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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in any doubt about any aspects of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in China CITIC Financial Asset Management Co., Ltd., you should at once hand this circular with the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**中国中信金融资产**  
**China CITIC Financial AMC**

**中國中信金融資產管理股份有限公司**  
**China CITIC Financial Asset Management Co., Ltd.**

*(A joint stock limited liability company incorporated in the People's Republic of China)*

**(Stock Code: 2799)**

**GENERAL MANDATE GRANTED TO THE BOARD TO ISSUE  
ADDITIONAL SHARES  
ENGAGEMENT OF THE ACCOUNTING FIRMS FOR 2025  
FIXED ASSET BUDGET PLAN FOR 2025  
FINAL FINANCIAL ACCOUNT PLAN FOR 2024  
PROFIT DISTRIBUTION PLAN FOR 2024  
ELECTION OF MS. YUAN XIN AS A NON-EXECUTIVE DIRECTOR  
WORK REPORT OF THE BOARD OF DIRECTORS FOR 2024  
WORK REPORT OF THE BOARD OF SUPERVISORS FOR 2024  
EXTERNAL FUND DONATION PLAN FOR 2025  
AND  
NOTICE OF 2024 ANNUAL GENERAL MEETING**

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China CITIC Financial Asset Management Co., Ltd. will convene the AGM on Wednesday, 28 May 2025 at 3:00 p.m. at Conference Room 1221, No. 8 Financial Street, Xicheng District, Beijing, the PRC. Notice of the AGM is set out on pages 29 to 31 in this circular.

If you wish to appoint a proxy to attend the AGM on your behalf, you are required to complete and return the accompanying proxy form in accordance with the instructions printed thereon no later than 24 hours before the time scheduled for holding the AGM (i.e. before 3:00 p.m. on Tuesday, 27 May 2025) or any adjourned meeting thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or at any adjourned meeting thereof should you so wish.

24 April 2025



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## DEFINITIONS

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

“AGM” or “2024 Annual General Meeting”	the annual general meeting of the Company for 2024 to be held at Conference Room 1221, No. 8 Financial Street, Xicheng District, Beijing, the PRC, on Wednesday, 28 May 2025 at 3:00 p.m.
“Articles of Association”	the Articles of Association of China CITIC Financial Asset Management Co., Ltd. as amended from time to time
“Board” or “Board of Directors”	the board of directors of the Company
“Board of Supervisors”	the board of supervisors of the Company
“Chairman”	the chairman of the Board of the Company
“CITIC Group”	CITIC Group Corporation
“Company”	China CITIC Financial Asset Management Co., Ltd., a joint stock limited liability company incorporated in the PRC, the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange
“Company Law”	the Company Law of the People’s Republic of China
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for or credited as paid up in Renminbi
“Financial Leasing Company”	Huarong Financial Leasing Co., Ltd.
“Group”	the Company and its subsidiaries
“H Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in HKD and listed on the Main Board of the Hong Kong Stock Exchange
“HKD”	the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“IFRSs”	the International Accounting Standards (IAS), the International Financial Reporting Standards, amendments and the related interpretations issued by the International Accounting Standards Board

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## DEFINITIONS

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“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“MOF”	the Ministry of Finance of the PRC
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Securities Law”	the Securities Law of the People’s Republic of China
“Share(s)”	share(s) of the Company, including Domestic Shares and H Shares
“Shareholder(s)”	holder(s) of the Shares of the Company
“Supervisor(s)”	the supervisor(s) of the Company
“%”	percent



**中国中信金融资产**  
**China CITIC Financial AMC**

**中國中信金融資產管理股份有限公司**  
**China CITIC Financial Asset Management Co., Ltd.**

*(A joint stock limited liability company incorporated in the People's Republic of China)*

**(Stock Code: 2799)**

*Executive Directors:*

Mr. Liu Zhengjun (*Chairman*)

Mr. Li Zimin (*President*)

*Non-executive Directors:*

Ms. Zhao Jiangping

Mr. Xu Wei

Mr. Tang Hongtao

*Independent Non-executive Directors:*

Mr. Shao Jingchun

Mr. Zhu Ning

Ms. Chen Yuanling

Mr. Lo Mun Lam, Raymond

*Registered Office:*

No. 8 Financial Street, Xicheng District

Beijing

the PRC

*Principal Place of Business*

*in Hong Kong:*

40th Floor, Dah Sing Financial Centre

No. 248 Queen's Road East

Wanchai, Hong Kong

24 April 2025

Dear Sir or Madam,

**GENERAL MANDATE GRANTED TO THE BOARD TO ISSUE  
ADDITIONAL SHARES  
ENGAGEMENT OF THE ACCOUNTING FIRMS FOR 2025  
FIXED ASSET BUDGET PLAN FOR 2025  
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NOTICE OF 2024 ANNUAL GENERAL MEETING**

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## LETTER FROM THE BOARD

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### I. INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM to enable you to make informed decisions on whether to vote for or against the resolutions at the AGM.

### II. MATTERS TO BE CONSIDERED AT THE AGM

Resolutions to be proposed at the AGM for the Shareholders to consider and approve include: (1) general mandate granted to the Board to issue additional shares; (2) engagement of the accounting firms for 2025; (3) fixed asset budget plan for 2025; (4) final financial account plan for 2024; (5) profit distribution plan for 2024; (6) election of Ms. Yuan Xin as a non-executive Director; (7) work report of the Board of Directors for 2024; (8) work report of the Board of Supervisors for 2024; (9) external fund donation plan for 2025. The above resolution No. (1) is a special resolution, and the resolutions No. (2) to (9) are ordinary resolutions.

The resolution to be proposed at the AGM for Shareholders' consideration only and not for their approval is: review of the work report of the independent non-executive Directors for 2024.

In order to enable you to have a better understanding of the resolutions to be proposed at the AGM and to make well-informed decisions, this circular provides detailed information regarding the matters to be considered at the AGM, including the work report of the Board of Directors for 2024 (see Appendix I), the work report of the Board of Supervisors for 2024 (see Appendix II) and the work report of the independent non-executive Directors for 2024 (see Appendix III).

#### (I) General Mandate Granted to the Board to Issue Additional Shares

In order to further improve the capital replenishment mechanism and structure of the Company, enhance the efficiency of the relevant corporate governance procedures, fully utilize the possible market opportunities and combine with the relevant experience of similar companies, in accordance with the relevant laws and regulations, the Listing Rules and the Articles of Association, it is proposed to the Shareholders' general meeting to grant to the Board a general mandate for the issuance of additional Domestic Shares and/or H Shares, as set out below:

##### 1. *Subject of mandate*

The specific scope of the mandate includes but not limited to:

- (1) to authorize the Board to decide to issue, allot or deal with additional shares of the Company's Domestic Shares and/or H Shares, either individually or in conjunction with each other, during the validity period of the mandate, in an amount not exceeding 20% of each of the total number of the issued Domestic Shares and H Shares of the Company as at the date of the approval of this resolution at the Shareholders' General Meeting (including but not limited to the Shares, convertible securities, share options, convertible options, warrants or similar rights, and including the sale or transfer of treasury shares (within the meaning of the Listing Rules, if applicable)); and decide to make or grant offers for sale, offers, agreements, share options, power to exchange for or convert into Shares or other powers as required or may be required to allot Shares. Notwithstanding the general mandate set out above, in the event that the allotment of Shares would result in a virtual change of control of the Company, the Board shall in addition be required to obtain prior authorization from the Shareholders at a general meeting by way of a special resolution to allot such Shares;

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## LETTER FROM THE BOARD

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- (2) to authorize the Board to decide on the specific issuance proposal within the validity period and the authorization scope, including but not limited to the timing of the issuance, the class of Shares to be issued, the number of Shares to be issued, the method of pricing and/or the price of the issuance (including the price range), the manner of issuance, the target of the issuance, the use of the proceeds of the issuance, and any other matters that may be relevant to the issuance of the Shares;
- (3) to grant a mandate to the Board to execute necessary documents, to complete the necessary formalities and to take other necessary actions in order to complete the allotment, issuance and listing of the new Shares (including the sale or transfer of treasury shares (if applicable), hereinafter), provided that there is no violation of applicable laws and regulations, the relevant regulatory requirements of the places in which the Shares of the Company are listed and the Articles of Association, including but not limited to:
  - i. to engage intermediaries related to the share issuance, to consider, approve and execute, on behalf of the Company, the agreements and documents in relation to the share issuance, including but not limited to the placing agreement, underwriting agreement and engagement agreement of intermediaries;
  - ii. to consider, approve and execute, on behalf of the Company, legal documents in relation to the share issuance which shall be submitted to the relevant regulatory authorities, and to fulfill the relevant approval processes according to the requirements of the regulatory authorities and the places in which the Shares of the Company are listed and to carry out necessary procedures including filing, registration and recording with the relevant government departments in mainland China and/or Hong Kong and/or any other regions and jurisdictions (if applicable);
  - iii. to amend the relevant agreements and legal documents mentioned in i and ii above in accordance with the requirements of domestic and overseas regulatory authorities; and
  - iv. to approve and execute all necessary, appropriate, desirable or relevant acts, deeds, documents and other related matters in relation to the share issuance.
- (4) subject to the approval of the relevant PRC authorities and in accordance with the Company Law, to grant a mandate to the Board to increase the registered capital of the Company to the required amount pursuant to the method, class and number of the allocation of new Shares and the actual condition of the Company's shareholding structure upon the completion of issuance, and take any other required actions and fulfil the required procedures for the changes in registered share capital (including, but not limited to, obtaining approval from relevant regulatory authorities and performing filing procedures for industrial and commercial registration).
- (5) to grant a mandate to the Board to make amendments to the Articles of Association as appropriate and necessary pursuant to the method, class and number of the allocation of new Shares and the actual condition of the Company's shareholding structure upon the completion of issuance, in order to reflect the changes in the share capital structure, the registered share capital and

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any other changes of the Company caused by this mandate, and take any other required actions and fulfil the required procedures for the changes in registered share capital (including, but not limited to, obtaining approval from relevant regulatory authorities and performing filing procedures for industrial and commercial registration).

