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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))

PROFIT WARNING

This announcement is made by China Cinda Asset Management Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended June 30, 2020, it is expected that the net profit attributable to equity holders of the Company for the six months ended June 30, 2020 of the Group will be approximately 25% to 30% lower than that of the corresponding period in 2019. The Company believes that the main reasons for the decrease include: (1) gains on fair value changes of certain financial assets measured at fair value held by the Group decreased on a year-on-year basis as a result of the weaker performance of capital market in the first half of 2020 as compared with the same period of last year; (2) the Company increased the provisions for credit risk out of prudent consideration as quality of certain financial assets at amortized cost held by the Company were under increasing pressure due to the Corona Virus Disease 2019 epidemic and changes of external economic conditions.

During the first half of 2020, facing the complex and unpredictable external environment, especially the severe challenges brought by the Corona Virus Disease 2019 epidemic, the Company upheld the general principle of making steady progress, made use of its professional advantages and sought further improvement for its core business, thus achieving positive results on such aspects as distressed asset management. Going forward, the Company will continue to focus on its primary duty and core business, strengthen business innovation as well as risk management and control, and promote transformation and upgrading of business model, so as to boost high-quality development of the Company.

Information contained in this announcement is based solely on the assessment of the unaudited consolidated management accounts of the Group for the six months ended June 30, 2020. Such information has not been audited or reviewed by the auditors and is subject to amendment. The reviewed financial data of the Group for the six months ended June 30, 2020 will be disclosed in the 2020 interim results announcement to be published by the Company by the end of August 2020.

Shareholders of the Company and potential investors are advised to exercise caution while dealing in the shares of the Company.

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

Beijing, the PRC
July 24, 2020

As at the date of this announcement, the Board of the Company consists of Mr. ZHANG Zi'ai and Mr. ZHANG Weidong as executive directors, Mr. HE Jieping, Mr. XU Long, Mr. ZHANG Guoqing and Mr. LIU Chong as non-executive directors, and Mr. ZHU Wuxiang, Mr. SUN Baowen, Mr. LU Zhengfei and Mr. LAM Chi Kuen as independent non-executive directors.