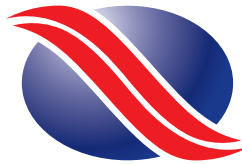

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in China Cinda Asset Management Co., Ltd., you should at once hand this circular and the accompanying proxy form of the annual general meeting to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



China Cinda Asset Management Co., Ltd.
中國信達資產管理股份有限公司

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

(Stock Code: 01359 and 04621 (Preference Shares))

WORK REPORT OF THE BOARD FOR 2023
REPORT OF THE BOARD OF SUPERVISORS FOR 2023
REMUNERATION SETTLEMENT SCHEME FOR DIRECTORS FOR 2022
REMUNERATION SETTLEMENT SCHEME FOR SUPERVISORS FOR 2022
FINAL FINANCIAL ACCOUNT PLAN FOR 2023
PROFIT DISTRIBUTION PLAN FOR 2023
BUDGET OF INVESTMENT IN CAPITAL EXPENDITURE FOR 2024
APPOINTMENT OF ACCOUNTING FIRMS FOR 2024
EXTERNAL DONATION PLAN FOR 2024
AND
NOTICE OF AGM FOR 2023

A notice of convening the AGM of China Cinda Asset Management Co., Ltd. at Conference Room 1111, 11th Floor, No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing, the PRC at 10:00 a.m. on Wednesday, June 26, 2024 is set out on pages 43 to 46 of this circular.

If you wish to appoint a proxy to attend the AGM, 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 designated for convening the AGM. 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 should you so wish.

June 5, 2024

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DEFINITIONS

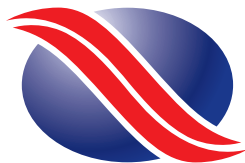
In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“AGM”	the annual general meeting for 2023 of the Company to be held at Conference Room 1111, 11th Floor, No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing, the PRC at 10:00 a.m. on Wednesday, June 26, 2024
“Articles of Association”	the articles of association of the Company as amended from time to time
“Board”	the board of directors of the Company
“Board of Supervisors”	the board of supervisors of the Company
“(our) Company”	China Cinda Asset Management Co., Ltd., a joint stock company incorporated in the PRC with limited liability, whose H Shares are listed on the Hong Kong Stock Exchange (stock code: 01359)
“Director(s)”	director(s) of the Company
“(our) Group”	China Cinda Asset Management Co., Ltd. and its subsidiaries
“H Share(s)”	ordinary share(s) of RMB1.00 each in the share capital of the Company which are listed on the Hong Kong Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“MOF”	the Ministry of Finance of the PRC
“PRC”	People’s Republic of China, for the purpose of this circular only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan region

DEFINITIONS

“PRC Company Law”	the Company Law of the People’s Republic of China
“Reporting Period”	the year ended December 31, 2023
“RMB”	Renminbi
“Share(s)”	ordinary share(s) of RMB1.00 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s) of the Company
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Supervisor(s)”	supervisor(s) of the Company
“%”	percent

LETTER FROM THE BOARD



China Cinda Asset Management Co., Ltd.

中國信達資產管理股份有限公司

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

(Stock Code: 01359 and 04621 (Preference Shares))

Executive Directors:

ZHANG Weidong
LIANG Qiang
ZHAO Limin

Registered address:

No. 1 Building
9 Naoshikou Street, Xicheng District
Beijing
the PRC

Non-executive Directors:

WANG Shaoshuang
CHEN Xiaowu

Principal place of business in Hong Kong:

12/F
AIA Central
1 Connaught Road Central
Central, Hong Kong

Independent Non-executive Directors:

LU Zhengfei
LAM Chi Kuen
WANG Changyun
SUN Maosong
SHI Cuijun

June 5, 2024

To the Shareholders

Dear Sir or Madam,

**WORK REPORT OF THE BOARD FOR 2023
REPORT OF THE BOARD OF SUPERVISORS FOR 2023
REMUNERATION SETTLEMENT SCHEME FOR DIRECTORS FOR 2022
REMUNERATION SETTLEMENT SCHEME FOR SUPERVISORS FOR 2022
FINAL FINANCIAL ACCOUNT PLAN FOR 2023
PROFIT DISTRIBUTION PLAN FOR 2023
BUDGET OF INVESTMENT IN CAPITAL EXPENDITURE FOR 2024
APPOINTMENT OF ACCOUNTING FIRMS FOR 2024
EXTERNAL DONATION PLAN FOR 2024
AND
NOTICE OF AGM FOR 2023**

1. INTRODUCTION

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

LETTER FROM THE BOARD

2. MATTERS TO BE CONSIDERED AT THE AGM

The resolutions to be proposed at the AGM for the Shareholders to consider and approve are: (1) work report of the Board for 2023; (2) report of the Board of Supervisors for 2023; (3) remuneration settlement scheme for Directors for 2022; (4) remuneration settlement scheme for Supervisors for 2022; (5) final financial account plan for 2023; (6) profit distribution plan for 2023; (7) budget of investment in capital expenditure for 2024; (8) appointment of accounting firms for 2024; and (9) external donation plan for 2024. The above resolution (9) is a special resolution, others are ordinary resolutions.

Resolutions to be proposed at the AGM for Shareholders' consideration only and not for approval are: (1) review of the work report of the independent non-executive Directors for 2023; (2) review of the 2023 annual evaluation report of major Shareholder; and (3) review of the report on the management of related party transactions for 2023.

Details of the matters to be considered at the AGM are set out on pages 43 to 46 in the Notice of AGM. In order to enable you to have a better understanding of the resolutions to be proposed at the AGM and to make decisions with adequate and necessary information, the Company has provided detailed information in this circular, including matters to be considered at the AGM (see Appendix I), work report of the Board for 2023 (see Appendix II), report of the Board of Supervisors for 2023 (see Appendix III), work report of the independent non-executive Directors for 2023 (see Appendix IV), 2023 annual evaluation report of major Shareholder (see Appendix V), and report on the management of related party transactions for 2023 (see Appendix VI).

3. AGM

The AGM will be held at Conference Room 1111, 11th Floor, No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing, the PRC at 10:00 a.m. on Wednesday, June 26, 2024. The notice of AGM is set out in this circular.

In order to determine the H Shareholders who are entitled to attend the AGM, the H Share register of members of the Company will be closed from Friday, June 21, 2024 to Wednesday, June 26, 2024 (both days inclusive), during which period no transfer of H Shares will be effected. Holders of H Shares of the Company who intend to attend the AGM must 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, no later than 4:30 p.m. on Thursday, June 20, 2024. Shareholders whose names appear on the register of holders of H Shares of the Company at the close of business on Thursday, June 20, 2024 are entitled to attend the AGM.

LETTER FROM THE BOARD

Proxy form for use at the AGM is enclosed herein and also published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk). Holders of H Shares who intend to attend the AGM by proxy shall complete and return the proxy form 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 convening the AGM. Completion and return of the proxy form will not preclude you from attending the AGM and voting in person.

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

4. RECOMMENDATION

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

Yours faithfully,
By order of the Board
China Cinda Asset Management Co., Ltd.
ZHANG Weidong
Chairman

I. TO CONSIDER AND APPROVE THE WORK REPORT OF THE BOARD FOR 2023

In accordance with the applicable regulatory requirements, the Articles of Association and other relevant provisions, and based on the actual work of the Board in 2023, the Company formulated the Work Report of the Board for 2023 of China Cinda Asset Management Co., Ltd. (see Appendix II).

Such report has been considered and approved at the first meeting, i.e. the first regular meeting of the Board in 2024, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles of Association and other relevant provisions.

II. TO CONSIDER AND APPROVE THE REPORT OF THE BOARD OF SUPERVISORS FOR 2023

In accordance with the applicable regulatory requirements, the Articles of Association and other relevant provisions, and based on the actual work of the Board of Supervisors in 2023, the Company formulated the Report of the Board of Supervisors for 2023 of China Cinda Asset Management Co., Ltd. (see Appendix III).

Such report has been considered and approved at the second meeting, i.e. the second regular meeting of the Board of Supervisors in 2024, and is hereby submitted to the AGM for consideration and approval in accordance with the relevant provisions of the Articles of Association.

