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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)

**(1) DISCLOSEABLE TRANSACTION
PARTICIPATION IN CAPITAL INJECTION OF
SINOPEC MARKETING CO., LTD.
AND
(2) RESUMPTION OF TRADING**

The board of directors of the Company announces that on September 12, 2014, Sinopec Marketing, Cinda Sino-Rock Energy (a non-wholly owned subsidiary of the Company) and Other Investors entered into the Capital Injection Agreement, and on this basis also entered into the Equity Joint Venture Contract and the Articles of Sinopec Marketing. Pursuant to the Capital Injection Agreement, Cinda Sino-Rock Energy conditionally agreed to subscribe for and Sinopec Marketing conditionally agreed to sell to Cinda Sino-Rock Energy 1.722% of the equity interest in Sinopec Marketing upon the completion of the Capital Injection for a total consideration of RMB6.15 billion.

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

At the request of the Company, trading in the H Shares on the Stock Exchange has been halted with effect from 9:00 a.m. on Monday, September 15, 2014, pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading of the H Shares on the Stock Exchange with effect from 9:00 a.m. on Tuesday, September 16, 2014.

INTRODUCTION

The board of directors (the “**Board**”) of China Cinda Asset Management Co., Ltd. (the “**Company**”) announces that on September 12, 2014, Sinopec Marketing, Cinda Sino-Rock Energy (a non-wholly owned subsidiary of the Company) and Other Investors entered into the Capital Injection Agreement, and on this basis also entered into the Equity Joint Venture Contract and the Articles of Sinopec Marketing. Pursuant to the Capital Injection Agreement, Cinda Sino-Rock Energy conditionally agreed to subscribe for and Sinopec Marketing conditionally agreed to sell to Cinda Sino-Rock Energy 1.722% of the equity interest in Sinopec Marketing upon the completion of the Capital Injection for a total consideration of RMB6.15 billion (if paid in U.S. dollars, the actual amount of U.S. dollars payable will be calculated in accordance with the central parity rate of U.S. dollars against RMB announced by People’s Bank of China or its authorized institutions on the business day prior to the Completion Date).

Morgan Stanley Asia Limited acted as the financial adviser to Cinda Sino-Rock Energy in connection with the Capital Injection.

CAPITAL INJECTION AGREEMENT

Date

September 12, 2014

Parties

- (1) Cinda Sino-Rock Energy
- (2) Other Investors
- (3) Sinopec Marketing

Consideration

Pursuant to the Capital Injection Agreement, Cinda Sino-Rock Energy, as one of the Investors, will contribute RMB6.15 billion for subscription of the increased capital in Sinopec Marketing. Upon completion of the transaction, Cinda Sino-Rock Energy will hold 1.722% of the enlarged registered capital of Sinopec Marketing. Cinda Sino-Rock Energy shall pay the Subscription Consideration from its internal source of funding in cash by remittance in U.S. dollars or Renminbi.

The above amount was arrived at during multiple rounds of selection process of Sinopec Marketing’s capital increase. In determining such amount, the net asset value, future earning ability and business value of Sinopec Marketing have been taken into account.

Conditions precedent

The conditions precedent to the completion include (among others) the following:

- (i) Sinopec Marketing having obtained all necessary governmental approvals for the Capital Injection, and such approvals remaining in full effect as at the Completion Date with no material changes to the provisions of the Transaction Documents;

- (ii) No governmental authority shall have enacted, issued, promulgated, enforced or entered any law or governmental order (whether temporary, preliminary or permanent) which may render the transaction under the Capital Injection Agreement illegal, or restrict or prohibit the completion of the transaction;
- (iii) During the period from the date of the Capital Injection Agreement to the Completion Date, there having been no occurrence of any event which may have a material adverse effect on Sinopec Marketing; and
- (iv) Sinopec Corp. having issued a letter of undertaking regarding reorganization of Sinopec Marketing and non-competition.

