



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)

**DISCLOSEABLE TRANSACTION — PAYMENT OF CASH
DEPOSIT AND DELIVERY OF PERFORMANCE BOND TO
PARTICIPATE IN THE BIDDING PROCESS IN RELATION TO
THE ACQUISITION OF THE ENTIRE SHARE CAPITAL OF
NANYANG COMMERCIAL BANK, LIMITED**

**PAYMENT OF CASH DEPOSIT AND DELIVERY OF PERFORMANCE
BOND TO BECOME A QUALIFIED BIDDER**

Further to the Company's announcement on 27 August 2015, the Board is pleased to announce that CFAE has issued a Commitment Letter to Cinda SPV on 10 September 2015, stating that subject to receipt of the Cash Deposit and the Performance Bond by CFAE from Cinda SPV by 5:30pm on 17 September 2015, Cinda SPV, a company that is indirectly 100% owned by the Company, would be qualified to participate in the Bidding Process in relation to the Possible Acquisition. Pursuant to the Commitment Letter, Cinda SPV on 15 September 2015 (i) paid the Cash Deposit to a bank account designated by CFAE and (ii) delivered the Performance Bond to BOCHK and CFAE, in order to secure its status as a qualified bidder in the Bidding Process and to guarantee its performance of certain undertakings given in favour of BOCHK and CFAE in relation to its participation in the Bidding Process.

If Cinda SPV does not obtain the requisite in-principle regulatory approvals for the Possible Acquisition and enter into the SPA within three months (or such longer period as may be extended by BOCHK, up to a period of nine months) from the date of receipt of the Cash Deposit and the Performance Bond, CFAE will refund the Cash Deposit to Cinda SPV and Cinda SPV and BOCHK shall issue a notice to CCB to terminate the Performance Bond.

In certain circumstances, the Cash Deposit will be forfeited and BOCHK will call the amount payable under the Performance Bond. Such circumstances include but are not limited to where Cinda SPV fails to enter into the SPA within three business days after the requisite in-principle regulatory approvals for the Possible Acquisition have been obtained or where Cinda SPV ceases to meet the conditions for qualified bidders as announced by BOCHK on the website of CFAE on 15 July 2015.

If Cinda SPV enters into the SPA, the Cash Deposit will be retained by CFAE and the Performance Bond will remain in effect until completion of the Possible Acquisition.

IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratio in respect of the aggregate sum of the amount of the Cash Deposit and the amount of the potential liability that the Group may incur if the Performance Bond is called is higher than 5% but less than 25% for the relevant size tests under the Listing Rules, the payment of the Cash Deposit and the delivery of the Performance Bond constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules, and are therefore subject to the applicable notification and announcement requirements set out in Rule 14.34 of the Listing Rules.

The Board wishes to emphasise that there is no certainty that the Possible Acquisition will materialise despite after Cinda SPV secures its status as a qualified bidder. In the event that the Possible Acquisition materialises, it may constitute a major transaction of the Company under the Listing Rules and may therefore be subject to the applicable announcement and shareholders' approval requirements. Further announcement(s) will be made by the Company as and when appropriate.

INTRODUCTION

Reference is made to the announcement published by China Cinda Asset Management Co., Ltd. (the "*Company*") on 27 August 2015.

On 25 August 2015, Cinda SPV, a company that is indirectly 100% owned by the Company, submitted application documents to CFAE as part of the qualification procedure to participate in the Bidding Process in relation to the Possible Acquisition. BOCHK is a direct wholly-owned subsidiary of BOC Hong Kong (Holdings) Limited (Stock Code: 2388).

PAYMENT OF CASH DEPOSIT AND DELIVERY OF PERFORMANCE BOND TO BECOME A QUALIFIED BIDDER

The Board is pleased to announce that CFAE has issued a Commitment Letter to Cinda SPV on 10 September 2015, stating that subject to receipt of the Cash Deposit and the Performance Bond by CFAE from Cinda SPV by 5:30pm on 17 September 2015, Cinda SPV would be qualified to participate in the Bidding Process for the Possible Acquisition.