### 2. *Validity period of the mandate*

The above general mandate shall not extend beyond the validity period of the mandate unless the Board makes or grants an offer, agreement or share option to issue Shares during the validity period which may need to be pursued or implemented beyond the end of the validity period of the mandate.

The general mandate shall be valid from the date of the approval of this resolution at the 2024 Annual General Meeting until the earliest of the following dates:

- (1) the conclusion of the 2025 annual general meeting of the Company;
- (2) the expiration of twelve months from the date on which this resolution is passed at the 2024 Annual General Meeting; or
- (3) the date on which the mandate granted under this resolution is withdrawn or amended by Shareholders of the Company at the Shareholders' general meeting with a special resolution.

The Board may exercise the mandate above only in accordance with the Company Law, the Securities Law, the Listing Rules or all applicable laws, regulations and provisions of any other government or regulatory authorities and with the approval of the relevant government authorities.

In order to increase the efficiency of decision-making and to flexibly grasp the market opportunities, in relation to the handling of the issuance of Shares under the general mandate, it is proposed that the Shareholders' general meeting authorize the Board, and that the Board authorize the Chairman, the President, and other persons who may be authorized as provided for in the laws, regulations, supervisory rules, and the Articles of Association, to handle the matters in relation to the issuance of Shares under the general mandate.

The above resolution has been considered and approved by the Board, and is hereby submitted to the AGM for consideration.

### **(II) Engagement of the Accounting Firms for 2025**

Pursuant to the relevant provisions of the Administrative Measures for Selection and Appointment of Accounting Firms by State-owned Financial Enterprise (Cai Jin [2020] No. 6) issued by the Ministry of Finance of the People's Republic of China, the term of consecutive engagement of the same accounting firm by a state-owned financial enterprise shall not exceed five years in principle. Given that Ernst & Young Hua Ming LLP and Ernst & Young (collectively referred to as "Ernst & Young") have provided audit services for the Company for five consecutive years, upon taking into full account of the Company's business development and needs for audit work, and based on the selection and appointment results of open tender, the Board proposes to engage BDO China Shu Lun Pan Certified Public Accountants LLP and BDO Limited (collectively referred to as "BDO") to serve as the domestic and overseas auditors of the Company for 2025, respectively to provide

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## LETTER FROM THE BOARD

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annual audit and interim review services for the consolidated financial statements of the Company and the Group. The audit fee is RMB7.725 million. Any adjustment in the audit fee was authorized to be confirmed by the Board.

The service term of Ernst & Young, being the auditors of the Company, will expire on the date of the conclusion of the 2024 Annual General Meeting of the Company, and Ernst & Young have confirmed that there are no other matters in respect of the proposed change of auditors that shall be brought to the attention of the Shareholders of the Company. The Board has also confirmed that it has no disagreement with Ernst & Young regarding the matters in respect of the proposed change of auditors, and there are no any relevant matters that shall be brought to the attention of the Shareholders of the Company.

The above resolution has been considered and approved by the Board, and is hereby submitted to the AGM for consideration.

### **(III) Fixed Asset Budget Plan for 2025**

In accordance with the regulatory requirements of the MOF and in light of the overall development plan and operational needs of the Company, the Company has formulated the fixed assets budget plan for 2025 (on parent company basis, the same below), the contents of which are as follows:

The fixed assets budget of the Company for 2025 amounts to RMB113.6740 million, including: RMB4.9628 million for house renovation, RMB4.7377 million for daily-use fixed assets, RMB31.1605 million for electronic equipment purchasing, and RMB72.8130 million for confirmation of ownership.

The above resolution has been considered and approved by the Board, and is hereby submitted to the AGM for consideration.

### **(IV) Final Financial Account Plan for 2024**

Pursuant to the 2024 audited consolidated financial statements of the Company, the final financial accounts for 2024 are hereby reported as follows:

#### ***1. Business Performance***

2024 was the first year that the Company entered the historical stage with the CITIC brand and CITIC image, and it was also the key year for the Company to realize the strategic objectives of “One-Three-Five”. Over the past year, with the strong support and assistance from the higher authorities, Shareholders and all sectors of society, the Company’s “One-Three-Five” strategy has taken solid steps forward, and its operating results have continued to improve. In 2024, the Company realized total income from continuing operations on a consolidated basis of RMB107.359 billion, representing an increase of 53.5% over the previous year; net profit of RMB7.343 billion, and profit attributable to Shareholders of the Company of RMB9.618 billion.

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## LETTER FROM THE BOARD

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*Unit: RMB million*

<b>Item</b>	<b>2024</b>	<b>2023</b> (Restated)
Total income from continuing operations	107,359.0	69,949.6
Share of results of associates and joint ventures	5,406.8	603.1
Net profit	7,343.0	212.1
Net profit attributable to Shareholders of the Company	9,618.4	1,766.3

The major financial income and expenses are set out in the following table:

*Unit: RMB million*

<b>Item</b>	<b>For the year ended 31 December</b>	
	<b>2024</b>	<b>2023</b> (Restated)
Income from distressed debt assets	12,919.4	17,248.2
Fair value changes on distressed debt assets	-9,069.2	-893.1
Fair value changes on other financial assets and liabilities	9,931.6	-2,494.5
Interest income	8,302.6	8,595.7
Gains from derecognition of financial assets measured at amortised cost	1,435.1	700.4
Gain or loss from derecognition of debt instruments at fair value through other comprehensive income	-67.4	153.8
Commission and fee income	146.1	198.5
Net gains on disposals or deemed disposals of subsidiaries, associates and joint ventures	143.7	7.2
Dividend income	5,866.2	882.8
Other income and other net gains or losses	77,750.8	45,550.6
<b>Total income from continuing operations</b>	<b>107,359.9</b>	<b>69,949.6</b>
Interest expenses	-32,355.7	-31,749.6
Commission and fee expenses	-237.3	-554.2
Operating expenses	-6,698.2	-5,502.4
Impairment losses under the ECL model	-70,952.1	-30,949.9
Impairment losses on other assets	-2,922.1	-968.5
<b>Total expenses on continuing operations</b>	<b>-113,165.4</b>	<b>-69,724.6</b>

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## LETTER FROM THE BOARD

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Item	For the year ended 31 December	
	2024	2023 (Restated)
Change in net assets attributable to other holders of consolidated structured entities	571.6	-1.9
Share of results of associates and joint ventures	5,406.8	603.1
<b>Profit before tax from continuing operations</b>	<b>172.0</b>	<b>826.2</b>
Income tax credit/(expense)	6,679.6	-885.1
<b>Profit/(loss) after tax from continuing operations</b>	<b>6,851.6</b>	<b>-58.9</b>
<b>Profit after tax from discontinued operations</b>	<b>491.4</b>	<b>271.0</b>
<b>Profit for the year</b>	<b>7,343.0</b>	<b>212.1</b>
Attributable to:		
Shareholders of the Company	9,618.4	1,766.2
Holders of perpetual capital instruments	77.1	76.1
Non-controlling interests	-2,352.5	-1,630.2

### 2. *Financial Position*

As at 31 December 2024, total assets of the Company amounted to RMB984.329 billion, representing an increase of 1.7% as compared to the end of the previous year; total liabilities amounted to RMB934.564 billion, representing an increase of 1.6% as compared to the end of the previous year; total equity amounted to RMB49.764 billion, representing an increase of 3.6% as compared to the end of the previous year; and equity attributable to Shareholders of the Company amounted to RMB56.496 billion, representing an increase of 17.7% from the previous year.

*Unit: RMB million*

Item	2024	2023
Total assets	984,328.6	968,103.2
Total liabilities	934,564.3	920,066.4
Total equity	49,764.3	48,036.8
Equity attributable to Shareholders of the Company	56,495.6	47,995.4

The above resolution has been considered and approved by the Board, and is hereby submitted to the AGM for consideration.

