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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)

DISCLOSEABLE TRANSACTION TRANSFER OF SHARES IN BANK OF XI'AN CO., LTD.

The Board of China Cinda Asset Management Co., Ltd. announces that on September 24, 2014, the Company and Tang West Market Cultural Industry Investment Group Co., Ltd. (大唐西市文化產業投資集團有限公司) entered into the Share Transfer Contract. Pursuant to the Share Transfer Contract, the Company agreed to sell, and the Purchaser agreed to purchase the Target Shares at the Consideration in accordance with the terms and conditions therein. Upon the completion of the Share Transfer, the Target Company will cease to be an associate of the Company.

As the applicable percentage ratios pursuant to Rule 14.07 of the Listing Rules are greater than 5% but less than 25%, the Share Transfer constitutes a discloseable transaction of the Company and is subject to notification and announcement requirements under the Listing Rules.

INTRODUCTION

The board of directors (the “**Board**”) of China Cinda Asset Management Co., Ltd. (the “**Company**”) announces that on September 24, 2014, the Company and Tang West Market Cultural Industry Investment Group Co., Ltd. (大唐西市文化產業投資集團有限公司) (the “**Purchaser**”) entered into the Share Transfer Contract. Pursuant to the Share Transfer Contract, the Company agreed to sell, and the Purchaser agreed to purchase the Target Shares at the Consideration in accordance with the terms and conditions therein.

The Share Transfer was submitted to the CFAE for open tender on June 28, 2014, and the Purchaser was determined as the final transferee through Internet bidding on July 31, 2014.

SHARE TRANSFER CONTRACT

Date

September 24, 2014 (also the effective date of the Share Transfer Contract)

Parties

- (1) the Company
- (2) the Purchaser

Asset to be disposed of

The asset to be disposed of is 630,000,000 Shares held by the Company, accounting for 21% of the total issued share capital of the Target Company.

Consideration and Payment Terms

The Consideration will be paid by the Purchaser to the Company in the following manners:

- (1) Prior to the execution of the Share Transfer Contract, the Purchaser has paid RMB450 million (the “**Deposit**”) to an account designated by the CFAE, which has automatically formed a part of the Consideration from the effective date of the Share Transfer Contract;
- (2) Within three working days from the effective date of the Share Transfer Contract, the Purchaser shall pay the remaining consideration of RMB1,801.30 million (the “**Remaining Consideration**”) in cash to the account designated by the CFAE;
- (3) The Company is entitled to request the CFAE for the transfer and withdrawal of the Deposit and the Remaining Consideration.

The Consideration is determined by the Company based on the valuation of the Target Company filed with the competent government authorities, and through open tender and bidding at the CFAE according to the applicable PRC regulations on the transfer of state-owned assets.

Performance Guarantee

Subject to the written consent of the Company and the presentation of a performance guarantee letter from a commercial bank fulfilling the conditions prescribed under the Share Transfer Contract (the performance guarantee letter shall be an independent, unconditional and irrevocable guarantee for payment upon demand, and the total payment guaranteed shall not be less than the Remaining Consideration), the Purchaser may defer the payment of the Remaining Consideration to a date within five working days from the earlier of the date of approval from the China Banking Regulatory Commission for the Share Transfer or January 31, 2015.

Where the Purchaser fails to pay the Remaining Consideration on time, the Company is entitled to request the commercial bank which issued the performance guarantee letter to perform the obligation of the payment of the Remaining Consideration on behalf of the Purchaser and pay the Remaining Consideration in cash to the account designated by the CFAE.

Conditions precedent

The completion of the Share Transfer is subject to the approval of the China Banking Regulatory Commission and the registration of change of ownership of the Target Company. If the Purchaser fails to complete the Share Transfer within 18 months from the date of the Share Transfer Contract, the Company may terminate the Share Transfer Contract and claim against the Purchaser for compensation.

INFORMATION OF THE GROUP AND THE TARGET COMPANY

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

The Target Company was established in September, 1998 and its current registered capital amounts to RMB3,000 million. It is the controlling shareholder of two rural banks, and operates the Yulin Branch (榆林分行), Baoji Branch (寶雞分行), an operation department of head office, 10 local sub-branches and 11 direct sub-branches with 117 outlets and 59 self-service banks. As at December 31, 2013, the total assets of the Target Company and its owners' equity audited in accordance with the Chinese Accounting Standards amounted to RMB133,680.2957 million and RMB8,290.5788 million, respectively.