Pursuant to the requirements set out in the Commitment Letter, Cinda SPV on 15 September 2015: (i) paid the Cash Deposit to a bank account designated by CFAE and (ii) delivered the Performance Bond to BOCHK and CFAE, in order to secure its status as a qualified bidder and to guarantee its performance of certain undertakings given in favour of BOCHK and CFAE in relation to its

participation in the Bidding Process. In addition to the Cash Deposit, Cinda SPV also paid a non-refundable RMB10 million transaction service fee deposit to CFAE on 15 September 2015 as required by the Commitment Letter.

In connection with the delivery of the Performance Bond:

1. Cinda SPV entered into a facility agreement on 7 September 2015 with CCB as the issuing bank of the Performance Bond;
2. China Cinda (HK) Holdings Company Limited, a wholly-owned subsidiary of the Company, entered into the above facility agreement on 7 September 2015 as a guarantor to guarantee Cinda SPV's obligations under such facility; and
3. the Company has also entered into a keepwell deed and a deed of equity interest purchase, investment and liquidity support undertaking for the benefit of CCB on 7 September 2015.

Pursuant to an undertaking letter entered into by Cinda SPV on 25 August 2015 in favour of CFAE and BOCHK:

1. if Cinda SPV does not obtain the requisite in-principle regulatory approvals for the Possible Acquisition and enter into the SPA within three months (or such longer period as may be extended by BOCHK, up to a period of nine months) from the date of receipt of the Cash Deposit and the Performance Bond, CFAE will refund the Cash Deposit to Cinda SPV and Cinda SPV and BOCHK shall issue a notice to CCB to terminate the Performance Bond;
2. in certain circumstances, the Cash Deposit will be forfeited and BOCHK will call the amount payable under the Performance Bond. Such circumstances include but are not limited to where Cinda SPV fails to enter into the SPA within three business days after the requisite in-principle regulatory approvals for the Possible Acquisition have been obtained or where Cinda SPV ceases to meet the conditions for qualified bidders as announced by BOCHK on the website of CFAE on 15 July 2015; and
3. if Cinda SPV enters into the SPA, the Cash Deposit will be retained by CFAE and the Performance Bond will remain in effect until completion of the Possible Acquisition.

STATUS OF THE POSSIBLE ACQUISITION

The Directors expect CFAE to confirm that Cinda SPV is the only qualified bidder in the Bidding Process, once receipt of the Cash Deposit and the Performance Bond has been confirmed and acknowledged.

Pursuant to the transaction rules set out by CFAE, after receipt of the Cash Deposit and the Performance Bond by CFAE, Cinda SPV will be invited by CFAE to enter into negotiations with BOCHK in relation to the Possible Acquisition.

The Possible Acquisition is subject to (1) agreement of the terms of the SPA to be entered into between Cinda SPV and BOCHK, (2) the obtaining of all relevant regulatory and other approvals required for the Possible Acquisition, and (3) if applicable, the satisfaction or waiver of other conditions precedent set out in the SPA. Accordingly, at this stage, there is no certainty that the Possible Acquisition will ultimately be consummated.

INFORMATION ON THE GROUP AND OTHER PARTIES

The Group is principally engaged in distressed asset management and provision of customised financial solutions and differentiated asset management services to its clients through the synergistic operation of its diversified business platforms.

Nanyang Bank is a commercial bank with its principal operations and branches in Hong Kong and mainland China. It offers a comprehensive range of personal and commercial banking services to its retail and corporate customers, respectively.

BOCHK is a wholly-owned subsidiary of BOCHK Holdings. BOCHK is a commercial bank in Hong Kong which offers a comprehensive range of financial products and services to retail and corporate customers.