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## LETTER FROM THE BOARD

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### (V) Profit Distribution Plan for 2024

According to the financial statements (on the legal person basis) of the Company for 2024 which was audited by Ernst & Young Hua Ming LLP, the accumulated distributable profit of the Company amounted to RMB-61.977 billion as of 31 December 2024, with the changes for the whole year as set out in the table below:

*Unit: RMB'00 million*

Item	Formula	Amount
Accumulated undistributed profit at the beginning of the period	A	-761.43
Effect of disposal of Financial Leasing Company <sup>1</sup>	B	23.18
Total comprehensive income for the period	C	127.12
Dividend distribution to the holders of perpetual debt capital	D	8.64
Accumulated profit available for distribution at the end of the period	E=A+B+C-D	-619.77

In accordance with the relevant provisions of the Company Law and the Articles of Association, the Company's accumulated profit available for distribution is negative and does not qualify for profit distribution. Meanwhile, taking into account the actual situation of the Company's current operation and development, no statutory surplus reserve, discretionary surplus reserve and general risk reserve will be withdrawn during the year; no capital reserves conversion into share capital or other forms of distributions will be made by the Company.

As of 31 December 2024, the Company's cumulative outstanding losses amounted to RMB61.977 billion, with a paid-in share capital of RMB80.247 billion. The amount of outstanding losses exceeded one-third of the total paid-in share capital. The Company will adhere to the guidance of Party building and maintain its strategic focus. Relying on CITIC Group's advantages in both industry and finance, we have actively adjusted and optimized our asset allocation and business structure, built core competitiveness of core business, continuously improved operating quality and efficiency to achieve high-quality development.

The above resolution has been considered and approved by the Board, and is hereby submitted to the AGM for consideration.

### (VI) Election of Ms. Yuan Xin as a Non-executive Director

Ms. Yuan Xin ("Ms. Yuan") was nominated as a non-executive Director of the Company. She will perform her duties upon consideration and approval by the general meeting of Shareholders of the Company and upon approval of her directorship qualification by the National Financial Regulatory Administration, with a term of office of three years, and is eligible for re-election upon expiry of her term of office.

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<sup>1</sup> In 2024, the Company lost control of Financial Leasing Company due to the disposal of a portion of its interest in Financial Leasing Company. In the preparation of the Parent Company's statements on the legal person basis, after the disposal, the Company was able to exercise significant influence over Financial Leasing Company, therefore the accounting was changed to the equity method, and adjustments were made to the residual equity as if the equity method of accounting had been applied from the time of the acquisition, and the retained earnings of the parent company at the beginning of the period were adjusted for the parent company's share of the net profit or loss realized by Financial Leasing Company from the time the investment was originally acquired to the beginning of the period in which it was disposed of.

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## LETTER FROM THE BOARD

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The Nomination and Remuneration Committee of the Board considers that Ms. Yuan meets the relevant requirements of qualification for the non-executive Director of the Company under the Company Law, the Implementation Measures for the Administrative Licensing Items concerning Non-Banking Financial Institutions (《非銀行金融機構行政許可事項實施辦法》), the Listing Rules and other laws and regulations, as well as the Articles of Association.

The biography of Ms. Yuan is as follows:

Ms. Yuan Xin, aged 56, is a senior accountant. She started her career in August 1990. She successively served as a clerk, deputy chief clerk and chief clerk of the accounting department; and chief clerk, deputy director and director of the accounting and finance department of the People's Bank of China. Since July 2017, she has served as a deputy director of the institutional service center and member of the Party Committee (deputy director-general level) of the People's Bank of China. Ms. Yuan graduated from Renmin University of China majoring in international finance with a master's degree in economics.

Save as disclosed above, Ms. Yuan has confirmed that she: (i) does not have any relationship with any of the Directors, Supervisors, senior management, substantial shareholders or controlling shareholder of the Company; (ii) does not have any interests in any Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); (iii) is not in possession of any information that is required to be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules, nor is she involved or has been involved in any matter that shall be disclosed pursuant to Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules; (iv) did not hold any directorship in any other listed companies or hold any other positions in any member of the Group in the last three years; and (v) has no other issues that shall be brought to the attention of the Shareholders of the Company.

Ms. Yuan will not receive any remuneration from the Company.

The above resolution has been considered and approved by the Board, and is hereby submitted to the AGM for consideration.

### **(VII) Work Report of the Board of Directors for 2024**

In accordance with the regulatory requirements and the Articles of Association, and based on the actual work of the Board in 2024, the Company formulated the work report of the Board of Directors for 2024, the text of which is set out in Appendix I to this circular.

The above resolution has been considered and approved by the Board, and is hereby submitted to the AGM for consideration.

### **(VIII) Work Report of the Board of Supervisors for 2024**

In accordance with the regulatory requirements and the Articles of Association, and based on the actual work of the Board of Supervisors in 2024, the Company formulated the work report of the Board of Supervisors for 2024, the text of which is set out in Appendix II to this circular.

The above resolution has been considered and approved by the Board, and is hereby submitted to the AGM for consideration.

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## LETTER FROM THE BOARD

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### (IX) External Fund Donation Plan for 2025

In accordance with the requirements of the Ministry of Finance on the overall donation quota of the Company, and taking into account the operating conditions of the Company, the Company plans to make external donations of targeted assistance funds of RMB3 million in 2025, all of which will be allocated to Xuanhan County, which is the Company's targeted assistance area. In accordance with relevant requirements of No. 1 central document for 2025 headed Opinions of the Central Committee of the Communist Party of China and the State Council on Further Deepening Rural Reforms and Solidly Promoting Comprehensive Rural Revitalization (《中共中央國務院關於進一步深化農村改革紮實推進鄉村全面振興的意見》), and in conjunction with the actual needs of rural revitalization in the targeted counties, the Company intends to implement eight projects in the areas of finance, industry, education, people's livelihood and healthcare.

It is proposed that the Shareholders' general meeting authorize the Board, and that the Board authorize the President or other persons authorized by the President to handle the specific use of the external donation funds for 2025 within the donation quota of the Company.

The above resolution has been considered and approved by the Board, and is hereby submitted to the AGM for consideration.

### III. AGM

The Company will convene the AGM at Conference Room 1221, No. 8 Financial Street, Xicheng District, Beijing, the PRC on Wednesday, 28 May 2025 at 3:00 p.m. The notice of the AGM is set out in this circular.

In order to determine the list of H Shareholders who are entitled to attend the AGM, the H Share Register of members of the Company will be closed from Friday, 23 May 2025 to Wednesday, 28 May 2025 (both days inclusive). H Shareholders who intend to attend the AGM shall deposit the share certificates together with the transfer documents at the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, before 4:30 p.m. on Thursday, 22 May 2025. Shareholders whose names appear on the H Share register of members of the Company at the close of business on Thursday, 22 May 2025 are entitled to attend and vote at the AGM.

A proxy form for use at the AGM is enclosed herein and also published on the website of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)). H Shareholders shall return the proxy form(s) to Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 24 hours before the time appointed for holding the AGM (i.e. before 3:00 p.m. on Tuesday, 27 May 2025) or any adjournment thereof (as the case may be). Domestic Shareholders shall return the proxy form(s) to the Board office of the Company at No. 8 Financial Street, Xicheng District, Beijing, the PRC no later than 24 hours before the time appointed for holding the AGM (i.e. before 3:00 p.m. on Tuesday, 27 May 2025) or any adjournment thereof (as the case may be). Completion and return of the proxy form(s) will not preclude you from attending and voting at the AGM in person should you so wish.

We hereby remind you that, according to Article 65 of the Articles of Association, where the number of equity interests of the Company pledged by a Shareholder reaches or exceeds 50% of the equity interests held by such shareholder in the Company, no voting right in respect of the pledged equity interests shall be exercised at the general meeting of Shareholders until the ceasing of the relevant condition.

The voting at the AGM shall be by way of registered poll.

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## LETTER FROM THE BOARD

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### IV. RECOMMENDATION

The Directors consider that all resolutions set out in the notice of AGM for consideration and approval by Shareholders are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

### V. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regards to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make this circular or any statement herein misleading.