Set out below is a summary of the audited financial information of the Target Company for the two financial years ended December 31, 2012 and 2013, which was prepared in accordance with the Chinese Accounting Standards and extracted from the audited financial statements of the Target Company:

| | Financial year ended December 31, | |
|---|--|---------------------------|
| | 2012 | 2013 |
| | <i>RMB (ten thousand)</i> | <i>RMB (ten thousand)</i> |
| Net profit before tax and extraordinary items | 145,571.08 | 163,204.96 |
| Net profit after tax and extraordinary items | 146,172.49 | 156,749.98 |

INFORMATION OF THE PURCHASER

The Purchaser is a leading modern group in cultural industry incorporated in Xi'an of the Shaanxi Province in the PRC. Its scope of business includes the investment of cultural projects and relevant supporting services, investment in and management of museums, organization of cultural, art and performance activities.

REASONS FOR AND BENEFITS OF THE SHARE TRANSFER OF TARGET COMPANY

The Directors consider to transfer the Target Shares in view of the significant increase in the value of the Target Shares and the significant improvement of the capital and operation of the Target Company as a result of customized resolution of non-performing assets as well as capital injection and management support by the Company. The Company chose to transfer the Shares when opportunity arises in order to realise the anticipated gain, and it is in the interests of the Company and its shareholders as a whole. The Share Transfer will have no material adverse impact on the business and financial condition of the Company.

FINANCIAL EFFECTS OF THE SHARE TRANSFER OF TARGET COMPANY

The initial cost of the Company for investing in the Target Company was RMB1,260 million. The Company accounts for this investment by using the equity method, and the results of the Target Company attributable to the Company recognized during the shareholding period by using the equity method is included in the carrying value of the investment. Immediately prior to the Share Transfer, the carrying value of the investment in the Target Company of the Company was RMB2,245.58 million. It is expected that the Company will record a gain of RMB5.72 million from the transfer of Target Shares, which is the difference between the Consideration and the carrying value of the investment. Nevertheless, shareholders should note that the actual financial effect of the Share Transfer is subject to review and verification by the auditors of the Company.

Upon completion of the Share Transfer, the Target Company will cease to be an associate of the Company.

USE OF PROCEEDS FROM THE TRANSFER OF SHARES OF TARGET COMPANY

The net proceeds from the Share Transfer will be used as general working capital of the Company.

LISTING RULES IMPLICATION

As the applicable percentage ratios pursuant to Rule 14.07 of the Listing Rules are greater than 5% but less than 25%, the Share Transfer constitutes a discloseable transaction of the Company and is subject to notification and announcement requirements under the Listing Rules.

The Directors believe that the Share Transfer is entered into on normal commercial terms, fair and reasonable, and in the interests of the Company and its shareholders as a whole.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are third parties independent of the Company and are not connected persons of the Company.

DEFINITIONS

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

| | |
|-----------------|--|
| “CFAE” | Beijing Financial Assets Exchange Limited (北京金融資產交易所有限公司), a transaction platform for the Share Transfer |
| “Consideration” | RMB2,251,300,000, which is the sum of the Deposit and Remaining Consideration |

| | |
|---------------------------|--|
| “connected person(s)” | has the meaning ascribed to it under the Listing Rules |
| “Group” | the Company and its subsidiaries |
| “Listing Rules” | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented and modified from time to time) |
| “PRC” | the People’s Republic of China |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Shares” | the ordinary shares of the Target Company with nominal value of RMB1.00 each |
| “Share Transfer” | the proposed transfer of Target Shares under the Share Transfer Contract |
| “Share Transfer Contract” | the Transaction Contract for Unlisted State-Owned Assets and Equity of Financial Enterprise entered into between the Company and the Purchaser on September 24, 2014 |
| “Target Company” | Bank of Xi’an Co.,Ltd. |
| “Target Shares” | 630,000,000 Shares to be disposed of by the Company to the Purchaser |

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

Beijing, China
September 24, 2014

As at the date of this announcement, the Board of the Company consists of Mr. HOU Jianhang, Mr. ZANG Jingfan, and Mr. XU Zhichao 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.