CFAE is a professional financial asset transaction institution that serves as one of the chief transaction platforms for the Chinese National Association of Financial Market Institutional Investors. It has also been appointed by the Ministry of Finance of the PRC to serve as one of the primary transaction platforms for transactions involving state-owned financial assets. Its business covers providing services to transactions relating to debt capital markets products, state-owned financial assets, credit assets, trust products and insurance assets.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, BOCHK, CFAE and their respective ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

REASONS FOR AND BENEFITS OF THE PAYMENT OF CASH DEPOSIT, THE DELIVERY OF THE PERFORMANCE BOND AND THE POSSIBLE ACQUISITION

The payment of the Cash Deposit and the delivery of the Performance Bond are requirements of CFAE for Cinda SPV to be qualified to participate in the Bidding Process and are pre-requisites for Cinda SPV to be invited by CFAE to enter into negotiations with BOCHK in relation to the Possible Acquisition.

The Directors believe that the terms on which the Cash Deposit is paid and the Performance Bond is delivered, including the terms in relation to the refund of the Cash Deposit, the termination of the Performance Bond and the forfeiture of the Cash Deposit and the call for the amount payable under the Performance Bond, are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The Directors believe that the Possible Acquisition, if materialised, will further strengthen the Company's leading position in distressed asset management, and create synergies for the Company through Nanyang Bank's customer base, business segments, products, channels and risk management practices. The Directors expect that Nanyang Bank will become a core financial services platform of the Company, which will significantly improve the Company's capabilities in providing comprehensive financial services. The Directors believe that the Possible Acquisition, if materialised, will enhance and optimise the Company's business model, promote long-term and sustainable growth and generate sustained and attractive returns for shareholders.

IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratio in respect of the aggregate sum of the amount of the Cash Deposit and the amount of the potential liability that the Group may incur if the Performance Bond is called is higher than 5% but less than 25% for the relevant size tests under the Listing Rules, the payment of the Cash Deposit and the delivery of the Performance Bond constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules, and are therefore subject to the applicable notification and announcement requirements set out in Rule 14.34 of the Listing Rules.

The Possible Acquisition, if consummated, may constitute a major transaction of the Company under Chapter 14 of the Listing Rules, and may therefore be subject to the applicable announcement and shareholders' approval requirements. The Company will publish further announcement(s) on the Possible Acquisition as required by the Listing Rules and other applicable rules and regulations.

As there is no certainty that the Possible Acquisition may proceed, shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

DEFINITIONS

Unless otherwise specified, the following terms and expressions have the following meanings in this announcement:

“Bidding Process”	the bidding process for the Possible Acquisition
“Board”	the board of Directors
“BOCHK”	Bank of China (Hong Kong) Limited
“BOCHK Holdings”	BOC Hong Kong (Holdings) Limited (Stock Code: 2388)
“Cash Deposit”	a cash deposit of approximately HK\$3.4 billion
“CCB”	China Construction Bank Corporation, Hong Kong Branch
“CFAE”	Beijing Financial Assets Exchange
“Cinda SPV”	Cinda Financial Holdings Co., Limited
“Company”	China Cinda Asset Management Co., Ltd.
“Commitment Letter”	the notification issued by CFAE to Cinda SPV on 10 September 2015 confirming the qualification of Cinda SPV as a bidder
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries, including Cinda SPV
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nanyang Bank”	Nanyang Commercial Bank, Limited
“Performance Bond”	a payment on demand bond for an amount up to HK\$6.8 billion issued by CCB for the benefit of BOCHK
“Possible Acquisition”	the possible acquisition of the entire share capital of Nanyang Bank by Cinda SPV from BOCHK
“PRC”	The People’s Republic of China

“SPA” the definitive sale and purchase agreement in relation to the Possible Acquisition

“Stock Exchange” the Stock Exchange of Hong Kong Limited

By order of the Board
China Cinda Asset Management Co., Ltd.
HOU Jianhang
Chairman

Beijing, PRC
September 15, 2015

As at the date of this announcement, the Board of the Company consists of Mr. HOU Jianhang and Mr. ZANG Jingfan as executive directors, Mr. LI Honghui, Mr. SONG Lizhong, Ms. XIAO Yuping, Ms. YUAN Hong, and Mr. LU Shengliang as non-executive directors, and Mr. LI Xikui, Mr. QIU Dong, Mr. CHANG Tso Tung, Stephen, and Mr. XU Dingbo as independent non-executive directors.