By order of the Board  
**China CITIC Financial Asset Management Co., Ltd.**  
**LIU Zhengjun**  
*Chairman*

## **WORK REPORT OF THE BOARD OF DIRECTORS FOR 2024**

The year 2024 was the first year that China CITIC Financial Asset Management Co., Ltd. (the “Company”) entered the historical stage with a new brand and new image, and it was also the key year for the Company to realize the strategic goal of “One-Three-Five”. Over the past year, the Board of Directors of the Company thoroughly implemented the decisions and deployments of the CPC Central Committee and the State Council, fully practiced the political and people-oriented nature of financial work, proactively served the national strategies, actively deepened the reform and innovation, vigorously strengthened the construction of risk management and internal control, continuously improved the corporate governance and internal management, and promoted the Company to steadily embark on the path of healthy and sustainable development. In 2024, the Company’s total revenue from continuing operations on a consolidated basis was RMB107.359 billion, and the net profit on a consolidated basis was RMB7.343 billion, of which, the net profit attributable to the parent company was RMB9.618 billion, representing a significant increase over the previous year. The 2024 annual report of the Board of Directors of the Company is set out below:

### **I. PLAYING A LEADING ROLE IN STRATEGY AND PROMOTING HIGH-QUALITY DEVELOPMENT OF THE COMPANY**

#### **(I) Focus on Main Responsibilities and Core Business, and Actively Serve the National Strategies**

The Board of Directors of the Company adhered to the basic principle of serving the national strategies, guided the Company to take the initiative to do a good job in the “Five Priority” on finance, based on the main position of distressed asset business, and acted as the “firewall” of financial risks and the “stabilizer” of financial security. **Firstly, the operational capability of acquisition and disposal business continued to improve.** The Company optimized the management mechanism, grasped the business cycle, actively expanded the market, increased the investment and disposal efforts, and maintained the scale of acquisition of distressed asset packages at the forefront of the industry; based on its functional positioning, it actively participated in the risk resolution of small and medium-sized financial institutions, and effectively played its role in preventing and resolving financial risks. **Secondly, breakthroughs were made in the innovative transformation of acquisition and restructuring business.** The Company expanded its business ideas and innovated its business methods, and implemented a number of projects such as guaranteeing the delivery of buildings and real estate companies’ relief, revitalizing inefficient assets of state-owned enterprises, relief for entity enterprises, acquisition of defaulted bonds, and bankruptcy reorganization, effectively helping entity enterprise to resolve risks and transform and upgrade. **Thirdly, the high-quality investment in equity business has achieved practical results.** Focusing on key industries, regions and customers, the Company has landed a number of market-oriented debt-to-equity conversion projects, helping entity enterprises reduce liabilities and become better and stronger; actively promoted the revitalization of stock, and achieved effective results in the operation and management of bought-out equity assets; and grasped the special opportunities to implement investment allocations, helping to enhance enterprise value and optimize the Company’s asset structure.

#### **(II) Strengthen Strategy Implementation and Proactively Seize Development Opportunities**

The Board of Directors continued to supervise the implementation of the strategic plan, guided the management to follow the overall idea of “consolidating foundation, seeking progress while maintaining stability, and improving quality and efficiency”, anchored the target direction of “significantly improving quality and efficiency in three years”, and pushed forward the implementation of the “One-Three-Five” strategy in a solid manner. **Firstly, the Board of Directors promoted the implementation of strategic planning.** The Company has formulated a implementation plan for financial “strong core” project to further build the core of high-quality development; refined the deployment of the annual management work, and coordinated the promotion

of strategic planning and business plans, capital plans, resource allocation, performance assessment, compensation performance, human resources, etc. to ensure the scientificity, connectivity and enforceability of policies. **Secondly, the Board of Directors promoted the differentiated development of operating units.** Taking the major regional development strategy as the lead, the Company optimized the regional resource layout, promoted the operating units to explore the advantages of resource endowment, identified the development positioning and business strategy, and created differentiated and distinctive competitive advantages. **Thirdly, the Board of Directors strengthened the supervision of strategy implementation.** The Company carried out the annual assessment of its “14th Five-Year” Plan, reviewed the effectiveness of the work at different stages, and clarified the next step of the work, and ensured that all the work was carried out as planned, providing a solid guarantee for the realization of the strategic objectives.

### **(III) Deepening Reform and Innovation, and Stimulating New Vitality for Transformation and Development**

The Board of Directors focused on the key reform areas of the Company, urged the management to solidly promote the reform of subsidiaries, strengthened the construction of the cadre, enhanced the effectiveness of operation and management, and further stimulated the momentum of endogenous development. **Firstly, the Board of Directors continued to deepen the reform of subsidiaries.** The Company completed the equity transfer of Financial Leasing Company, taking a solid step back to the core business; promoted the optimization and integration of non-financial subsidiaries, making the functional layout of subsidiaries more clearer; and completed the renaming of five directly-controlled subsidiaries in 2024, realizing the empowerment of the CITIC brand. **Secondly, the Board of Directors strengthened the construction of the talent team.** The Company vigorously promoted the “talent selection (人才優選)” plan, carried out competitive selection and market-oriented introduction; increased manpower training, promoted cadre exchanges, and continued to optimize the team structure. **Thirdly, the Board of Directors improved the incentive mechanism.** The Company optimized the business performance appraisal system, improved the gross salary distribution mechanism, highlighted the orientation of “strengthening assessment, tightening linkage, emphasizing practical work, and rewarding performance” and stimulated the team’s work enthusiasm for entrepreneurship. **Fourthly, the Board of Directors strengthened internal management.** The Company strengthened comprehensive budget management, insisted on tightening the budget, and achieved significant results in cost reduction and efficiency enhancement; improved the level of digital management, improved network security protection, and drove the enhancement of business capacity by scientific and technological capabilities.

## **II. STRENGTHENING RISK MANAGEMENT AND INTERNAL CONTROL CONSTRUCTION TO FURTHER ENHANCE THE EFFECTIVENESS OF MANAGEMENT AND CONTROL**

### **(I) Deepen Comprehensive Risk Management and Enhance the Effectiveness of Risk Management and Control**

The Board of Directors has regarded risk prevention and control as the cornerstone of business development, urged the management to accelerate the construction of a comprehensive risk management system and continuously improved the quality and efficiency of risk management and control. **Firstly, the Board of Directors deepened comprehensive risk management.** The Board of Directors actively promoted the Plan for Deepening the Construction of Comprehensive Risk Management System and effectively to consolidate the foundation of risk management; improved the risk preference management mechanism, and reasonably set risk preference and risk limit indicators by comprehensively considering factors such as returns, capital and risk, so as to promote the effective operation of risk preference. **Secondly, the Board of Directors strengthened the whole process management of projects.** The Board of Directors improved business access policies and strengthened substantive gate-keeping in the access process; improved the review and approval

system, optimized project re-inspection and review and other work mechanisms, and enhanced the professionalism of project review and approval; established a new post-investment management system, optimized the post-investment management mechanism, strengthened post-investment inspections and system construction, and comprehensively enhanced the effectiveness of post-investment management. **Thirdly, the Board of Directors coordinated risk prevention and control.** The Board of Directors continued to promote risk management, and increased risk prevention and resolution in key areas, with the quality of the Company's assets significantly improved and the risk-resistant capability significantly enhanced.

## **(II) Improve Internal Management, and Strengthen Internal Control Compliance and Audit Supervision**

The Board of Directors earnestly fulfilled its duties of internal control management and supervision, guided the management to strengthen the construction of the internal control system, and cultivated the concept of prudent and compliant operation. **Firstly, the Board of Directors enhanced the internal control and compliance level.** The Board of Directors strengthened institutional management and deeply promoted the establishment, modification and abolition of the system; optimized the mechanism for rectification of regulatory opinions and promoted source rectification; implemented the governance of central enterprises according to laws, conducted training on legal popularization, and studied the impact of the new Company Law on the Company's businesses; conducted case risk prevention and control assessment and practitioner behavioral assessment, and strengthened the foundation of internal control and compliance. **Secondly, the Board of Directors played a comprehensive role in audit supervision.** The Board of Directors improved the construction of the internal audit system, amended the Internal Audit Charter of the Company, and formulated the Opinions on Further Improvement of Internal Audit Work; carried out audit supervision, conducted special audits on related party transactions and anti-money laundering, etc; conducted internal control evaluation in accordance with regulatory requirements to promote the improvement of internal control management level; strengthened problem rectification and application of results, and completed the "second half" of the audit. **Thirdly, the Board of Directors strengthened the management of related party transactions.** The Board of Directors reviewed and revised the related party transaction system, and improved the management system for related party transactions; renewed the Comprehensive Service Framework Agreement and the Capital and Asset Transaction Framework Agreement with CITIC Group to promote standardized and efficient related party transactions between both parties; promoted systematic data governance and improved the quality and efficiency of related party transaction management.

## **(III) Ensure the Safety of Capital and Liquidity, and Consolidate the Foundation of Business Development**

The Board of Directors attached great importance to the Company's capital adequacy and liquidity safety, guided the management to establish a sound capital management mechanism, strengthened liquidity management, ensured capital compliance, and built a solid bottom line for liquidity safety. **Firstly, the Board of Directors strengthened capital management.** The Board of Directors integrated strategic planning with business plans, and reasonably prepared the annual capital management plan; promoted operating units to improve their operational quality and efficiency, and enhanced endogenous capital accumulation capacity; strengthened capital monitoring, and regularly conducted capital measurement, evaluation and stress test. **Secondly, the Board of Directors improved the efficiency of capital utilization.** The Board of Directors strengthened the concepts of capital constraints and cost-benefit, and played the forward-looking guiding role of capital; coordinated the assessment of capital indicators, strengthened the guiding role of capital, and improved the efficiency of capital utilization. **Thirdly, the Board of Directors strengthened liquidity management.** The Board of Directors strived to broaden financing channels, optimized debt

structure, reduced financing costs, and maintained reasonable reserves; improved the liquidity risk management mechanism, conducted stress tests, and firmly guarded the bottom line of non-occurrence of systemic risks.