III. TO CONSIDER AND APPROVE THE REMUNERATION SETTLEMENT SCHEME FOR DIRECTORS FOR 2022

In accordance with relevant policies of the Chinese government, the Company has formulated the remuneration settlement scheme for Directors for 2022. This resolution has been considered and approved at the first meeting, i.e. the first regular meeting of the Board in 2024, and is hereby submitted to the AGM for consideration and approval in accordance with the relevant provisions of the Articles of Association. Details of the scheme are set out below:

Unit: RMB10,000

Name	Position in 2022	Basic annual remuneration	Performance-based annual remuneration	Total annual remuneration (before tax)	Allowance	Benefit
ZHANG Weidong	Executive director and chairman	38.43	38.60	77.03	–	22.11
LIANG Qiang	Executive director and president	9.61	9.65	19.26	–	6.04

Name	Position in 2022	Basic annual remuneration	Performance-based annual remuneration	Total annual remuneration (before tax)	Allowance	Benefit
ZHANG Zi'ai	Former executive director and chairman	19.22	19.31	38.53	–	9.71
ZHAO Limin	Executive director and vice president	34.59	34.58	69.17	–	26.35
WANG Shaoshuang	Non-executive director	–	–	–	–	–
CHEN Xiaowu	Non-executive director	–	–	–	–	–
ZHANG Yuxiang	Non-executive director	–	–	–	–	–
ZHANG Guoqing	Non-executive director	–	–	–	–	–
TANG Jiang	Non-executive director	–	–	–	–	–
HE Jieping	Non-executive director	–	–	–	–	–
LIU Chong	Non-executive director	–	–	–	–	–
LU Zhengfei	Independent non-executive director	–	–	–	25.00	–
LAM Chi Kuen	Independent non-executive director	–	–	–	25.00	–
WANG Changyun	Independent non-executive director	–	–	–	7.94	–
SUN Maosong	Independent non-executive director	–	–	–	7.94	–
ZHU Wuxiang	Independent non-executive director	–	–	–	18.00	–
SUN Baowen	Independent non-executive director	–	–	–	18.00	–

Notes:

1. Non-executive directors do not receive remuneration from the Company.
2. In accordance with the allowance scheme for independent directors approved at the shareholders' general meeting of the Company, the basic annual allowance of each independent non-executive director is RMB250,000 (before tax).
3. Changes of directors:
 - 1) ZHAO Limin has served as an executive director of the Company since May 2022.
 - 2) ZHANG Zi'ai has ceased to serve as an executive director and the chairman of the Company since June 2022.
 - 3) ZHANG Weidong has served as the chairman of the Company since August 2022.
 - 4) WANG Changyun and SUN Maosong have served as independent non-executive directors of the Company since September 2022.
 - 5) ZHANG Guoqing has ceased to serve as a non-executive director of the Company since September 2022.
 - 6) ZHU Wuxiang and SUN Baowen have ceased to serve as independent non-executive directors of the Company since September 2022.
 - 7) LIANG Qiang has served as an executive director and the president of the Company since October 2022.

IV. TO CONSIDER AND APPROVE THE REMUNERATION SETTLEMENT SCHEME FOR SUPERVISORS FOR 2022

In accordance with relevant policies of the Chinese government, the Company has formulated the remuneration settlement scheme for Supervisors for 2022. This resolution has been considered and approved at the first meeting, i.e. the first regular meeting of the Board of Supervisors in 2024, and is hereby submitted to the AGM for consideration and approval in accordance with the relevant provisions of the Articles of Association. Details of the scheme are set out below:

Unit: RMB10,000

Name	Position in 2022	Basic annual remuneration	Performance-based annual remuneration	Total annual remuneration (before tax)	Allowance	Benefit
GONG Jiande	Chairman of the Board of Supervisors and shareholder representative supervisor	38.43	38.42	76.85	–	21.98
ZHEN Qinggui	External supervisor	–	–	–	20.00	–
LIU Li	External supervisor	–	–	–	10.20	–
CAI Xiaoqiang	External supervisor	–	–	–	20.00	–
ZHANG Zheng	External supervisor	–	–	–	10.00	–
GONG Hongbing	Employee supervisor	–	–	–	2.00	–
LU Baoxing	Employee supervisor	–	–	–	2.00	–
YUAN Liangming	Employee supervisor	–	–	–	2.00	–
ZHOU Lihua	Employee supervisor	–	–	–	0.67	–

Notes:

1. In accordance with the allowance scheme for external supervisors approved at the shareholders' general meeting of the Company, the basic annual allowance of each external supervisor is RMB200,000 (before tax).
2. In accordance with the allowance scheme for employee supervisors approved at the shareholders' general meeting of the Company, the basic annual allowance for each employee supervisor is RMB20,000 (before tax).
3. Changes of supervisors:
 - 1) LIU Li has served as an external supervisor of the Company since June 2022.
 - 2) ZHANG Zheng has ceased to serve as an external supervisor of the Company since June 2022.
 - 3) ZHOU Lihua has served as an employee representative supervisor of the Company since September 2022.
 - 4) GONG Jiande has ceased to serve as the chairman of the Board of Supervisors and shareholder representative supervisor of the Company since December 2022.

V. TO CONSIDER AND APPROVE THE FINAL FINANCIAL ACCOUNT PLAN FOR 2023

According to the 2023 consolidated financial statements and audit report prepared in accordance with the International Financial Reporting Standards, details of the final financial account plan of the Group for 2023 are reported as follows:

(I) Overall results of operation

In 2023, the profit before tax and the net profit of the Group were RMB8.186 billion and RMB6.993 billion, and the net profit attributable to shareholders of parent company was RMB5.821 billion, being stable year-on-year excluding the impact of non-recurring items. Basic earnings per share was RMB0.11, while the return on average total assets, return on average net assets, and the core tier-1 capital adequacy ratio were 0.44%, 2.70% (excluding the effect of preference shares and perpetual bonds) and 11.78%, respectively. The table below sets forth the major operating data:

Table 1 Major operating data
(in RMB millions, except for percentages)

Item	2023	2022
Operating income	76,167.81	80,988.38
Total profit	8,186.31	10,457.59
Net profit	6,993.48	7,231.26
Net profit attributable to shareholders of parent company	5,820.91	6,313.40
Return on average shareholders' equity	2.70%	3.38%
Return on average total assets	0.44%	0.45%
Basic earnings per share (RMB)	0.11	0.14
Core Tier-1 capital adequacy ratio	11.78%	10.98%

(II) Major financial income and expenses

1. Operating income

In 2023, the operating income was RMB76.168 billion, representing a decrease of 5.95% as compared with the last year. In particular, income from distressed debt assets measured at amortized cost was RMB6.084 billion, representing a decrease of RMB3.987 billion as compared with last year, mainly due to the decline in the size of restructured distressed debt assets of the Company in 2023, which resulted in the corresponding decrease in the income; Fair value changes on distressed debt assets was RMB7.618 billion, representing a decrease of RMB3.666 billion as compared with last year, mainly due to the quality pressure of distressed asset measured at fair value, resulting in a decline in the corresponding valuation; Fair value changes on other financial assets and investment income were RMB11.503 billion,

representing an increase of RMB5.876 billion as compared with last year, mainly due to the year-on-year loss reduction in the valuation of the equity interest in Cinda Hong Kong and an increase in gains from investment in bonds by Cinda Securities; Other income amounted to RMB50.962 billion, representing a decrease of RMB3.044 billion as compared with last year, mainly due to the decrease in the project delivery scale of Cinda Real Estate in 2023, resulting in a decline in the corresponding income.

2. *Operating expenses*

In 2023, operating expenses were RMB74.397 billion, representing a decrease of 6.38% as compared with the last year. In particular, interest expense was RMB44.081 billion, representing an increase of RMB3.999 billion as compared with the last year, mainly due to the increase in interest rates for deposits of the NCB; Credit impairment losses on assets were RMB8.475 billion, representing a decrease of RMB2.905 billion as compared with the last year, mainly due to the decline in the size of restructured distressed debt assets of the Company, which resulted in the corresponding decrease in the provision; Employee benefits were RMB5.710 billion, representing a decrease of RMB412 million as compared with last year; Other expenses were RMB16.131 billion, representing a decrease of RMB5.752 billion as compared with last year, which resulting from the decrease in realized purchases and changes in properties held for sale caused by the decrease in the project delivery scale of Cinda Real Estate in 2023.

3. *Share of results of associates and joint ventures*

The Group's share of the results of associates and joint ventures amounted to RMB6.434 billion in 2023, representing a decrease of 28.38% from RMB8.983 billion as compared with the last year, mainly due to the decline in profitability of some joint and associates ventures.

