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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))

**ISSUE OF
U.S.\$1,200,000,000 NON-CUMULATIVE SUBORDINATED
ADDITIONAL TIER 1 CAPITAL SECURITIES
BY
NANYANG COMMERCIAL BANK, LIMITED**

The Company is pleased to announce that on 25 May 2017, Nanyang Commercial Bank, Limited (“NCB” or the “**Issuer**”), an indirect wholly-owned subsidiary of the Company, entered into the Subscription Agreement with the Joint Lead Managers with respect to the issue of the Capital Securities.

The aggregate gross proceeds from the issue of the Capital Securities, before deduction of subscription commissions and other estimated expenses payable in connection with the issue of the Capital Securities, are estimated to be approximately US\$1,200,000,000. The proceeds are intended to be used by NCB for general corporate purposes.

The Stock Exchange has confirmed that NCB and the Capital Securities are eligible for listing on the Stock Exchange. Listing of the Capital Securities on the Stock Exchange is not to be taken as an indication of the merits of the Capital Securities, NCB or the Company.

INTRODUCTION

The Company is pleased to announce that on 25 May 2017, Nanyang Commercial Bank, Limited (“**NCB**” or the “**Issuer**”), an indirect wholly-owned subsidiary of the Company entered into the Subscription Agreement with the Joint Lead Managers with respect to the issue of the Capital Securities.

THE SUBSCRIPTION AGREEMENT

Date: 25 May 2017

Parties to the Subscription Agreement

- (1) NCB; and
- (2) each of the Joint Lead Managers.

UBS AG Hong Kong Branch, BOCI Asia Limited, CLSA Limited, Credit Suisse (Hong Kong) Limited, Merrill Lynch International, Cinda International Capital Limited and Cinda International Securities Limited are the Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers, and CCB International Capital Limited, Australia and New Zealand Banking Group Limited, Morgan Stanley & Co. International plc, Wells Fargo Securities International Limited, China International Capital Corporation Hong Kong Securities Limited and Deutsche Bank AG, Hong Kong Branch are the Joint Bookrunners and Joint Lead Managers in respect of the issue of the Capital Securities.

Completion of the Subscription Agreement is subject to the satisfaction and/or waiver of certain conditions precedent therein. In addition, the Subscription Agreement may be terminated by the giving of notice to the Issuer by the Joint Lead Managers under certain circumstances as set out in the Subscription Agreement. As the Subscription Agreement may or may not be completed and the issue of the Capital Securities may or may not proceed, investors are reminded to exercise caution when dealing in the securities of the Company.

Principal Terms of the Capital Securities

The principal terms of the Capital Securities are as follows:

Issuer	Nanyang Commercial Bank, Limited, an indirect wholly-owned subsidiary of the Company
Aggregate principal amount	US\$1,200,000,000
Offering price	100.00% of the principal amount of the Capital Securities
Issue date	2 June 2017

Distribution rate	<p>(i) in respect of the period from, and including, the Issue Date to, but excluding, 2 June 2022 (the “First Call Date”), 5.00 per cent. per annum; and</p> <p>(ii) in respect of the period from, and including, the First Call Date and each Distribution Reset Date thereafter to, but excluding, the immediately following Distribution Reset Date, the Reset Distribution Rate, payable semi-annually in arrear on 2 June and 2 December in each year.</p>
First distribution payment date	2 December 2017

The Capital Securities are expected to be rated “Ba2” by Moody’s Investors Services Inc. A credit rating is for reference only and not a recommendation to buy, sell or hold the Capital Securities and may be subject to revision, suspension or withdrawal at any time by the relevant rating organisation.

Ranking of the Capital Securities

The Capital Securities constitute direct, unsecured and subordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves, and rank (x) subordinate and junior to (i) all unsubordinated creditors of the Issuer (including its depositors), (ii) creditors in respect of Tier 2 Capital Securities of the Issuer, and (iii) all other Subordinated Creditors of the Issuer whose claims are stated to rank senior to the Capital Securities or rank senior to the Capital Securities by operation of law or contract; (y) *pari passu* in right of payment to and of all claims of the holders of Parity Obligations; and (z) senior in right of payment to and of all claims of the holders of Junior Obligations.

PROPOSED USE OF PROCEEDS

The aggregate gross proceeds from the issuance of the Capital Securities, before deduction of subscription commissions and other estimated expenses payable in connection with the issue of the Capital Securities, are estimated to be approximately US\$1,200,000,000. The proceeds are intended to be used by NCB for general corporate purposes.

