holders of H Shares of the Company who wish to attend and vote at the AGM shall lodge all transfer documents accompanied by the relevant share certificates with the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, May 24, 2019, Hong Kong time.
2. The register of members of the Company will be closed from Saturday, June 29, 2019 to Thursday, July 4, 2019 (both days inclusive). Holders of H Shares and domestic shares whose names appear on the register of members of the Company at the close of business on Thursday, July 4, 2019, Hong Kong time shall be entitled to receive cash dividend of RMB0.95 (tax inclusive) per 10 shares for 2018 subject to the approval of the Shareholders at the AGM. Dividend for H Shares will be paid in Hong Kong dollars, the actual amount of which shall be calculated on the basis of the average benchmark exchange rate between RMB and Hong Kong dollars as announced by the People's Bank of China in one week prior to the date of the AGM (including the date of the AGM). Holders of H Shares of the Company who wish to receive the cash dividend for 2018 shall lodge all transfer documents accompanied by the relevant share certificates with the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, June 28, 2019, Hong Kong time. The last trading day for H Shares of the Company before ex-dividend will be Wednesday, June 26, 2019, and the ex-dividend shall start from Thursday, June 27, 2019.

Withholding and Payment of Enterprise Income Tax (also referred to as “withholding tax” hereinafter) for Foreign Nonresident Enterprise Shareholders

Pursuant to the Enterprise Income Tax Law of the People's Republic of China and its implementation regulations and other relevant rules and regulations, the Company is required to withhold enterprise income tax at the rate of 10% when distributing the annual dividend for 2018 to non-resident enterprise shareholders whose names appear on the H Shares register of members of the Company. Any shares registered in the name of non-individual shareholders, including HKSCC Nominees Limited, other nominees, trustees or other groups and organizations, will be treated as being held by non-resident enterprise shareholders and therefore will be subject to the withholding of the enterprise income tax. A Non-PRC Resident Enterprise shareholder which is entitled to a preferential tax rate under a tax agreement or an arrangement may, directly or through its entrusted agent or withholding agent, apply to the competent tax authorities for a refund of the excess amount of tax withheld.

Withholding and Payment of Individual Income Tax for Individual Foreign Shareholders

Pursuant to the PRC Individual Income Tax Law, the Implementation Regulations of the PRC Individual Income Tax Law, the Notice of the State Administration of Taxation in relation to the Administrative Measures on Preferential Treatment Entitled by Non-residents under Tax Treaties (Tentative) (Guo Shui Fa [2009] No. 124), the Notice of the State Administration of Taxation on the Questions Concerning the Levy and Administration of Individual Income Tax After the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348) and other relevant laws and regulations and regulatory documents, the Company shall, as a withholding agent, withhold and pay individual income tax for the individual holders of H Shares in respect of the final dividend for the year 2018 to be distributed to them. However, the individual holders of H Shares may be entitled to certain tax preferential treatments pursuant to the tax treaties between the People's Republic of China (“PRC”) and the countries (regions) in which the individual holders of H Shares are domiciled and the tax arrangements between mainland China and Hong Kong (or Macau). In this regard, the Company will implement the following arrangements in relation to the withholding and payment of dividend as individual income tax for the individual holders of H Shares:

- For individual H Shareholders who are Hong Kong or Macau residents or whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the individual H Shareholders in the distribution of the annual dividend for 2018.
- For individual H Shareholders whose country (region) of domicile has entered into a tax treaty with the PRC stipulating a tax rate of less than 10%, the Company will temporarily withhold and pay individual income tax at the rate of 10% on behalf of the individual H Shareholders in the distribution of the annual dividend for 2018.

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- For individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax on behalf of the individual H Shareholders at the effective tax rate stipulated in the relevant tax treaty in the distribution of the annual dividend for 2018.
- For individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 20%, or a country (region) which has not entered into any tax treaties with the PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20% on behalf of the individual H Shareholders in the distribution of the annual dividend for 2018.

Dividend Distribution for Investors of Southbound Trading

For investors of the Shanghai Stock Exchange or Shenzhen Stock Exchange (including enterprises and individuals) investing in the H Shares of the Company (the “**Southbound Trading**”), the Company will distribute the cash dividend for 2018 to China Securities Depository and Clearing Corporation Limited which, as the nominee of the investors of H Shares of Southbound Trading, will then distribute the cash dividends to the relevant investors of H Shares of Southbound Trading through its depository and clearing system. Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) and the Notice on Tax Policies for Shenzhen-Hong Kong Stock Connect Pilot Program (Cai Shui [2016] No. 127), for domestic individual investors, the Company shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For domestic securities investment funds, the tax payable shall be the same as that for individual investors. The Company will not withhold and pay the income tax of dividends for domestic enterprise investors which shall report and pay the relevant tax themselves.

The record date and the date of distribution of cash dividends and other arrangements for the investors of Southbound Trading will be the same as those for the H Shareholders of the Company. Should the H Shareholders of the Company have any doubts in relation to the aforesaid arrangements, they are recommended to consult their tax advisors for the relevant tax impacts in mainland China, Hong Kong (or Macau) and other countries (regions) on the possession and disposal of the H Shares of the Company.

3. A Shareholder entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on his/her behalf. A proxy needs not to be a Shareholder of the Company, but he/she must attend the AGM in person to represent the relevant Shareholder.
4. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his/her attorney duly authorized in writing. If the Shareholder is a corporation, that instrument must be executed either under its common seal or under the hand of its director(s) or duly authorized attorney. If that instrument is signed by an attorney of the Shareholder, the power of attorney authorizing that attorney to sign or other authorization document must be notarized.
5. In order to be valid, the proxy form, the notarized power of attorney or other authorization document (if any) must be delivered to the Office of the Board of the Company for holders of domestic shares and at the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for holders of H Shares not less than 24 hours before the time appointed for the holding of the AGM (i.e. no later than 9:00 a.m. on Monday, June 24, 2019, Hong Kong time) or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude a Shareholder from attending and voting in person at the AGM or any adjournment thereof if he/she so wishes.
6. Holders of domestic shares and holders of H Shares who intend to attend the AGM in person or by proxy should deliver the reply slip to the Office of the Board of the Company and at the Company’s H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong respectively on or before Wednesday, June 5, 2019 by hand, by post or by fax (fax no: (852) 2865 0990 for Computershare Hong Kong Investor Services Limited).
7. Pursuant to the Articles of the Company, any vote of Shareholders at a general meeting must be taken by poll. As such, the resolutions set out in the notice of the AGM will be voted by poll.
8. The AGM is expected to last for half a day. Shareholders (in person or by proxy) attending the AGM are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the AGM shall produce their identity documents.
9. In the case of joint Shareholders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint Shareholder(s), and for this purpose seniority will be determined by the order in which the names stand on the register of members in respect of the relevant joint holding.