Table 2 Statement of major income and expenses

(in RMB millions, except for percentages)

Items of major income and expenses	Amount	2023		2022
		Change	Growth rate	
Income from distressed debt assets measured at amortized cost	6,084.17	(3,986.56)	-39.59%	10,070.72
Fair value changes on distressed debt assets	7,618.40	(3,665.90)	-32.49%	11,284.30
Fair value changes on other financial instruments	11,214.16	5,803.78	107.27%	5,410.37
Investment income	289.23	72.48	33.44%	216.75
Other income	50,961.85	(3,044.38)	-5.64%	54,006.23
Total income	76,167.81	(4,820.57)	-5.95%	80,988.38
Interest expense	(44,080.50)	(3,999.40)	9.98%	(40,081.10)

Items of major income and expenses	Amount	2023		2022
		Change	Growth rate	
Credit impairment losses	(8,475.49)	2,904.79	-25.52%	(11,380.28)
Employee benefits	(5,709.86)	412.43	-6.74%	(6,122.29)
Other expenses	(16,130.92)	5,751.96	-26.29%	(21,882.88)
Total expenses	(74,396.77)	5,069.78	-6.38%	(79,466.56)
Change in net assets attributable to other holders of consolidated structured entities	(18.26)	29.25	-61.57%	(47.51)
Share of results of associates and joint ventures	6,433.54	(2,549.74)	-28.38%	8,983.28
Profit before tax	8,186.31	(2,271.28)	-21.72%	10,457.59
Income tax expense	(1,192.83)	2,033.50	-63.03%	(3,226.33)
Net profit for the year	6,993.48	(237.78)	-3.29%	7,231.26
Profit attributable to:				
Shareholders of the Company	5,820.91	(492.50)	-7.80%	6,313.40
Non-controlling interests	1,172.57	254.71	27.75%	917.86

(III) Financial position

As of the end of 2023, the Group's total assets amounted to RMB1,594.357 billion and total liabilities amounted to RMB1,377.201 billion, representing a year-on-year decrease of 1.34% and 2.19%, respectively; Shareholders' equity was RMB217.156 billion and the equity attributable to Shareholders of parent company was RMB192.829 billion, representing a year-on-year increase of 4.40% and 2.46%, respectively.

The total assets in the two segments including distressed asset management and financial services were RMB913.550 billion and RMB695.994 billion, representing a decrease of RMB52.098 billion as for the total assets of distressed asset management and an increase of RMB36.212 billion as for the total assets of financial services as compared with the beginning of 2023, respectively.

The net assets in the two segments including distressed asset management and financial services were RMB95.369 billion and RMB115.855 billion, representing a decrease of RMB767 million as for the net assets of distressed asset management and an increase of RMB9.457 billion as for the net assets of financial services as compared with the beginning of 2023, respectively.

Table 3 Changes in total assets and net assets of the business segments
(in RMB millions, except for percentages)

	As of December 31,							
	2023		2022		2023		2022	
	Total assets	Percentage in total (%)	Total assets	Percentage in total (%)	Net assets	Percentage in total (%)	Net assets	Percentage in total (%)
Distressed asset management	913,550.30	57.30%	965,648.30	59.80%	95,368.93	43.92%	96,136.06	46.22%
Financial service	695,994.24	43.65%	659,782.05	40.80%	115,854.73	53.35%	106,398.22	51.15%
Elimination and unallocated part	(15,187.09)	-0.95%	(9,441.38)	-0.58%	5,932.54	2.73%	5,460.85	2.63%
Total amount allocable to segments	1,594,357.45	100.00%	1,615,988.98	100.00%	217,156.20	100.00%	207,995.12	100.00%

Such resolution has been considered and approved at the first meeting, i.e. the first regular meeting of the Board in 2024, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles of Association and other relevant provisions.

VI. TO CONSIDER AND APPROVE THE PROFIT DISTRIBUTION PLAN FOR 2023

According to the audited financial report for 2023 of the Company, the Group recorded a net profit attributable to shareholders of parent company of RMB5.821 billion, and the Company recorded a net profit of RMB5.144 billion in 2023. Proposed profit distribution plan for 2023 is as follows:

1. In accordance with the PRC Company Law and the Articles of Association, an appropriation of RMB5.144 billion, or 10% of the net profit for 2023 of the Company of RMB514 million, was made to the statutory surplus reserve.
2. Pursuant to the Administrative Measures for the Provision of Reserves of Financial Enterprises (Caijin [2012] No. 20) issued by the MOF, the balance of the general reserve shall be maintained at not less than 1.5% of the balance of the risk assets at the end of the Reporting Period. According to such requirement, no general reserve is required for 2023.
3. Cash dividends for 2023 of RMB0.4576 per 10 shares (tax inclusive), totaling approximately RMB1.746 billion, representing 30% of net profit attributable to shareholders of parent company and 36.43% of the Group's net profit available for distribution, would be distributed to all Shareholders (Shareholders whose names appear in the register of shareholders on Monday, July 8, 2024).

Such resolution has been considered and approved at the first meeting, i.e. the first regular meeting of the Board in 2024, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles of Association and other relevant provisions.

VII. TO CONSIDER AND APPROVE THE BUDGET OF INVESTMENT IN CAPITAL EXPENDITURE FOR 2024

According to relevant provisions of the Articles of Association and the Company's development needs, the Company has drawn up the budget of investment in capital expenditure of the Company for 2024 based on the actual implementation of the 2023 budget. The budget of capital expenditure for 2024 is RMB90.74 million, including:

1. budget for information construction of RMB51.43 million;
2. budget for business occupancy decoration and renovation of RMB20.56 million;
3. budget for purchasing equipment of RMB18.75 million.

The budget of capital expenditure for 2023 was RMB164.76 million, and the actual amount for the year was RMB112.21 million. The overall implementation is sound, with a budget implementation rate of 68.1%.

Such resolution has been considered and approved at the first meeting, i.e. the first regular meeting of the Board in 2024, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles of Association and other relevant provisions.

VIII. TO CONSIDER AND APPROVE THE APPOINTMENT OF ACCOUNTING FIRMS FOR 2024

In order to practice sound corporate governance and further improve the quality of external audit work, according to the relevant requirements of the selection and engagement of accounting firms by state-owned financial enterprises, the Company has organized the selection and appointment of the new accounting firms.

According to the selection and appointment results, the Company intends to appoint Ernst & Young Hua Ming LLP and Ernst & Young as the onshore and offshore accounting firms of the Company in 2024 to take charge of the audit of annual financial statements, review of the interim financial statements, audit of internal control and other professional services in 2024. The total audit fees will be RMB11.59 million (excluding audit fees of subsidiaries), which includes the audit (review) fees of financial reports of RMB10.45 million, and the audit fees of internal control of RMB1.14 million. The term of appointment shall commence from the date of approval at the AGM and end on the date of conclusion of the 2024 AGM of the Company. The term of engagement of PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers (hereinafter collectively referred to as "PwC"), the current auditors of the Company, will expire on the date of conclusion of the AGM.

PricewaterhouseCoopers has confirmed that there are no matters that need to be brought to the attention of the Shareholders of the Company in connection with the change of accounting firms. The Board also confirmed that there were no disagreements or unresolved matters with PwC regarding the change of accounting firms, and there were no matters that needed to be brought to the attention of the Shareholders.

For details of the appointment of accounting firms in 2024, please refer to the related announcement of the Company.

Such resolution has been considered and approved at the second meeting, i.e. the second regular meeting of the Board in 2024, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles of Association and other relevant provisions.

IX. TO CONSIDER AND APPROVE THE EXTERNAL DONATION PLAN FOR 2024

In order to actively fulfill corporate social responsibility and establish a good corporate image with responsibility, the Company intends to arrange the Group's external donation of RMB26.295 million in accordance with the relevant policies of the MOF and the relevant regulations of the Company, and based on the funding needs for external donation in 2024 and the external donations in previous years. The major arrangements of external donations are as follows:

1. The Company will make external donations of RMB4.49 million, including RMB1.375 million to Ledu, Qinghai, RMB0.6 million to Lintao and Hezheng, Gansu, and RMB2.515 million to assistant sites of the branches.
2. Subsidiaries will make external donations of RMB21.755 million, of which RMB18.625 million will be donated to Ledu, Qinghai, and other donations will be RMB3.13 million.
3. The total residual value of waste computers and office furniture used by the Group for donation is estimated at RMB50,000.

Such resolution has been considered and approved at the second meeting, i.e. the second regular meeting of the Board in 2024, and is hereby submitted to the AGM for consideration and approval in accordance with the Articles of Association and other relevant provisions. It is also proposed at the AGM to authorize the Board, and the Board to authorize the President or other persons authorized by the President to handle the specific matters of external donations for 2024 (including the adjustment of the amount between the Company and its subsidiaries and the adjustment of the use of donations) in accordance with regulatory requirements and the actual situation of the Company in fulfilling its social responsibilities within the donation limit of the Group.

X. TO REVIEW THE WORK REPORT OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS FOR 2023

In accordance with the Articles of Association and other relevant provisions, the independent non-executive Directors of the Company are required to submit a work report to the shareholders' general meeting on an annual basis. The work report of the independent non-executive Directors of the Company has been reviewed and finalized by each independent non-executive Director.

The work report of the independent non-executive Directors for 2023 is hereby submitted to the AGM, the full text of which is set out in Appendix IV of this circular for the Shareholders to review. However, it is not subject to the approval of Shareholders.

XI. TO REVIEW THE 2023 ANNUAL EVALUATION REPORT OF MAJOR SHAREHOLDER

In accordance with the Measures for the Supervision of the Behavior of Major Shareholders of Banking and Insurance Institutions (Trial) and other relevant regulations, the Board of the Company is required to evaluate the situation of major Shareholder on an annual basis and to inform the Shareholders at the general meeting.