### **III. STRENGTHENING CORPORATE GOVERNANCE TO ENSURE STANDARDIZED PERFORMANCE OF DUTIES AND SCIENTIFIC DECISION-MAKING BY THE BOARD OF DIRECTORS**

#### **(I) Adhere to the Leading Role of Party Building, and Promote the Deep Integration of Party Leadership and Corporate Governance**

The Company insisted on promoting the organic integration of Party leadership and corporate governance. The Party Committee and the Board of Directors of the Company maintained close communication and cooperation, and jointly promoted the high-quality development of the Company. **Firstly**, the Company insisted on “mutual entry and cross appointment”, and certain members of the Company’s Party Committee also served as Directors. **Secondly**, the Company improved the communication mechanism. The Directors of the Company attended the meetings of the Party Committee, and the members of the Party Committee attended the meetings of the Board of Directors and special committees, maintaining in-depth work exchanges between both sides. **Thirdly**, the Company gave full play to the role of the Party Committee in guiding direction, managing overall situation and ensuring implementation, and implemented the pre-review process for major issues. The matters considered by the Board of Directors involving the “three important and one significance” issues were submitted to the Party Committee for pre-research.

#### **(II) Strengthen the Construction of the Board of Directors and Optimize the Operational Mechanism of Corporate Governance**

The Board of Directors earnestly implemented the national economic and financial policies and financial regulatory requirements, strictly complied with the Company’s Articles of Association and the authorization plan of the Board of Directors by the Shareholders’ general meeting, continuously improved the operation mechanism of corporate governance, and constantly enhanced the effectiveness of corporate governance. **Firstly, the Board of Directors convened governance meetings in compliance with laws and regulations.** In 2024, the Board of Directors convened 6 Shareholders’ general meetings to consider and hear 17 proposals and reports, 11 Board meetings to consider and hear 66 proposals and reports, and 32 meetings of special committees under the Board of Directors to consider and hear 60 proposals and reports, thus ensuring timely decision-making on major issues. **Secondly, the Board of Directors improved proposal management.** The Board of Directors amended the Rules for the Management of Board Proposals, improved the requirements for the entire process of proposal management, strengthened the coordination and planning of meetings, improved the quality of proposals, conducted pre-meeting communication, assisted Directors in fully considering proposals, and consolidated the decision-making basis. **Thirdly, the Board of Directors strengthened the overseeing and implementation.** The Board of Directors established ledgers for overseeing Directors’ opinions, followed up the implementation by the responsible departments on a regular basis, and promptly provided feedback to the Directors to ensure that the opinions and suggestions are implemented in a timely manner. **Fourthly, the Board of Directors promoted the rectification and improvement of the regulatory assessment of corporate governance.** The Board of Directors thoroughly analyzed the causes of problems, and promoted the implementation and refinement of rectification measures, so as to effectively play the effectiveness of regulatory assessment of corporate governance.

**(III) Improve Directors' Ability to Perform Their Duties and Consolidate the Decision-Making Foundation of the Board of Directors**

The Company focused on strengthening the ability of Directors to perform their duties, effectively protected the Directors' right to know, comprehensively improved the professional quality of Directors, and ensured that the Board of Directors makes scientific and effective decisions. **Firstly, the Board of Directors strengthened communication with the management.** Directors attended various work meetings and senior management meetings of the Company as non-voting delegates, strengthened communication with the management, enhanced their understanding of the Company's major events, and provided a strong basis for scientific decision-making. **Secondly, the Board of Directors intensified research and visits.** With focus on the Company's development strategy, business development, risk prevention and control and other topics, the Directors conducted on-site researches to the Company and several subsidiaries, held several symposiums and special seminars, formed research results, put forward opinions and recommendations, and guided the Company to fully exert its functional positioning of serving the real economy and preventing financial risks. **Thirdly, the Board of Directors actively participated in training.** Directors participated in special trainings on the Company Law, the Anti-monopoly Law, and the anti-money laundering supervision, etc., to fully understand the macro situation and regulatory dynamics, and continuously improve their ability to perform their duties.

**IV. PAYING ATTENTION TO THE RIGHTS AND INTERESTS OF STAKEHOLDERS AND ACTIVELY FULFILLING SOCIAL RESPONSIBILITIES**

**(I) Improve the Equity Management Mechanism and Improve Shareholders' Governance**

The Board of Directors followed domestic and overseas regulatory requirements, continuously optimized the equity management mechanism, conscientiously performed equity management responsibilities, and effectively improves the Shareholders' governance. **Firstly, the Board of Directors established an equity management system.** The Board of Directors implemented the regulatory requirements and formulated the Equity Management Measures, which clearly stipulated the management principles, Shareholder commitments, information disclosure and other matters. **Secondly, the Board of Directors optimized the communication mechanism.** The Board of Directors continued to improve the communication mechanism with Shareholders, kept abreast of the shareholding status of major Shareholders and related important matters, and continuously strengthened the normal management of shareholding behavior of Shareholders. **Thirdly, the Board of Directors standardized the evaluation on Shareholders.** According to the regulatory rules, the Board of Directors conducted an evaluation on major Shareholders and substantial Shareholders. There are a total of 4 major Shareholders and substantial Shareholders of the Company, all of whom have been approved by the financial supervision and management authorities. The Shareholders' behavior complied with the provisions and requirements of laws, regulations, regulatory rules and the Articles of Association.

**(II) Complete Information Disclosure with High Quality to Protect the Interests of Shareholders and Creditors**

The Board of Directors strictly abided by domestic and foreign laws, regulations and regulatory requirements, urged the Company to continue to complement information disclosure, strengthened investor relations management, and effectively safeguard the rights and interests of shareholders, investors and creditors. **Firstly, the Board of Directors completed information disclosure in compliance with laws and regulations.** Strictly abide by domestic and foreign information disclosure rules, it completed the disclosures of the Company's regular reports and results on time, completed the disclosure of major events in a timely and accurate manner, responded to market concerns in a timely and effective manner, and fully protected investors' right to know.

**Secondly, the Board of Directors strengthened the investor relations management.** It adhered to the external promotion strategy of “disclosing and listening (走出去,引進來)”, strengthened communication with substantial Shareholders, key institutional investors, investment bank analysts and small and medium-sized investors, and positively guided investors to boost market confidence. **Thirdly, the Board of Directors safeguarded the interests of creditors.** The Company paid the due financing principal and interest on schedule without any default, actively cooperated with creditors to carry out due diligence and post-loan management, and fully disclosed relevant information in a timely manner to protect the legitimate rights and interests of creditors.

### **(III) Actively Fulfill Social Responsibilities and Implement ESG Management Requirements**

The Board of Directors actively fulfilled the duties and responsibilities of state-owned financial institution, strengthened the unity of business objectives and social responsibility objectives, and practiced the concept of sustainable development. **Firstly, the Board of Directors effectively served the needs of social development.** Based on the core business of distressed assets, the Company actively responded to national strategies, launched a combination of green finance, and carried out relief business to strongly support “guaranteeing housing delivery and stabilizing people’s livelihood” and contributed to social stability and development. **Secondly, the Board of Directors implemented ESG management requirements.** It implemented ESG guidelines and regulatory requirements, continued to improve the social responsibility management system, and prepared and published annual social responsibility reports. In 2024, the Company’s ESG rating was upgraded from BB to BBB, further enhancing its sustainable development capabilities. **Thirdly, the Board of Directors continued to carry out targeted assistance.** The Company improved the assistance mechanism, gave full play to the advantages of the platform, strengthened financial assistance, deepened industrial and medical assistance, continued to consolidate and expanded the results of poverty alleviation, and fully completed various tasks such as targeted assistance as a central unit.

## **WORK REPORT OF THE BOARD OF SUPERVISORS FOR 2024**

In 2024, the Board of Supervisors of China CITIC Financial Asset Management Co., Ltd. (the “**Company**”) thoroughly studied and implemented the spirit of the 20th National Congress and the Second and Third Plenary Sessions of the 20th Central Committee of the Communist Party of China, practiced the political and people-oriented nature of financial work, and fully implemented the requirements for organic integration of the Party leadership and corporate governance. In accordance with China’s laws and regulations, regulatory provisions and the Articles of Association, the Board of Supervisors performed its duties with fidelity and diligence, conducted supervision in an orderly manner, actively improved the quality and efficiency of supervision, made efforts to promote the Company to establish and improve corporate governance, improved the quality and efficiency of serving the real economy, and achieved high-quality development, which effectively safeguarded the legitimate rights and interests of the Company, Shareholders, employees and other stakeholders.