Restrictions on sale of shares

According to the Equity Joint Venture Contract, within three years after the day Cinda Sino-Rock Energy receives its capital contribution certificate, Cinda Sino-Rock Energy shall not directly or indirectly sell to any person the equity interest held by it in Sinopec Marketing (other than specifically permitted transfers), without prior written consent of Sinopec Corp. Following expiry of the said three-year period, if Sinopec Marketing has not accomplished an initial public offering and listing of its shares on the Hong Kong stock exchange market or other stock exchange markets, Cinda Sino-Rock Energy shall be entitled to transfer to any person all or part of the equity interest held by it in Sinopec Marketing, provided that Sinopec Corp. shall have a right of first refusal in respect of such transfer. In addition, in no circumstance shall Cinda Sino-Rock Energy transfer any equity interest in Sinopec Marketing to any main competitor of Sinopec Marketing or its affiliates directly or indirectly without prior written consent of Sinopec Corp.

Within one year from completion of the initial public offering and listing of the shares in Sinopec Marketing on the Hong Kong stock exchange market or other stock exchange markets, or such other lock-up period provided for by applicable laws (whichever is longer), Cinda Sino-Rock Energy shall not directly or indirectly transfer any of its shares in Sinopec Marketing.

Guarantee arrangement

China Cinda (HK) Holdings Company Limited, a wholly-owned subsidiary of the Company, has issued a letter of undertaking to Sinopec Marketing, undertaking that it will provide Cinda Sino-Rock Energy with support by means of equity financing, so as to enable Cinda Sino-Rock Energy to have sufficient funds to pay the Subscription Consideration, and assuming unconditional and irrevocable joint liability in relation to the obligations of Cinda Sino-Rock Energy under the Transaction Documents.

INFORMATION OF THE GROUP AND CINDA SINO-ROCK ENERGY

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

Cinda Sino-Rock Energy, a company incorporated in the British Virgin Islands with limited liability, is a non-wholly owned subsidiary of the Company. Its principal business is investment.

INFORMATION OF SINOPEC MARKETING

Established in 1985, Sinopec Marketing is a wholly-owned subsidiary of Sinopec Corp. In April 2014, Sinopec Corp. implemented an internal reorganization of its marketing business with Sinopec Marketing as its platform, and injected relevant marketing business and assets into Sinopec Marketing. Following the reorganization, Sinopec Marketing became a limited liability company wholly owned by Sinopec Corp. Its business scope includes storage and logistics, retail sales, direct sales and distribution of petroleum products such as refined oil, natural gas and fuel oil, etc., as well as development and operation of non-fuel business (such as convenience stores and car services, etc.). After the reorganization, social and private capitals are being introduced to Sinopec Marketing through a capital increase of Sinopec Marketing. Details of Sinopec Marketing and its capital introduction are set out in the “Progress Update Announcement of the Restructuring of Sinopec’s Marketing Business” published by Sinopec Corp. on June 30, 2014 (“**Sinopec Corp. Announcement**”).

According to Sinopec Corp. Announcement, for the four months ended April 30, 2014, the audited total assets and total owner’s equity of Sinopec Marketing were approximately RMB341,758 million and RMB64,405 million respectively.

According to Sinopec Corp. Announcement, for the four months ended April 30, 2014, the audited total profit and net profit of Sinopec Marketing were approximately RMB11,067 million and RMB8,046 million respectively.

According to Sinopec Corp. Announcement, for the year 2013, the audited total profit and net profit of Sinopec Marketing were approximately RMB34,980 million and RMB25,945 million respectively.

REASONS FOR AND BENEFITS OF THE INVESTMENT

The Directors of the Company believe that Sinopec Marketing is currently one of the first batch of large state-owned enterprises in China to carry out the “mixed-ownership” reform which reached the stage of actual implementation. The Capital Injection is a valuable and important investment opportunity for the Company as Sinopec Marketing is a quality asset of Sinopec Corp.. The Company’s participation in the Investment will not only strengthen and consolidate the partnership with Sinopec Corp. and its related parties, but will also bring a steady investment return to the Company. It will also play an important role for the Company to be recognized as one of the pioneers in supporting state-owned enterprises’ strategic reforms, thus having a significant impact on the Company’s business development.

