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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))

UPDATE ON THE LITIGATION BY JUNEFIELD REAL ESTATE

Reference is made to the announcements of China Cinda Asset Management Co., Ltd. (the “**Company**”) dated December 27, 2013, December 23, 2014 and January 27, 2015, regarding the lawsuit filed by Beijing Junefield Real Estate Development Co., Ltd. (“**Junefield Real Estate**”). Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the announcement of the Company dated December 27, 2013.

The board of directors of the Company (the “**Board**”) hereby updates the shareholders and potential investors of the Company on the second trial judgment made by the Supreme People’s Court on the litigation filed by Junefield Real Estate against Cinda Investment, Cinda Properties and Cinda Beijing Branch. The Supreme People’s Court has recently issued a civil judgment (the “**Judgment**”) as follows:

- (1) The civil judgment issued by the Beijing Court on December 18, 2014 shall be rescinded;
- (2) It’s confirmed that the framework agreement among Junefield Real Estate, Cinda Investment and Cinda Beijing Branch and the relevant supplemental agreement among Junefield Real Estate, Cinda Investment, Cinda Beijing Branch and Cinda Properties shall be terminated;
- (3) Cinda Properties shall repay the interests in a parcel of the relevant project land received pursuant to the framework agreement and the relevant supplemental agreement, to Junefield Real Estate within 10 days after the Judgment becomes effective and transfer the project information accordingly;
- (4) Cinda Investment shall pay RMB1 billion as the liquidated damage to Junefield Real Estate within 10 days after the Judgment becomes effective, and Cinda Properties shall be jointly and severally liable for such payment;

- (5) Junefield Real Estate shall repay the contract amount of about RMB2.21 billion and the resettlement fee of about RMB0.53 billion to Cinda Investment within 10 days after the Judgment becomes effective;
- (6) Counterclaims from Cinda Properties shall be rejected; and
- (7) The legal costs of the first trial judgment of about RMB5 million and of the second trial judgment of about RMB5 million shall be jointly assumed by Cinda Investment and Cinda Properties.

As advised by the special PRC legal counsel appointed by Cinda Investment in respect of the above lawsuit, the possibility for Cinda Investment to generate actual loss under the above Judgment is small.

The Company has entrusted relevant PRC legal counsel and is actively taking actions to submit the retrial application to the relevant court according to relevant PRC laws and regulations.

The Company currently assesses that the litigation will not have material adverse effect on its operating results and financial condition, and will not affect the normal operations of the Company. The Company will make further announcement to inform the shareholders and potential investors of the development of such disputes in due course.

This announcement is made by the Company on a voluntary basis.

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

Beijing, the PRC
April 5, 2017

As at the date of this announcement, the Board of the Company consists of Mr. HOU Jianhang and Mr. CHEN Xiaozhou as executive Directors, Mr. LI Honghui, Mr. SONG Lizhong, Ms. XIAO Yuping and Ms. YUAN Hong 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.