### **I. CONVENING OF MEETINGS OF THE BOARD OF SUPERVISORS**

During the Reporting Period, the Board of Supervisors held 5 meetings to consider and approve 11 resolutions.

### **II. SUPERVISION WORK**

#### **(I) Performance Supervision**

**First**, the Board of Supervisors enhanced daily performance supervision. By attending relevant meetings of the Board of Directors and senior management, reviewing materials, enquiring into systems, carrying surveys and other methods, the Board of Supervisors continuously paid attention to the compliance with laws and regulations, the Articles of Association and corporate governance rules by the Board of Directors, senior management and its members, the implementation of national economic and financial policies, the attendance of meetings to express opinions and recommendations as well as the implementation of resolutions of shareholders’ meetings and the Board of Directors. **Second**, the Board of Supervisors paid attention to the implementation of the Company’s development strategy. According to the relevant regulatory requirements, the Board of Supervisors continued to pay attention to the implementation of the Company’s “14th Five-Year” Plan, reviewed relevant reports from the Strategy and Development Committee of the Board of Directors, and focused on the implementation of the central financial work arrangements, the promotion of risk resolution in key areas such as real estate, local debts and small and medium-sized financial institutions, and the enhancement of quality and efficiency of serving the real economy. **Third**, the Board of Supervisors paid attention to the implementation of the new Company Law and promoted the integration of Party leadership and corporate governance. The Board of Supervisors reviewed relevant information, paid attention to the implementation of relevant plans and progress of the new Company Law, and followed up on the formulation and amendments of corporate governance rules that aligned with relevant regulatory regulations and the new Company Law. **Fourth**, the Board of Supervisors conducted an annual performance evaluation of Directors and senior management members. According to the relevant regulatory requirements and relevant evaluation measures of the Company, the Board of Supervisors studied and formulated the plan of performance evaluation of Directors and senior management members for 2024, and determined the scope of evaluators and the main working procedures. By adhering to the principles of legitimation and compliance, objectiveness and justice, standard and unity, scientificity and effectiveness, the Board of Supervisors listened to opinions on the performance of duties by Directors and senior management members in a multi-dimensional manner. The meetings of the Board of Supervisors studied and considered the opinions and gave evaluation results based on the daily performance supervision, so as to promote the Directors and members of senior management to fully perform their duties in compliance with laws and regulations.

The performance evaluation result of the Board of Supervisors regarding the Directors involved in the evaluation in 2024 was as follows: in accordance with relevant regulatory requirements and evaluation measures of the Company, the Board of Supervisors did not find any circumstance in which Directors involved in the evaluation should be rated as incompetent in their duty performance in 2024. The performance evaluation result of the Board of Supervisors regarding the Directors involved in the evaluation in 2024 was competent.

The performance evaluation result of the Board of Supervisors regarding senior management members involved in the evaluation in 2024 was as follows: in accordance with relevant regulatory requirements and evaluation measures of the Company, the Board of Supervisors did not find any circumstance in which senior management members involved in the evaluation should be rated as incompetent in their duty performance in 2024. The performance evaluation result of the Board of Supervisors regarding senior management members involved in the evaluation in 2024 was competent.

## **(II) Financial Supervision**

**First**, the Board of Supervisors carefully reviewed regular reports. The Board of Supervisors paid attention to the latest regulatory policies and accounting standards, reviewed the audit results of regular financial reports, earnestly considered annual reports, interim reports, annual financial accounts, profit distribution plans and other proposals, and focused on changes in asset quality, asset size of the main business, profitability, asset regional structure and industry structure. **Second**, the Board of Supervisors paid attention to the implementation of business plans. The Board of Supervisors regularly reviewed financial information, and paid attention to changes in assets and liabilities, financial income and expenditure indicators, implementation of fixed asset budgets, management of subsidiaries and operating indicators of key subsidiaries. **Third**, the Board of Supervisors carried out financial supervision in key areas. The Board of Supervisors paid attention to the system construction and policy implementation of expected credit loss management; focused on cost reduction and efficiency enhancement, centralized procurement management, financial information system construction, tax management, performance evaluation system, etc., facilitated the enhancement of financial management, regulated financial behaviors and improved the effectiveness of financial resources allocation.

## **(III) Internal Control Supervision**

**First**, the Board of Supervisors paid attention to the soundness and improvement of the internal control system. The Board of Supervisors followed up with the Board of Directors and senior management on the improvement of the internal control system and fulfilment of their responsibilities for internal control and compliance management; and focused on understanding the development of compliance culture, compliance management tools and policies, etc. **Second**, the Board of Supervisors considered and reviewed relevant reports. The Board of Supervisors considered the internal control evaluation report and reviewed special reports on compliance, anti-money laundering, case prevention and control, and related party transactions in accordance with regulatory regulations. **Third**, the Board of Supervisors paid attention to the implementation of regulatory regulations. The Board of Supervisors reviewed relevant information and attended relevant meetings to follow up on the progress of internalization and implementation of external regulations. **Fourth**, the Board of Supervisors paid attention to the operation of the internal control system, including the establishment, amendment and abolition of institutional systems, the construction of information systems, the top-level design of data governance and the implementation of internal control management systems of subsidiaries.

#### **(IV) Risk Management Supervision**

**First**, the Board of Supervisors paid attention to the construction and operation of the risk governance system. The Board of Supervisors strengthened the supervision of the construction and operation of the comprehensive risk management governance structure, paid attention to the risk management strategies and risk preferences formulated by the Board of Directors, paid attention to the formulation and implementation progress of the annual work plan of the Risk Management Committee of the Board of Directors, paid attention to the risk management strategies, policies and control mechanisms, and risk management tools of the senior management, paid attention to the implementation of the consolidated management mechanism of the senior management, reviewed relevant regular information, and monitored the achievement of key risk indicators. **Second**, the Board of Supervisors carried out supervision in key areas. The Board of Supervisors paid attention to the impact of changes in the economic situation on asset quality and strengthened supervision of credit risk management and control; paid attention to risk management and control in the process of resolving risks in real estate, small and medium-sized financial institutions and local debts, etc.; and paid attention to the policy effectiveness of senior management in liquidity management and market risk management. **Third**, the Board of Supervisors strengthened daily risk management supervision and enhanced pertinence. The Board of Supervisors regularly reviewed internal risk management reports to understand the performance of the Board of Directors and senior management in risk management; and assigned staff from the office of the Board of Supervisors to conduct research in subsidiaries to understand the implementation of risk management strategies and risk preference transmission mechanisms.

### **III. SELF-CONSTRUCTION OF THE BOARD OF SUPERVISORS**

**First**, the Board of Supervisors performed its duties diligently. During the Reporting Period, the Supervisors attended more than 20 meetings of the Company, and devoted sufficient time and effort to participate in the supervisory work. The Supervisors attended the meetings of the Board of Supervisors on time, carefully studied various proposals, conducted in-depth research and discussion on key issues, expressed opinions objectively and fairly, and exercised voting rights appropriately. The working hours of external Supervisors for the Company were in compliance with relevant regulations. **Second**, the Board of Supervisors continued to enhance self-construction. The Board of Supervisors attached great importance to improving theoretical level. Members of the Board of Supervisors actively paid attention to macro policies and market dynamics, actively participated in relevant training on corporate governance, financial management and risk management, and learned the latest policies and requirements of regulatory authorities, to continuously enhance their ability to perform duties. **Third**, the Board of Supervisors carried out the performance evaluation of Supervisors, studied and formulated the plan for the performance evaluation of Supervisors for 2024, determined the evaluation scope and working procedures, heard opinions on the performance of duties of Supervisors on the basis of self-evaluation and mutual evaluation in various aspects, conducted studies and consideration and gave evaluation results at its meetings.

The performance evaluation result of the Board of Supervisors regarding the Supervisors involved in the evaluation in 2024 was as follows: in accordance with relevant regulatory requirements and evaluation measures of the Company, the Board of Supervisors did not find any circumstance in which the Supervisors involved in the evaluation should be rated as incompetent in their duty performance in 2024. The Board of Supervisors' performance evaluation result regarding the Supervisors involved in the evaluation was competent in 2024.