The 2023 annual evaluation report of major Shareholder is hereby submitted to the AGM, the full text of which is set out in Appendix V of this circular for the Shareholders to review. However, it is not subject to the approval of Shareholders.

XII. TO REVIEW THE REPORT ON THE MANAGEMENT OF RELATED PARTY TRANSACTIONS FOR 2023

In accordance with the regulatory requirements and the relevant provisions of the management of related party transactions of the Company, the report on the management of related party transactions for 2023 is hereby submitted to the AGM, the full text of which is set out in Appendix VI of this circular for the Shareholders to review. However, it is not subject to the approval of Shareholders.

China Cinda Asset Management Co., Ltd.**Work Report of the Board for 2023**

The year 2023 saw the economic and financial landscape at home and abroad remained severe and complex, presenting high pressure for economic recovery and development. The Board of China Cinda Asset Management Co., Ltd. (the “**Company**”), based on the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully implemented the spirit of the 20th National Congress of the Party, the Central Financial Work Conference and the Central Economic Work Conference and practiced the political and people-oriented nature of financial work. To that end, the Board accurately grasped the responsibilities of asset management companies in the new era, focused on the main responsibilities and core business, and constantly strengthened the core function of distressed assets disposal. Meanwhile, the Board accelerated business transformation and upgrading, improved corporate governance mechanisms, adhered to the bottom line of risk management, and strengthened the foundation of internal control and compliance. All these efforts helped promote the Company’s high-quality development.

As at December 31, 2023, the consolidated total assets of the Company amounted to RMB1,594.357 billion, representing a decrease of 1.34% year on year; the equity attributable to equity holders of the Company was RMB192.829 billion, representing an increase of 2.46% year on year; the net profit attributable to equity shareholders of the Company was RMB5.821 billion; the return on average shareholders’ equity (ROE) was 2.70%; and the return on average assets (ROA) was 0.44%.

I. STRENGTHENING THE GUIDANCE OF STRATEGY AND PROPELLING THE HIGH-QUALITY DEVELOPMENT OF THE COMPANY**(I) Revising the strategic “Third Five-Year Plan” and optimizing the Company’s development blueprint**

The Board of the Company promoted the implementation of the strategic “Third Five-Year Plan” step by step in a well-planned way by formulating annual business plans and coordinating the allocation of resources. Moreover, following the internal and external changes in macro situation, regulatory requirements and industry development, the Board propelled the Company to revise the strategic “Third Five-Year Plan” in a timely manner, and considered and approved the Strategic Development Plan Outline of China Cinda Asset Management Co., Ltd. (2023-2025), which further defined the guiding ideology and strategic focuses of the Company’s future development, detailed the strategic measures, and highlighted the political and people-oriented nature of financial work, high-quality development, main responsibility and core business, and problem-oriented approach, etc. This aimed to accurately grasp the responsibilities and positioning of financial asset management companies in the new era and give full play to the unique functions of such companies.

(II) Focusing on the main responsibilities and core business and fulfilling the responsibilities and missions of the financial asset management company

Keeping a foothold in the new development stage, the Board of the Company closely focused on the three tasks of preventing and resolving financial risks, serving the real economy and deepening financial reforms through considering proposals, listening to reports and conducting on-site researches, for the purpose of supporting and guiding the Company to effectively perform the duties and missions as a financial asset management company, make precise efforts, and actively play the unique role of “stabilizer” in the financial market. **First, deeply engaged in the main business of financial distressed assets, preventing and defusing financial risks and maintaining the stability of the national financial system.** The Company held the mainstay of distressed assets of banks, actively acquired distressed assets of banks and effectively mitigated the stock credit risk of banks. Meanwhile, the Company actively participated in the risk resolution of small and medium-sized financial institutions to maintain the health and safety of financial institutions. The Company also worked on expanding the distressed assets of non-banking financial institutions, such as trusts and financial leasing, for assisting in the risk resolution of relevant financial institutions. **Second, focused on distressed assets and distressed entities, and prevented and resolved risks of real enterprises in order to maintain economic and social stability.** Focusing on “ensuring the delivery of housing projects and social stability, and improving people’s livelihood”, the Company made every effort in overcoming difficulties for real estate enterprises and mitigating risks in the real estate industry. By giving full play to the professional, experiential and technological strengths, the Company helped distressed companies with bankruptcy reorganization and crisis relief. In addition, the Company continued to explore the acquisition of defaulted bonds and bail-out of listed companies, so as to resolve the liquidity risks of enterprises and safeguard the stability of the market. **Third, helped supply-side structural reform to cater to the demand for industry resource integration and industrial upgrading, and supported and served the real economy.** The Company supported state-owned enterprises in deepening reforms and mergers and acquisitions, revitalizing ineffective and inefficient assets in the market. The Company also strengthened financial support for economic transformation and upgrading, and made further efforts in serving technological innovations, advanced manufacturing, green development, and inclusive financial services for small and micro enterprises.

(III) Strengthening technological empowerment and promoting the construction of “Digital Cinda”

The Board of the Company elevated technological empowerment to the strategic level by focusing on the strategic goal of “Digital Cinda” and following the roadmap for the implementation of informatization plan, in order to further promote the digitalization of the Company and deepen the application of data governance in business operation, risk management and internal control. **First, the Board improved the top-level design of the system.** By considering and approving the Proposal on the Revision of the Outline of the Company’s Informatization Plan (2021-2025), the Board clarified the strategic objectives of digital transformation and incorporated digital transformation into the strategic planning of

informatization for continuous promotion. **Second, the Board increased the investment in information technology.** The Board prepared the budget of investment in capital expenditure for 2023, which fully supported the launch of the new core system group and its application, accelerated the promotion of information technology localization, and optimized the information network security layout, for the sake of meeting the needs of the Company's transformation and development. **Third, the Board strengthened data governance.** The Board considered the 2022 annual data governance report, regularly listened to reports on the implementation of the informatization plan and risk assessment of IT outsourcing, and urged the Company to continuously improve data governance capabilities.

II. OPTIMIZING THE CORPORATE GOVERNANCE MECHANISM AND ENHANCING SCIENTIFIC DECISION-MAKING

The Board of the Company strictly complied with the Hong Kong Listing Rules and domestic and overseas laws and regulations, pursued the best practices of corporate governance, and continuously improved the corporate governance structure featuring “general meetings, the Board of Directors, the Board of Supervisors, and senior management”. Furthermore, the Board continuously promoted the in-depth integration of the Party's leadership and corporate governance, optimized the corporate governance mechanism of “each governance body performs its own functions, and in charge of its own responsibilities, coordinates with each other, and exercises effective checks and balances”, and enhanced the compliance and effectiveness of corporate governance with an aim to facilitate the Company's high-quality development.

(I) Continuously improving governance mechanisms and promoting sound operation of corporate governance

First, the Board continued to promote the deep integration of Party's leadership and corporate governance. The Board of the Company promoted the implementation of the procedure of prior study by the Party committee on major matters in strict accordance with the “three important and one great” list. In 2023, the matters in connection with Board considerations and reports related to the “three important and one great” matters had fulfilled the procedure of prior study by the Party before they were considered and reported to the Board. The implementation of the Board resolutions was regularly reported to the Party committee and subject to the supervision of the Party committee. The Board continuously improved the long-term mechanism for Directors to attend the Party committee, opened up communication channels, and gave full play to the role of “two-way entry and cross-appointment”. The Board organized and carried out joint research with Party committee members, Directors, Supervisors and management, promoted the deep integration of Party's leadership and corporate governance, and facilitated the synergies in corporate governance. **Second, the Board solidly promoted the regulatory assessment of corporate governance and improved the corporate governance mechanism.** The Board of the Company attached great importance to the regulatory assessment of corporate governance by urging the Company to carry out self-assessment on an item-by-item basis in accordance with the regulatory requirements and provide feedback on the assessment results in a factual manner. In response

to the problems and specific rectification requirements pointed out by the regulatory institutions, the Board urged the Company to analyze the reasons in depth, formulated rectification measures, tracked the progress of rectification on a regular basis, and promoted the solid and detailed implementation of all rectification measures, so as to further enhance the quality and effectiveness of corporate governance. **Third, the Board improved the corporate governance system and strengthened the foundation of corporate governance.** The Board of the Company, in accordance with the lately amended and effective Articles of Association, organized the revision of the working rules for the special committees of the Board, meanwhile, the Board considered and approved the rules and regulations relating to Shareholders' management, risk prevention and control and financial auditing, etc. This aimed to ensure the effective connection between the corporate governance system and the new spirit and new requirements of the financial supervision, which further consolidated the foundation of corporate governance and provided systematic guarantee for the effective performance of duties of each governance body.