APPLICATION FOR LISTING

Application has been made by NCB for the listing of, and permission to deal in, the Capital Securities on the Stock Exchange by way of debt issues to professional investors only. Listing of the Capital Securities on the Stock Exchange is not to be taken as an indication of the merits of the Capital Securities, NCB or the Company.

DEFINITIONS

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

Board	the board of directors of the Company
Capital Regulations	capital regulations from time to time applicable to the regulatory capital of Authorized Institutions incorporated in Hong Kong as published by the Hong Kong Monetary Authority
Capital Securities	U.S.\$1,200,000,000 non-cumulative subordinated additional tier 1 capital securities at an initial distribution rate of 5.00 per cent. per annum
Company	China Cinda Asset Management Co., Ltd., a joint stock company incorporated in the PRC with limited liability, whose shares are listed on the Stock Exchange
Director(s)	the directors of the Company
Holder	the person in whose name such Capital Security is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof)
Hong Kong	Hong Kong Special Administrative Region of the PRC
Joint Lead Managers	UBS AG Hong Kong Branch, BOCI Asia Limited, CLSA Limited, Credit Suisse (Hong Kong) Limited, Merrill Lynch International, Cinda International Capital Limited, Cinda International Securities Limited, CCB International Capital Limited, Australia and New Zealand Banking Group Limited, Morgan Stanley & Co. International plc, Wells Fargo Securities International Limited, China International Capital Corporation Hong Kong Securities Limited and Deutsche Bank AG, Hong Kong Branch
Junior Obligation	the Shares, and any other class of the Issuer's share capital and any instrument or other obligation (including without limitation any preference share) issued or guaranteed by the Issuer that ranks or is expressed to rank junior to the Capital Securities by operation of law or contract

NCB or the Issuer	Nanyang Commercial Bank, Limited, an indirect wholly-owned subsidiary of the Company
Parity Obligation	any instrument or other obligation issued or entered into by the Issuer that constitutes or qualifies as additional tier 1 capital (or its equivalent) under applicable Capital Regulations or any instrument or other obligation issued, entered into, or guaranteed by the Issuer that ranks or is expressed to rank <i>pari passu</i> with the Capital Securities by operation of law or contract which, for the avoidance of doubt, excludes any Junior Obligation of the Issuer
PRC	the People's Republic of China excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region and Taiwan area
Shares	the ordinary share capital of the Issuer
Stock Exchange	The Stock Exchange of Hong Kong Limited
Subordinated Creditors	means all creditors the indebtedness of which is subordinated, in the event of the Winding-Up of the Issuer, in right of payment to the claims of depositors and other unsubordinated creditors of the Issuer other than those whose claims rank or is expressed to rank by operation of law or contract <i>pari passu</i> with, or junior to, the claims of the Holders of the Capital Securities. For this purpose indebtedness shall include all liabilities, whether actual or contingent
Subscription Agreement	the subscription agreement dated 25 May 2017 entered into between NCB and the Joint Lead Managers
Tier 2 Capital Securities	instruments categorised as Tier 2 capital pursuant to the Capital Regulations that rank or are expressed to rank senior to the Capital Securities by operation of law(s) or contract(s)
Trustee	The Bank of New York Mellon, London Branch
U.S. or United States	the United States of America, its territories and possessions and all areas subject to its jurisdiction
U.S. Securities Act	the United States Securities Act of 1933, as amended

US\$

United States dollar, the lawful currency of the United States

Winding-Up

a final and effective order or resolution for the liquidation, winding-up or similar proceedings in respect of the Issuer (save for any solvent reconstruction, amalgamation, reorganisation, merger or consolidation whereby all or substantially all the business, undertaking or assets of the Issuer are transferred to a successor entity which assumes all the obligations of the Issuer under the Capital Securities)

By order of the Board

China Cinda Asset Management Co., Ltd.

HOU Jianhang

Chairman

Beijing, the PRC

26 May 2017

As at the date of this announcement, the Board consists of Mr. HOU Jianhang and Mr. CHEN Xiaozhou as executive Directors, Mr. LI Honghui, Mr. SONG Lizhong, Ms. XIAO Yuping, Ms. YUAN Hong and Mr. ZHANG Guoqing as non-executive Directors, and Mr. CHANG Tso Tung, Stephen, Mr. XU Dingbo, Mr. ZHU Wuxiang and Mr. SUN Baowen as independent non-executive Directors.