**WORK REPORT OF THE INDEPENDENT NON-EXECUTIVE  
DIRECTORS FOR 2024**

**Dear Shareholders,**

In 2024, the independent non-executive Directors of China CITIC Financial Asset Management Co., Ltd. (the “**Company**”) performed their duties faithfully and diligently in strict accordance with the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Measures for the Regulation of Financial Asset Management Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and other domestic and overseas laws, regulations and normative documents, as well as the Articles of Association of China CITIC Financial Asset Management Co., Ltd. and the Work System of Independent Directors of China CITIC Financial Asset Management Co., Ltd. They earnestly attended the general meetings of shareholders and the meetings of the Board of Directors and special committees, performed their duties proactively, and made independent decisions. Focusing on the Company’s strategic goal of “significantly improving quality and efficiency in three years”, the independent non-executive Directors gave fully play to the role of independent Directors in supervisory, decision-making and consulting to help the Company achieve significant improvement in operating results, significantly enhanced risk resistance capabilities, and effectively safeguarded the legitimate interests of the Company and all shareholders. The duty performance of the independent non-executive Directors for 2024 is hereby reported as follows:

**I. BASIC INFORMATION OF INDEPENDENT NON-EXECUTIVE DIRECTORS****(I) Roles and Functions of Independent Non-executive Directors**

So far, the Company has a total of four independent non-executive Directors, representing more than one-third of the total number of members of the Board of Directors, which is in compliance with relevant regulatory requirements and the Articles of Association. The four independent non-executive Directors hold the following positions in the special committees of the Board: Mr. Shao Jingchun serves as chairman of the Related Party Transaction Committee, and member of each of the Strategy and Development Committee, the Audit Committee and the Nomination and Remuneration Committee; Mr. Zhu Ning serves as chairman of the Nomination and Remuneration Committee, and member of each of the Strategy and Development Committee and the Related Party Transaction Committee; Ms. Chen Yuanling serves as member of each of the Strategy and Development Committee, the Risk Management Committee and the Audit Committee; and Mr. Lo Mun Lam, Raymond serves as chairman of the Audit Committee, as well as member of each of the Strategy and Development Committee and the Related Party Transaction Committee. Please refer to the Company’s announcement for the biographical details of the four independent non-executive Directors.

**(II) Description of Independence of Independent Non-executive Directors**

The qualifications, number and proportion of independent non-executive Directors of the Company were in full compliance with regulatory requirements. They did not have any business or financial interest in the Company and its subsidiaries, nor did they hold any managerial position in the Company. The Company has received annual confirmation letters of independence from each of the current independent non-executive Directors and acknowledged their independence.

## II. ANNUAL DUTY PERFORMANCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

2024 marks a crucial year for the Company to achieve the “One-Three-Five” strategic objectives. The corporate governance meeting considered major resolutions including the equity transfer of Financial Leasing Company, implementation of investment allocation and renewal of the continuing related party transaction framework agreement. The independent non-executive Directors actively participated in the corporate governance in accordance with the Articles of Association and relevant regulatory requirements, giving full play to their professionalism and independence and providing strong support to the Board’s scientific decision-making.

### (I) Attendance at Meetings

In 2024, the Company convened six general meetings of Shareholders in total to consider 16 proposals and hear one report; held 11 meetings of the Board of Directors to consider 49 proposals and hear 17 reports. The five special committees under the Board of Directors held 32 meetings in total to consider and hear 60 matters. During the Reporting Period, the independent non-executive Directors of the Company attended the general meetings of Shareholders and the meetings of the Board of Directors and special committees of the Board of Directors as follows:

Directors	General meeting of shareholders	Board of Directors	Strategy and Development Committee	Special committees of the Board of Directors			Nomination and Remuneration Committee
				Risk Management Committee	Related Party Transaction Committee	Audit Committee	
Shao Jingchun	6/6	9/11	5/5	N/A	9/9	9/9	4/4
Zhu Ning	5/6	11/11	5/5	N/A	9/9	N/A	4/4
Chen Yuanling	4/6	11/11	5/5	4/5	N/A	9/9	N/A
Lo Mun Lam, Raymond	6/6	11/11	5/5	N/A	9/9	N/A	N/A

*Note:* “Number of meetings attended in person” includes attendance on site and attendance through phone calls or video. Directors who are unable to attend the meetings of the Board of Directors and special committees in person have delegated other Directors to attend the meeting and exercise voting rights on their behalf thereat.

### (II) Participation in Decision-making of the Board of Directors and the Special Committees

#### 1. Participation in Decision-making of the Board of Directors

Each independent non-executive Director performed his/her duties with integrity, independence and diligence, attended the Board meetings in good faith, fully reviewed the decision-making matters at the meetings, expressed their opinions independently and professionally, and voted objectively and prudently, so as to effectively safeguard the legitimate rights and interests of the Company and all Shareholders.

In 2024, the Board of Directors held eleven meetings in total, including four regular meetings and seven extraordinary meetings. 49 proposals were passed and 17 reports were heard at the meetings. Among the proposals passed, there were 15 proposals on operation and management matters, seven proposals on system establishment, six proposals on personnel management, and 21 other proposals.

**2. Participation in Decision-making of the Special Committees of the Board of Directors**

All independent non-executive Directors actively performed their roles and responsibilities in the special committees, attended meetings of the special committees on time, reviewed relevant proposals, put forward opinions and recommendations in combination with their respective expertise and assisted in the decision-making of the Board of Directors.

- (1) In 2024, the Strategy and Development Committee convened five meetings in total to consider and hear 10 resolutions and reports, including the fixed assets budget plan of the Company for 2024 and the business plan for 2024 of the Company, etc.
- (2) In 2024, the Risk Management Committee convened five meetings in total to consider and listen to 10 resolutions and reports, including the Company's comprehensive risk management in 2023, the work summary of the Risk Management Committee in 2023 and the work plan for 2024, etc.
- (3) In 2024, the Related Party Transaction Committee convened nine meetings in total to consider and listen to 12 resolutions and reports, including the related party transaction management of the Company for 2023, and work summary in 2023 and work plan for 2024 of the Related Party Transaction Committee, and the renewal of continuing connected transactions framework agreements with CITIC Group, etc.
- (4) In 2024, the Audit Committee convened nine meetings in total to consider and listen to 19 resolutions and reports, including the final financial accounts of the Company for 2023, the 2023 Annual Results Announcement and the 2023 Annual Report of the Company, the engagement of accounting firms for 2024 and the internal control evaluation report for 2023, etc.
- (5) In 2024, the Nomination and Remuneration Committee convened four meetings in total to consider and listen to nine resolutions and reports, including the nomination of Mr. Liu Zeyun as an assistant to president, the nomination of Ms. Zhao Jingjing as the vice president of the Company, the nomination of Mr. Yang Yi as the vice president of the Company, the nomination of Mr. Chen Pengjun as the vice president of the Company, the nomination of Mr. Liu Zeyun as the chief risk officer of the Company, and the 2022 annual remuneration settlement plan for the Directors and senior management of the Company, etc.

**(III) Company's Cooperation with Independent Non-executive Directors in Their Work**

The Company attached great importance to the independent non-executive Directors' performance of duty and provided working conditions necessary for the independent non-executive Directors to perform their duties. In order to improve the effectiveness of duty performance of the independent non-executive Directors, the Company made efforts to guarantee the right to know of the independent non-executive Directors and, relying on the office of the Board of Directors, provided a number of services and support for independent non-executive Directors, including providing various communication channels, assisting independent non-executive Directors in participating in management meetings, thematic communication meeting for significant matters, symposiums, researches of the Company, acceptance of business training and reading materials and information. The Company safeguarded the convening and participation of independent non-executive Directors in corporate governance meetings through a combination of online and offline meetings and arranging separate venues in different places. The Company organized research and thematic symposiums for

Directors, including independent non-executive Directors, on topics such as implementing strategic planning and operating plans, development of principal businesses, risk management, related party transaction management. The Company responded promptly to and reasonably adopted the suggestions and opinions made by the independent non-executive Directors on the relevant matters.

### **III. KEY ISSUES OF CONCERN REGARDING ANNUAL DUTY PERFORMANCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS**

In 2024, the independent non-executive Directors paid attention to the implementation of the Company's strategic planning, engagement of accounting firms, risk management and internal control compliance, related party transaction management and other key tasks, grasped key issues and proactively conducted in-depth investigations and studies, and expressed opinions and suggestions in an independent, objective and prudent manner.

#### **(I) Implementation of the Strategic Planning**

Independent non-executive Directors paid much attention to, had a deep understanding of and timely conducted summarization and assessment on the implementation of the Company's "one-three-five" strategic planning through participation in meetings of the Board of Directors, relevant special committees as well as resolution communication meetings, communication with the management, grass-roots research and other ways. Independent non-executive Directors urged the Company to pay attention to the industry trend, grasp policy opportunities, accelerate transformation of principal businesses, improve operational quality and efficiency, so as to achieve high-quality development with the guidance of strategies.

#### **(II) Information Disclosure**

The independent non-executive Directors have understood the significant matters of the Company's operation and management in a timely manner, urged the Company to improve the information disclosure quality and fully protected the rights and interests of shareholders. The independent non-executive Directors urged the Company to prepare and disclose the 2024 Annual Results Announcement and Annual Report, 2024 Interim Results Announcement and Interim Report, and various temporary announcements in accordance with the domestic and overseas regulatory requirements, urge the Company to constantly improve the quality of information disclosure and ensure no false information record, deceptive statement or material omission in light of the principles of truthfulness, accuracy, completeness and timeliness.