(II) Standardizing the operation of the Board and making scientific decisions in compliance with laws and regulations

First, the Board strengthened the effective operation of the Board and enhanced the standardization of the performance of duties. The Board of the Company held all meetings in strict accordance with domestic and overseas regulatory rules and governance procedures, fully safeguarded the right of Directors to be heard, and invited Supervisors to attend the meetings of the Board and the special committees, so as to provide conditions for the Board of Supervisors to carry out effective supervision. The special committees of the Board, by focusing on the annual key work of the Board and in accordance with the Articles of Association and relevant rules of procedure, gave full play to their respective professional advantages, performed duties conscientiously, and gained an understanding of the business operation situation in-depth. The special committees of the Board studied and discussed the proposals seriously, and examined and analyzed the major proposals in advance, so as to effectively play the role of assisting the Board in discharging its duties, and to enhance the scientific decision-making of the Board. In 2023, the Board of the Company convened a total of 3 general meetings, at which 14 resolutions were considered and approved, and 3 reports were reviewed; convened 9 Board meetings, at which 47 resolutions were considered and approved, and 21 reports were reviewed; convened 33 meetings of special committees of the Board, at which 57 resolutions were considered and approved, and 30 reports were reviewed; convened 7 discussion meetings relating to proposals, at which 46 proposals were reported and discussed. **Second, the Board gained an in-depth understanding of the Company's operations and took the initiative to improve its ability to perform duties.** The Board of the Company encouraged the Directors to actively attend senior management meetings, listened to reports from senior management, and continuously promoted in-depth communication between the Board and senior management. The Board scientifically and reasonably arranged and conducted in-depth research in branches and subsidiaries on topics such as the Company's development strategy, risk mitigation, service to the real economy and corporate governance, with an aim to gain an in-depth understanding of the challenges faced by grassroots for business development. The Board continuously kept an eye on the professional development of

Directors by organizing Directors to participate in various business training for the purpose of gaining a comprehensive understanding of the economic and financial situation, the development of the industry, and the latest developments and new requirements of domestic and overseas regulation. All these efforts helped the Board improve its ability to perform duties. **Third, the Board improved the implementation mechanism of Directors' opinions and suggestions, and helped enhance the quality and efficiency of management.** In order to effectively utilize the collective wisdom of Directors, the Board directed the Company to further improve the mechanism for the implementation of Directors' opinions and recommendations. The Company promptly combed through the opinions and recommendations put forward by Directors at all kinds of governance meetings and grass-roots researches, and fed back to the senior management for review, supervised the relevant departments to follow up on the implementation, and reported the implementation status to the Directors in a timely manner. **Fourth, the Board adhered to the policy of diversification and optimized the Board structure.** The Board of the Company attached great importance to the diversity of Board members by taking into account the complementary nature of age, gender, knowledge structure and industry experience when selecting candidates for directorships, so as to ensure that the Board members possess the appropriate talents, experience and diversified perspectives and viewpoints, and to effectively enhance the decision-making ability and governance of the Board. The Board carried out the nomination and election procedures for Directors in an orderly manner in strict accordance with the laws and regulations and the Articles of Association, and made reasonable arrangements for serving on the special committees of the Board based on the professional competence and experience of the new Directors in performing their duties, which further optimized the structure of the special committees. In 2023, the Company added one female independent non-executive Director to the Board, which not only increased the proportion of female Directors among the Board members, but also ensured that independent non-executive Directors among Board members were not less than one-third, which met both domestic and overseas regulatory requirements.

(III) Carrying out the evaluation of the performance of the Directors, and improving Directors' motivation to perform their duties

The Board of the Company carried out the evaluation of the performance of Directors for the year 2023 in accordance with the Articles of Association and other requirements. According to the evaluation of the performance of Directors, all of the results of the performance evaluation of Directors participating in the performance evaluation in 2023 were "competent". In 2023, the Directors of the Company faithfully and diligently fulfilled their duties, actively attended various governance meetings, fully communicated and discussed with each other, carefully studied the meeting materials, and put forward rationalized suggestions. The Directors exercised their voting rights in a scientific and prudent manner to effectively perform their duties of decision-making and supervision. Meanwhile, the Directors paid close attention to the changes in the economic situation and the Company's operating environment, actively participated in grass-roots researches, at the branches, subsidiaries and the relevant project sites. The Directors also listened to work reports, gained a comprehensive understanding of the Company's operating conditions, gave full play to their own professional strengths and decision-making abilities, and participated in the discussion and supervision of major matters

of the Company, for the sake of promoting the high-quality development of the Company. Moreover, the Directors focused and participated in the training of knowledge in various fields, further improved their strategic decision-making ability and sensitivity, and constantly improved their professionalism and ability to perform duties. All Directors played a positive role in promoting the sustainable, sound and healthy development of the Company in the course of performing their duties, and effectively safeguarded the interests of the Company and all Shareholders.

III. IMPROVING THE COMPREHENSIVE RISK MANAGEMENT SYSTEM AND STRICTLY ADHERING TO THE BOTTOM LINE OF RISK MANAGEMENT

(I) Implementing risk appetite transmission and improving the management and control of all types of risks

The Board of the Company continued to promote the construction of a comprehensive risk management system, thoroughly implemented the risk management concept of “protecting the bottom-line by managing risks proactively”, ensured the unified transmission of risk appetite within the Group, formulated and adjusted risk management policies in a timely manner, strengthened the Group’s risk management and control, and ensured the absence of systemic risks. **First, the Board strengthened the risk appetite transmission and improved the forward-looking risk management.** The Board of the Company reasonably formulated the risk appetite for the year 2023, optimized risk appetite indicators to maintain a sound risk appetite. The Board pursued a balanced development of efficiency, quality and scale, and emphasized the matching business scale, operating income and risk taking. The Board supervised the senior management to take measures for effective risk appetite transmission, further exerted the role of risk appetite on guiding the operation and management, listened to the report on the implementation of the Group’s risk appetite regularly, and monitored and evaluated the operation of the risk appetite system on an ongoing basis. **Second, the Board developed a comprehensive risk management policy and enhanced the effectiveness of risk management.** The Board of the Company formulated and issued the risk management policy of the Group for 2023 based on risk appetite, covering eight major risks, including credit risk, market risk, liquidity risk, concentration risk, related party transaction risk, operational risk, reputational risk, and overseas business risk. The Board also developed the risk limit management scheme of the Group for 2023, covering five major parts including credit risk limit, market risk limit, liquidity risk limit, concentration risk limit and related party transaction risk limit. Moreover, the Board strengthened early identification, early warning, early detection and early disposal of risks, and provided timely risk warnings. **Third, the Board emphasized the seriousness of the risk appetite orientation and risk management policy.** The Board urged the senior management to conduct business in a compliant and prudent manner in accordance with risk appetite and risk management policies, eliminated hidden risks, prevented new risks, and ensured stable asset quality, in order to strive for high-quality business development. **Fourth, the Board focused on driving endogenous risk mitigation.** The Board regularly listened to the progress of the risk resolution of major projects, guided the

Company to establish a mechanism for reviewing and analyzing risk projects, and carried out continuous educational warning and awareness-raising within the Company to deeply implement the Company's risk management culture.

(II) Strengthening capital management to secure the Group's liquidity

Facing the unpredictable market, the Board of the Company worked to make its capital management more forward-looking and proactive to secure the domestic and oversea liquidity. First, pushing forward with the operation and development mechanism marked by capital constraint. Aligned with the Group's overall development strategy, the Board reviewed and approved the Company's business plan for the year 2023 by adhering to forward-looking planning and prioritizing allocation, which aimed to encourage the Company to explore capital-saving business development modes for improving capital utilization. Meanwhile, the Board guided the adjustment of the business structure to stick to the main business and serving the real economy by means of capital allocation. Such allocation sustained support to financial distressed assets, substantive restructuring, and other core business activities to follow the national strategy, and the innovation of the business for further development. Second, keeping a close eye on the capital adequacy of the Company. The Board scrutinized the capital adequacy assessment report and worked out measures to lighten capital pressure and raise capital adequacy. The Board supported the Company to continue to innovate its financing channels by extending financing duration to reasonably control liquidity reserves, control costs, and ensure capital regulatory indicators to meet regulatory requirements. Third, closely following the risks faced by its subsidiaries in liquidity. The Board urged the subsidiaries to strengthen the mitigation of the stock risk by optimizing the quality of the incremental assets and to develop diversified financing channels, and approved the subsidiaries' liquidity support proposals in a timely manner, so as to secure their liquidity.