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 Investment constitutes a discloseable transaction of the Company and is subject to notification and announcement requirements under the Listing Rules.

The Directors of the Company believe that the Investment and the Subscription Consideration are fair and reasonable and are entered into on normal commercial terms, and that the Investment is in the interest of the Company and its shareholders as a whole.

To the best knowledge, information and belief of the Directors of the Company, having made all reasonable enquiries, Sinopec Marketing, the Other Investors and their respective ultimate beneficial owners are third parties independent of the Company and are not connected persons of the Company.

RESUMPTION OF TRADING

At the request of the Company, trading in the H Shares on the Stock Exchange has been halted with effect from 9:00 a.m. on Monday, September 15, 2014, pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading of the H Shares on the Stock Exchange with effect from 9:00 a.m. on Tuesday, September 16, 2014.

DEFINITIONS

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

“Articles of Sinopec Marketing”	the Articles of Association of Sinopec Marketing Co., Ltd.
“Capital Injection”	the transactions contemplated under the Capital Injection Agreement
“Capital Injection Agreement”	the “Capital Injection Agreement Concerning Sinopec Marketing Co., Ltd.” made between Cinda Sino-Rock Energy, the Other Investors and Sinopec Marketing on 12 September 2014
“Cinda Sino-Rock Energy”	Cinda Sino-Rock International Energy Company Limited

“Completion Date”	the tenth business day following the day when all conditions to completion set out in the Capital Injection Agreement are satisfied (or waiver of such conditions by the party entitled to waive such conditions in writing) and Sinopec Marketing gives a requisite written notice to the Investors and attach thereto copies of all the governmental approvals (if applicable), or such other date as may be agreed by Sinopec Marketing and the Investors in writing separately
“Equity Joint Venture Contract”	the “Equity Joint Venture Contract in relation to Sinopec Marketing Co., Ltd.” made between Sinopec Corp. and all Investors on 12 September 2014
“Group”	the Company and its subsidiaries
“H Share(s)”	the ordinary shares in the share capital of the Company with nominal value of RMB1.00 each, which are listed on the Stock Exchange
“Investment”	the transaction in which Cinda Sino-Rock Energy subscribes for certain increased registered capital of Sinopec Marketing according to the terms and conditions of the Capital Injection Agreement
“Investors”	the investors which subscribe for the increased registered capital of Sinopec Marketing according to the Capital Injection Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, (amended as applicable)
“Other Investors”	the other investors (other than Cinda Sino-Rock Energy) which subscribe for the increased registered capital of Sinopec Marketing according to the Capital Injection Agreement
“Sinopec Corp.”	China Petroleum & Chemical Corporation, a joint stock limited company established in the PRC with its shares listed on the Main Board of the Hong Kong Stock Exchange (stock code 386) and the Shanghai Stock Exchange (stock code 600028) and with its American depositary receipts listed on the New York Stock Exchange and the London Stock Exchange (stock code: SNP)
“Sinopec Marketing”	Sinopec Marketing Co., Ltd.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscription Consideration”

the consideration of RMB6.15 billion payable by Cinda Sino-Rock Energy to Sinopec Marketing in relation to the Investment (if paid in U.S. dollars, the actual amount of U.S. dollars payable will be calculated in accordance with the central parity rate of U.S. dollars against RMB announced by People’s Bank of China or its authorized institutions on the business day prior to the Completion Date)

“Transaction Documents”

the documents entered into by Sinopec Corp. and the Investors dated September 12, 2014, namely the “Capital Injection Agreement Concerning Sinopec Marketing Co., Ltd.”, the “Equity Joint Venture Contract in relation to Sinopec Marketing Co., Ltd.” and “the Articles of Association of Sinopec Marketing Co., Ltd.”

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

Beijing, China
September 15, 2014

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