#### **(III) Engagement of Accounting Firms**

In 2024, after carefully reviewing the relevant information about Ernst & Young Hua Ming LLP and Ernst & Young and listening to the work report of Ernst & Young's auditors, the independent non-executive Directors got the whole picture of their performance of duties. They believed that Ernst & Young had enough independence and professional ability as it was able to maintain independent, objective and fair practice standards during the audit process and complete relevant audit work in an orderly manner, and agreed to employ Ernst & Young Hua Ming LLP and Ernst & Young as the Company's audit institutions for 2024.

**(IV) Qualifications of Senior Management Members**

In 2024, the Board of the Company appointed four senior management members. The independent non-executive Directors carefully examined the appointment qualifications of the candidates for senior management members in strict accordance with the laws and regulations and the Articles of Association. The independent non-executive Directors had no objection to the appointment qualifications of the senior management members of the Company.

**(V) Remuneration of Directors and Senior Management Members**

In 2024, the Shareholders' general meeting and the Board of the Company considered the remuneration settlement plan of the Company's Directors and senior management for 2022 respectively. After serious examination, the independent non-executive Directors had no objection to the remuneration settlement plan.

**(VI) Implementation of Risk Management and Internal Control**

The independent non-executive Directors attached great importance to the risk management and construction of internal control and compliance of the Company, and seriously considered the annual risk management, risk appetite policy, internal control evaluation report, internal audit work report and compliance risk management. The independent non-executive Directors urged the senior management to strengthen the construction of a comprehensive risk management system, promote the resolution of existing risks, enhance the concept of compliance, and improve the quality and efficiency of internal control and supervision, so as to lay a solid foundation for the Company's stable operation.

**(VII) Related Party Transactions**

The independent non-executive Directors regularly reviewed the report on the management of related party transactions of the Company, supervised the senior management to regulate the related party transaction management according to regulatory requirements, strengthened the construction of the related party transaction management system, revised and supervised the implementation of the related party transaction system and improved the construction of the related party transaction system, so as to effectively enhance the quality and efficiency of the related party transaction management. Meanwhile, the independent non-executive Directors guided the Company to strictly comply with the regulatory rules and the Listing Rules, paid attention to the implementation of the plans for continuing related party transactions the Company entered into with CITIC Group in respect of funds, assets and services, and guided the Company in the renewal of the framework agreement on continuing related party transactions with CITIC Group. The independent non-executive Directors issued independent opinions on the proposals for material related party transactions submitted to the Board of Directors for consideration based on the principles of impartiality, fairness, objectivity and independence.

**(VIII) Cash Dividends and Other Investor Returns**

The formulation and implementation of the Company's cash dividend policy complied with relevant provisions of the Articles of Association and the resolutions of the general meeting of shareholders, and the decision-making procedures and mechanism were complete, upon which the independent non-executive Directors expressed their views. Minority shareholders can fully express their views and demands to safeguard their legitimate rights and interests.

**IV. COMPREHENSIVE EVALUATION**

In 2024, with focus on the Company’s “One-Three-Five” strategic objectives, the independent non-executive Directors well fulfilled their obligations of loyalty and diligence, adhered to the requirements of the relevant laws and regulations and the Articles of Association, insisted on the independent and objective opinions, emphasized on the protection of the interests of minority Shareholders, gave full play to their professional expertise, and actively contributed their knowledge and experience to the development of the Company, promoted the Company to embark on the path of healthy and sustainable development, and safeguarded the legitimate rights and interests of the Company and all Shareholders.

In 2025, the independent non-executive Directors will continue to enhance their abilities in performing their duties, conduct in-depth investigation and research, strengthen communication and exchange with the Board and senior management of the Company, express their views independently and objectively, effectively safeguard the interests of shareholders in general and minority Shareholders in particular, and contribute to the realization of the Company’s high-quality development.

It is hereby reported.

Independent Non-executive Directors:

**Shao Jingchun, Zhu Ning, Chen Yuanling, Lo Mun Lam, Raymond**



**中国中信金融资产**  
**China CITIC Financial AMC**

**中國中信金融資產管理股份有限公司**  
**China CITIC Financial Asset Management Co., Ltd.**

*(A joint stock limited liability company incorporated in the People's Republic of China)*  
**(Stock Code: 2799)**

**NOTICE OF 2024 ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of China CITIC Financial Asset Management Co., Ltd. (the “**Company**”) for 2024 (the “**AGM**”) will be held at Conference Room 1221, No. 8 Financial Street, Xicheng District, Beijing, the PRC, on Wednesday, 28 May 2025 at 3:00 p.m., for considering and, if thought fit, passing the following resolutions:

**SPECIAL RESOLUTION**

1. To consider and approve the general mandate granted to the Board to issue additional shares

**ORDINARY RESOLUTIONS**

2. To consider and approve the engagement of the accounting firms for 2025
3. To consider and approve the fixed asset budget plan for 2025
4. To consider and approve the final financial account plan for 2024
5. To consider and approve the profit distribution plan for 2024
6. To consider and approve the election of Ms. Yuan Xin as a non-executive Director
7. To consider and approve the work report of the Board of Directors for 2024
8. To consider and approve the work report of the Board of Supervisors for 2024
9. To consider and approve the external fund donation plan for 2025

**Closure of Register of Members**

The H Share Register of members of the Company will be closed from Friday, 23 May 2025 to Wednesday, 28 May 2025 (both days inclusive), during which no transfer of H Shares will be registered. Shareholders whose names appear on the register of holders of H Shares of the Company at the close of business on Thursday, 22 May 2025 will be entitled to attend and vote at the AGM. Any holder of H Shares who wishes to attend the AGM shall deposit the share certificates together with the transfer documents to the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited before 4:30 p.m. on Thursday, 22 May 2025.

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## NOTICE OF 2024 ANNUAL GENERAL MEETING

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The address of the H Share Registrar of the Company is as follows:

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716  
17th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

Details of the above resolutions are set out in the circular for the AGM published by the Company on 24 April 2025. Unless otherwise stated, terms used in this notice shall have the same meaning as those defined in the circular.

By order of the Board  
**China CITIC Financial Asset Management Co., Ltd.**  
**LIU Zhengjun**  
*Chairman*

Beijing, the PRC  
24 April 2025

*As at the date of this notice, the Board comprises Mr. LIU Zhengjun and Mr. LI Zimin as executive Directors; Ms. ZHAO Jiangping, Mr. XU Wei and Mr. TANG Hongtao as non-executive Directors; Mr. SHAO Jingchun, Mr. ZHU Ning, Ms. CHEN Yuanling and Mr. LO Mun Lam, Raymond as independent non-executive Directors.*

*Notes:*

1. The register of members of the Company will be closed from Friday, 23 May 2025 to Wednesday, 28 May 2025 (both days inclusive). Holders of H Shares and domestic shares of the Company (the “**Domestic Shares**”) whose names appear on the register of members of the Company at the close of business on Thursday, 22 May 2025 shall be entitled to attend and vote at the AGM. Holders of H Shares who wish to attend and vote at the AGM shall lodge all transfer documents accompanied by the relevant share certificates with the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Thursday, 22 May 2025.
2. A Shareholder entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on his/her behalf. A proxy need not be a Shareholder, but he/she must attend the AGM in person to represent the relevant Shareholder.
3. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his/her attorney duly authorized in writing. If the Shareholder is a corporation, that instrument must be executed either under its common seal or under the hand of its legal representative, director(s) or duly authorized attorney. If that instrument is signed by an attorney of the Shareholder, the power of attorney authorizing that attorney to sign or other authorization documents must be notarized.
4. In order to be valid, the proxy form, the notarized power of attorney or other authorization document (if any) must be delivered to the Board's Office of the Company at No. 8 Financial Street, Xicheng District, Beijing, the PRC for holders of Domestic Shares and to the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for holders of H Shares not less than 24 hours before the time appointed for the holding of the AGM (i.e. before 3:00 p.m. on Tuesday, 27 May 2025) or any adjournment thereof (as the case may be). Completion and return of a proxy form will not preclude a Shareholder from attending and voting in person at the AGM or any adjournment thereof if he/she so wishes.

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## NOTICE OF 2024 ANNUAL GENERAL MEETING

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5. Pursuant to the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll. As such, all resolutions set out in the notice of the AGM will be voted on by poll. On-site voting will be adopted as the voting method for attendees at the AGM.
6. The AGM is expected to last for half a day. Shareholders (in person or by proxy) attending the AGM are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the AGM shall produce their identity documents.
7. In the case of joint Shareholders, the vote of the senior who tenders a vote, either in person or by proxy, will be accepted to the exclusion of the votes of the other joint Shareholder(s), and for this purpose, seniority will be determined by the order in which the names stand on the register of members in respect of the relevant joint holders.
8. According to the Articles of Association, where the number of equity interests of the Company pledged by a shareholder reaches or exceeds 50% of the equity interests held by such shareholder in the Company, no voting right in respect of the pledged equity interests shall be exercised at the shareholders' general meeting. Upon the registration of pledge of equity interests, such shareholder shall provide the Company with the relevant information of the pledged equity interests in a timely manner.