(III) Improving the related party transactions management system to effectively control the risk of related party transactions

The Board of the Company effectively strengthened the management of related party transactions by implementing the management system of related party transactions and urging the Company to intensify its efforts in business guidance and on-site supervision and inspection of its branches and subsidiaries and all its affiliated organizations to complete the management of related party transactions compliantly and to improve the quality and efficiency of the management of related party transactions. The Board guided the Company to prudently carry out the related party transactions by keeping their size within a reasonable range. That meant controlling their frequency and scale and tracking their course and controlling their risks. The Connected Transaction Control Committee of the Board regularly examined and determined related parties of the Company, listened to reports on the management of related party transactions on a quarterly basis, and timely reported to the Board for filing. The Board reviewed and approved major related party transactions, focusing on the necessity, compliance and fairness of related party transactions, and independent non-executive Directors provided independent opinions on major related party transactions.

IV. IMPROVING THE SYSTEM OF INTERNAL CONTROL AND COMPLIANCE AND ENHANCING THE SUPERVISION OVER THE INTERNAL AND EXTERNAL AUDIT

(I) Playing the role of internal control and audit to improve the constitution on internal audit system

Focusing on internal control objectives, the Board of the Company continued to improve the quality and effectiveness of management in key areas of internal control, explored and innovated the mechanism of internal audit by stretching the functions of internal and external audit in terms of supervision, evaluation and advisory services. First, evaluating the effectiveness of internal control. Having considered and approved the 2022 Internal Control Evaluation Report, the Board was of the opinion that the Company has maintained, in all material respects, effective internal control over financial reporting in accordance with the requirements of the standardized system of corporate internal control and related regulations, the Company had no major deficiencies in internal control over financial reporting, no significant deficiencies in internal control over non-financial reporting have been identified, and that some of the matters to be improved did not have a material impact on the Company's operations or management. Second, urging audit institutions to effectively perform their functions and roles. The Board heard the 2022 audit report, the special audit report and the management recommendations of the accounting firm, guided the audit department to perform its audit supervision functions in a solid and effective manner, followed the rectification of the problems identified by the internal and external audits and internal control evaluation, and urged the Company to make use of the results of the internal and external audits to improve its operation and management. Third, formulating plans to work around the Company's central priorities. The Board considered and approved the internal audit work plan for the year 2023, which is designed to play the functions of audit supervision centering on the Company's strategic development objectives, and focus on key businesses, major projects, important aspects, as well as financial and internal control and internal management to conduct regular audits, special audits and term-end accountability audits of the subsidiaries. Fourth, guiding the Company to improve its work on the internal audit system. Given the realities of the Company, the Board guided the Company to further strengthen the centralized management of internal audit, improve the management and operation mechanism of the audit talent pool, enhance the training of internal auditors and optimize the function of the audit execution information system to improve the quality and efficiency of internal audit.

(II) Enhancing awareness of prudent and compliant operation for better performance of the anti-money laundering duties

The Board of the Company reviewed the annual work reports on compliance management, listened to work reports on case prevention and employee behavior assessment reports, etc., to promote the Company to actively improve its compliance management capabilities, strengthen compliance training, and promote the transmission conveying and implementation of regulatory policies, cultivating a culture of compliance and stable operation in a continuous manner. The Board of the Company regularly listened to work reports on anti-money

laundering, urged the Company continuously to identify and prevent money laundering risks and launched multi-level, targeted and diversified anti-money laundering training and publicity to enhance the capacity of the staff in the industry and money laundering risk awareness to effectively fulfilled its legal obligations and social responsibilities in anti-money laundering for better control over the overall risks.

V. STRESSING THE SAFEGUARDING OF THE INTERESTS OF STAKEHOLDERS AND ACTIVELY UNDERTAKING SOCIAL RESPONSIBILITIES

(I) Improving the information disclosure work-flow and enhancing information transparency

Following the principle of transparent communication, the Board of the Company continuously promoted the Company to improve the information disclosure mechanism and process and enhanced the quality and efficiency of information disclosure work for accurate and good-faith disclosure of the Company information to the market. The Board of the Company urged the Company to follow the latest developments of the regulatory rules to enhance the richness, effectiveness and transparency of periodic reports disclosure in the light of the Company's business and investors' concerns and disclose interim announcements timely and accurately to protect investors' right to know, focused on the key concerns of the market, and actively carried out voluntary disclosure.

(II) Strengthening the initiative of investor communication and enhancing investors' confidence

The Board of the Company attached great importance to communication with investors, supported the Company to offer multi-level and all-round interactive communication events for investors, actively listened to their opinions and suggestions, conducted two-way communication with investors to help them correctly understand the connotation and extension of high-quality development of the Company and enhance their confidence, fully demonstrated its expertise and commitments to further improve the recognition and brand influence of the Company in the capital market. In 2023, the Company launched the "China Cinda 2023 Investor Day" to demonstrate the Company's core businesses in depth and organized investors to visit its subsidiaries in Henan, Guangdong and Guizhou to learn about the Company's business development on site, welcoming nearly 320 interviews with investors.

(III) Enhancement of refined equity management for protection of Shareholders' rights and interests

The Board of the Company has considered and approved the Rules Governing the Management of Undertakings by Substantial Shareholders of the Company, which specifies the measures to strengthen the management of undertakings by substantial Shareholders in order to further improve the refined equity management. The Board urged the Company to continuously strengthen its equity management by timely registration and reporting of equity information and timely reminding Shareholders to follow and implement the relevant

regulatory requirements. The Board of the Company evaluated the qualifications, exercise of rights, and fulfillment of obligations and commitments of the major Shareholders and substantial Shareholders in the year 2022 and did not find any relevant problems or risks. Pursuant to the resolution of the general meeting, the Board suggested the Company to the timely and efficiently distribute the dividends of common and preferred shares, so as to ensure the Shareholders' rights and interests.

(IV) Performing social responsibilities and implementing the ESG requirements

The Board of the Company backed the Company to fulfill its responsibility as a national financial enterprise to demonstrate new performance and responsibilities in environmental, social and governance (ESG) practices, and to achieve sustainable development. The Board of the Company complied with the requirements of the Environmental, Social and Governance Reporting Guidelines of the Hong Kong Stock Exchange to guide the Company in its ESG-related work, reviewed and approved the Company's Environmental, Social and Governance (ESG) Report 2022, proposed to the general meeting for approval of the Group's external donation of RMB25.45 million in the year 2023 and monitored the progress of the implementation of the donation and the results of the funds on an ongoing basis. The Company's outstanding performance in the ESG has been recognized by society and the public. In 2023, the Company was presented with the "China Top 500 Listed Company in Philanthropy" by the China Corporate Philanthropy Forum and the "Social Responsibility Case of the Year Award" by the Brand Case Competition of China Finance.

In 2024, guided by the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Board of the Company will be a strong champion of the centralized and unified leadership of the CPC central committee in financial work. That means practicing financial work to realize its nature of political and people-oriented, holding fast to the main responsibilities and main business, promoting business transformation and upgrading in depth to defuse risks and enhance competence. These will ensure that we achieve further achievements in the five major articles of financial work to prevent and resolve risks and serve the real economy, and stay on track for the high-quality development as a financial asset management company with Chinese characteristics.

China Cinda Asset Management Co., Ltd.**Report of the Board of Supervisors for 2023**

In 2023, the Board of Supervisors followed the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, insisted on the political and people-oriented nature of financial work, focused on the main responsibilities and core business, prevented and defused financial risks, and supported real economy development. The Board of Supervisors, in accordance with the laws, regulations and the Articles of Association, promoted the deepening of the inspection and rectification, and vigorously carried out investigations and researches, conscientiously performed its supervisory duties, put forward opinions and suggestions and promoted their implementation. All these efforts have led to the in-depth integration between Party construction and corporate governance, and ensured the compliant operation of the Company.

I. MAJOR WORK COMPLETED

Convene the meetings in accordance with the law. The Board of Supervisors held four meetings in 2023, and considered 10 resolutions, including the Company's regular reports, internal control evaluation reports, and performance evaluation reports. The Performance and Due Diligence Supervision Committee held two meetings and the Finance and Internal Control Supervision Committee held six meetings. Two special meetings were also held. The Board of Supervisors focused such priorities as the implementation of major national decisions and arrangements, prevention and mitigation of major risks, efforts in the inspection and rectification, concerned with the Company's strategy implementation, operation and development, challenges and measures, and put forward opinions and suggestions. Supervisors performed their duties faithfully and diligently and provided independent opinions on the compliance operation, financial report, duty performance of relevant parties, and internal control of the Company for 2023 in accordance with the relevant laws and regulations.

Deepen the supervision over due diligence. Supervisors earnestly attended general meetings, actively participated in important work meetings such as the meetings of the Board and its special committees, the Company's working meetings, operational work scheduling meetings and regulatory agency's latest requirements briefings to deeply perform the due diligence supervision continuously. The Board of Supervisors formulated the Key Contents of Performing the Due Diligence Supervision of the Board of Supervisors in 2023, outlined clear requirements on the implementation of the plans and policies of the CPC Central Committee and the State Council, as well as the decisions and deployments of the Party Committee of the National Financial Regulatory Administration, specified major focus on the due diligence supervision, and promoted the integration of the Party leadership into the Company's corporate governance. The annual performance evaluation report on the Board, the Board of Supervisors, the Senior Management and their members was completed and reported to the regulatory authorities as required.

Perform financial supervision. The Board of Supervisors earnestly performed the duty of financial reporting supervision, maintained routine communication with the auditor, and expressed independent opinions in accordance with the relevant laws and regulations. Taking into account the opinions, the Board of Supervisors provided suggestions on ensuring liquidity security, strengthening capital adequacy management, enhancing financial discipline and improving the quality of accounting information. The Board of Supervisors formed an investigation and research report on the operation and financial situation of subsidiaries with specific recommendations including to emphasis on governance mechanisms, enhance financial control, and promote the “Digital Cinda” strategy, and actively promoted their implementation. The Board of Supervisors also conducted a study on the latest regulatory requirements, and proposed measures and suggestions to advance the implementation of the “Opinions on Further Strengthening the Supervision of Finance and Accounting”.

Boost internal control supervision. Being concerned about the improvement of the internal control and compliance system, the Board of Supervisors regularly briefed to reports on the progress of rectification of internal and external regulatory inspections, audit findings and disclosed problems. The Board of Supervisors developed an investigation and research report on boosting the Company’s post-investment management, discussing the issues raised by internal and external inspections and case reflections, analysing the causes of identified problems from the system and mechanism construction perspective, and proposed suggestions included leveraging the respective strengths of business lines and management departments at the headquarters, enhancing management responsibilities of operating units, improving the post-investment management, supervision and evaluation mechanism. The Board of Supervisors continued to follow up on the implementation of these suggestions, and achieved phased progress.

Strengthen risk supervision. The Board of Supervisors intensified their focus on asset quality and strengthened risk management supervision, continuously monitoring the management status of compliance risk, credit risk, concentration risk, liquidity risk and reputational risk. By reviewing the Company’s report on asset quality, risk resolution, compliance management, and audit findings in 2023, the Board of Supervisors took consideration of the challenges and problems faced by the Company such as asset quality pressure, endogenous non-performing assets resolution and rectification of inspection and audit issues, and proposed relevant opinions and suggestions to collectively address such key issues. The Board of Supervisors have intensified supervision of major risk items generated since 2020, prioritized the implementation of post-investment management for projects and project risks, while actively addressing related opinions.

Improve the effectiveness of supervision. The Board of Supervisors have endeavored to enhance communication with the Board and the management, provided regular updates on the work by the Board of Supervisors to the relevant authorities. Emphasis has been placed on transforming supervisory priorities into supervisory work priorities and effectively implementing supervisory requirements. The Board of Supervisors was committed to refining the supervisory work mechanism and deepening the implementation of inspection and rectification measures. Proactive efforts have been made to foster exchanges and training

aimed at enhancing professional performance. Additionally, the Board of Supervisors have maintained regular communication with peers, drawing inspiration from their advanced practices in supervision. These ongoing initiatives sought to boost the implementation of recommendations by the Board of Supervisors, further advanced the transformation of supervisory accomplishments and ensured the efficiency of supervision.

II. INDEPENDENT OPINIONS ON RELEVANT MATTERS

Lawful operation

During the Reporting Period, the operation of the Company was in compliance with laws and regulations, and its decision-making procedures were in compliance with relevant laws, regulations and the requirements of the Articles of Association. The Board of Supervisors had no objection to the matters submitted to the general meetings for consideration. The Board duly implemented the resolutions approved at the general meetings. Directors and Senior Management duly performed their duties. The Board of Supervisors was not aware of any breach of laws, regulations and the Articles of Association or any act detrimental to the interests of the Company by any of the Directors or Senior Management in performing their duties.

Financial reports

The financial reports for the year reflected the financial position and operating results of the Company truthfully and fairly.

Opinions on the performance evaluation of Directors, Supervisors and Senior Management

The results of the performance evaluation of all Directors, Supervisors and Senior Management for 2023 were competent.

Internal control

During the Reporting Period, the Company continued to improve internal control and the Board of Supervisors had no disagreement with the evaluation opinions on internal control of the Company for 2023.

China Cinda Asset Management Co., Ltd.**Work Report of the Independent Non-Executive Directors For 2023**

The independent non-executive Directors of the Company strictly complied with the relevant domestic and foreign laws and regulations, and normative documents, such as the PRC Company Law, the Corporate Governance Guidelines for Banking and Insurance Institutions, the Listing Rules and its Appendix, Corporate Governance Code, the Articles of Association and the working rules for independent Directors of the Company. In the principle of safeguarding the interests of the Company, Shareholders and investors, the independent non-executive Directors diligently and faithfully performed the obligations and duties required as independent non-executive Directors in a conscientious and responsible manner, and have fully performed their roles as independent non-executive Directors. The performance for the year 2023 is reported as follows:

I. INFORMATION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

As of December 31, 2023, there were five independent non-executive Directors of the Company, namely Mr. LU Zhengfei, Mr. LAM Chi Kuen, Mr. WANG Changyun, Mr. SUN Maosong and Ms. SHI Cuijun, among whom Ms. SHI Cuijun officially performed her duties after obtaining the approval of her qualifications as a Director on April 12, 2023. Independent non-executive Directors accounted for more than one-third of the Board members, which is in compliance with the Articles of Association, the Rules of Procedures of General Meetings, and relevant regulatory requirements. The three special committees under the Board of the Company, namely the Audit Committee, the Connected Transaction Control Committee and the Nomination and Remuneration Committee all have independent non-executive Directors as chairmen.

(I) Biographies of independent non-executive Directors

Please refer to the relevant contents in the 2023 annual report of the Company for the biographies of independent non-executive Directors.

(II) Independence of independent non-executive Directors

The qualification of the independent non-executive Directors of the Company have complied with the regulatory requirements. The independent non-executive Directors do not have any business or financial interest in the Company or its subsidiaries and do not hold any management position in the Company. The Company has received annual confirmation letters from each of the current independent non-executive Directors to confirm their independence and consider them to be independent.

II. ANNUAL PERFORMANCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

(I) Attendance of meetings and relevant resolutions

During the Reporting Period, the Board of the Company held three general meetings, nine Board meetings and 33 meetings of the special committees of the Board. Independent non-executive Directors participated in the resolution communication meetings, gained an in-depth understanding of the contents of the resolution through on-site, telephone, e-mail and listening to the reports, seriously studied the meeting materials, and exercised their voting rights independently, objectively and prudently on the basis of a full understanding of the contents of the resolution. Furthermore, independent non-executive Directors took the initiative to participate in the discussion and put forward reasonable suggestions in light of their own professional experience and the actual operation of the Company. The independent non-executive Directors regularly listened to the report on the implementation of the resolutions of the Board of Directors and followed up on the progress of major issues.

In 2023, the independent non-executive Directors of the Company put forward professional and feasible opinions and suggestions for the Company's strategic planning, corporate governance, risk management, internal control and compliance, related party transaction management, internal and external audits and liquidity management, and had no objection to the resolutions of the Board and its special committees. At the same time, independent opinions were expressed on major issues such as profit distribution plan, major related party transactions, nomination of candidates for Directors and appointment of accounting firms for statutory audit of financial reports, in which way the independent non-executive Directors played a positive role in promoting the scientific and objective decision-making of the Board and the sound development of the Company.

During the Reporting Period, the attendance of independent non-executive Directors of the Company at general meetings, and meetings of the Board and its special committees is as follows:

Independent Non-executive Directors	Number of meetings attended/required to attend						
	General meetings	Meetings of the Board	Strategic Development Committee	Meetings of special committees of the Board			
				Audit Committee	Risk Management Committee	Nomination and Remuneration Committee	Connected Transaction Control Committee
LU Zhengfei	3/3	8/9	-	8/8	6/6	-	8/9
LAM Chi Kuen	3/3	9/9	5/5	8/8	-	-	9/9
WANG Changyun	3/3	8/9	-	8/8	-	5/5	9/9
SUN Maosong	2/3	8/9	4/5	-	5/6	5/5	-
SHI Cuijun	1/2	5/5	1/1	5/5	-	1/2	-

Note: "Number of meetings attended" includes attendance at the scene, participation in the conference by telephone, or video. Directors who were unable to attend the meetings of the Board and special committees in person appointed other Directors to attend and vote on their behalf.

(II) Operation of the Board and its special committees

1. The operation of the Board. In 2023, the Board held nine meetings, including four regular meetings and five extraordinary meetings, at which 47 resolutions were considered and approved and 21 work reports were debriefed. Among the resolutions considered and approved, there were 18 resolutions on operational and management matters, seven resolutions on major transactions, nine resolutions on work reports, four resolutions on the nomination of candidates, three resolutions on remuneration and insurance matters and six resolutions on other matters.
2. The operation of special committees of the Board. The operation of special committees of the Board in 2023 was as follows:

The Strategic Development Committee held five meetings to consider 15 resolutions, mainly including the final financial account plan for 2022, the annual consolidated operation plan of the Group for 2023, the budget of investment in capital expenditure for 2023, the Group consolidated management report for 2022, and debriefed on three reports including the 2022 corporate governance report.

The Audit Committee held eight meetings to review 11 resolutions including the 2022 annual report (annual results announcement), the internal control evaluation report for 2022, the risk management report for 2022, the internal audit work plan for 2023, the internal audit work plan for 2024, the appointment of accounting firms for 2023, the 2023 interim report (interim results announcement), and debriefed on 12 reports including the report on internal audit work for 2022, auditor's report on the Company's 2022 management recommendations, 2023 interim financial statements review plan, and 2023 financial statements audit plan.

The Risk Management Committee held six meetings to review 11 resolutions, mainly including the 2022 risk management report, the internal control evaluation report for 2022, the Risk Appetite Statement of the Group (2023), the risk management policy of the Group for 2023, the recovery plan of the Company (2023), the disposal plan of the Company (2023) and debriefed on eight reports including the quarterly risk management reports and the anti-money laundering work report for 2022.

The Nomination and Remuneration Committee held five meetings to consider eight resolutions, mainly including the nomination of candidates for the Directors, the nomination of members for special committees of the Board, and purchase of liability insurance for Directors, Supervisors and Senior Management, discussed the structure and composition of the Board as well as the performance of Directors and the independence of independent non-executive Directors.

The Connected Transaction Control Committee held nine meetings to consider 12 resolutions, mainly including material related party transactions, matters relating to the identification of related parties of the Company and the related party transactions management report for 2022, and debriefed on five reports including the quarterly reports on related party transactions.

(III) Cooperation between the Company and independent non-executive Directors in work implementation

Ensuring that independent non-executive Directors are fully informed of the Company's operations is a basis for ensuring independent non-executive Directors' fulfillment of their duties. In order to enable the independent non-executive Directors to synchronize with the Company's operations and real-time information, the Company provided the independent non-executive Directors with convenient access to information through on-site reporting, telephone communication, e-mail reporting and information sharing via the OA collaborative office system, so as to effectively safeguard their right to know in the performance of their duties. Meanwhile, all relevant departments of the Company actively cooperated with and served the Directors to participate in all kinds of governance meetings, provided meeting materials in a timely manner, provided supplementary reports as required and answered the questions from the Directors in a timely manner, so as to ensure that the independent non-executive Directors were fully aware of the meeting materials prior to the meeting. The Company attached great importance to the communication mechanism with the independent non-executive Directors, reported the operation to the Directors regularly, and held seminars between the chairman and the independent non-executive Directors to listen to the opinions and suggestions of the Directors on the development and operation of the Company. The Company organized trainings and researches for Directors to continuously improve their ability to perform their duties and create convenient conditions for Directors to better understand the Company's operating environment. The Company has also further improved the implementation mechanism of Directors' opinions and suggestions, analyzed and sorted out the opinions and suggestions of Directors, including independent non-executive Directors, and compiled the Summary of Directors' Concerns; in addition, the Company provided timely feedback to the senior management for review, supervised the relevant departments to follow up and implement the opinions and suggestions, and reported the implementation to the Directors in a timely manner, so as to help enhance the level of governance and the quality and efficiency of operation and management of the Company.

III. KEY CONCERNS ON THE PERFORMANCE OF DUTIES OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS FOR THE YEAR

The independent non-executive Directors of the Company focused on the Company's strategic planning, qualifications of Directors and senior management, management of related party transactions, information disclosure, risk management and compliance and internal control, appointment of accounting firms. They made clear judgment on relevant key matters in accordance with laws and regulations and provided the Company with independent, objective and prudent opinions and suggestions.

(I) Revision and implementation of strategic planning of the Company

The independent non-executive Directors, through participating in the communication meetings on proposals and special committees of the Board, as well as through discussing with the chairman of the Board, reviewing the relevant information provided by the Company, listening to the reports of the management, and going to the branches, subsidiaries and project companies for investigation, have gained in-depth understanding of the implementation of the strategic planning and made professional assessments, and provided comments and suggestions on the problems. When the Company revised its strategic planning, the independent non-executive Directors, as one of the main participants, made use of their professional background to objectively analyze the current financial and economic situation and the industry environment, and provided a lot of valuable suggestions, which helped to promote the Company to achieve its strategic objectives and enhance its efficiency.

(II) Qualifications of the Directors and senior management

During the Reporting Period, the Board of the Company nominated two non-executive Directors and one independent non-executive Director, elected chairman and members of the special committees under the Board. The independent non-executive Directors carefully reviewed the qualifications of candidates nominated in strict compliance with laws, regulations and the Articles of Association.

(III) Management of related party transactions

The independent non-executive Directors paid close attention to the management of related party transactions of the Company, regularly reviewed the Company's related parties and listened to reports on the management of related party transactions, and urged the Company to carry out related party transactions in strict compliance with regulatory requirements according to law. The independent non-executive Directors strictly verified the Company's major related party transactions, issued independent opinions in an objective, fair, and prudent manner, and supervised and guided the Company in implementing standardized and refined management of related party transactions to ensure that the related party transactions were fair and compliant, and earnestly performed their duties of supervising related party transactions.

(IV) Implementation of information disclosure

In 2023, the Company prepared and disclosed the 2022 annual report, 2023 interim report and various temporary announcements in strict compliance with regulatory requirements and information disclosure requirements for listed companies. The independent non-executive Directors earnestly performed their duties and obligations in relation to the preparation and disclosure of annual reports, and supervised and verified the information disclosed in the announcements, urged the Company to continuously improve the information disclosure mechanism and process, improve the quality and efficiency of information disclosure, and

fulfill the information disclosure obligations in a timely, accurate, true and complete manner in strict accordance with regulatory requirements to ensure that there were no false records, misleading statements or major omissions. Meanwhile, the independent non-executive Directors supervised and required the Company to strictly implement the registration and filing of insiders and strengthen the confidentiality of the Company's inside information.

(V) Implementation of risk management and internal control and compliance

The independent non-executive Directors provided comprehensive guidance on the Company's risk management policies and system construction, carefully considered or listened to the Company's risk management report, internal control evaluation report, internal audit work report, and compliance management report, paid close attention to and followed up and supervised the progress of rectification and implementation of measures of issues identified by regulatory inspections, and made professional suggestions on risk management in key areas such as internal control and compliance, related party transactions, anti-money laundering and information technology, playing an important role in enhancing the Company's risk and internal control and compliance management level.

(VI) Appointment of accounting firms

After the review and approval of the 2022 annual general meeting, the Company has engaged PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers as the Company's domestic accounting firm and international accounting firm for 2023, respectively. The independent non-executive Directors have, in accordance with the relevant regulations and work requirements, maintained full communication with the accounting firms, carefully reviewed the information provided by the accounting firms and listened to the reports on the audit work, and have effectively fulfilled the relevant responsibilities and obligations. The independent non-executive Directors were of the view that the accounting firms engaged by the Company were independent, objective and fair in the auditing and completed all work well.

(VII) Profit distribution

The independent non-executive Directors considered and approved the 2022 profit distribution plan of the Company and were of the view that the formulation of the profit distribution plan of the Company complied with the provisions of the Articles of Association, the dividend distribution standards and proportion were clear and definite, and the procedures and mechanism of decision-making were complete, which ensured reasonable returns for Shareholders and were not detrimental to the interests of the Shareholder of the Company, especially that of minority Shareholders.

IV. GENERAL EVALUATION

In 2023, the independent non-executive Directors of the Company complied with the provisions and requirements of relevant laws and regulations and the Articles of Association, faithfully and diligently performed their duties, actively and effectively exercised the responsibilities of independent non-executive Directors around the work of the Board, and safeguarded legitimate rights and interests of the Company and all Shareholders.

In 2024, the independent non-executive Directors will further strengthen the exchange and communication with the Board, the Board of Supervisors and the senior management of the Company, further promote the scientific and effective work of the Board with their professional strength, and strive to promote the sound and standardized operation of the Company, so as to escort the high-quality development of the Company.

Independent Non-executive Directors:

LU Zhengfei, LAM Chi Kuen, WANG Changyun, SUN Maosong, SHI Cuijun

China Cinda Asset Management Co., Ltd.

2023 Annual Evaluation Report of Major Shareholders

According to the Measures for the Supervision of the Behavior of Major Shareholders of Banking and Insurance Institutions (Trial) (Yin Bao Jian Fa [2021] No. 43), hereinafter referred to as the “**Measures for the Supervision of Major Shareholders**” and other relevant requirements, the Board of the Company has conducted a full assessment on the qualifications, financial position, equity holdings, related party transactions in the previous year, exercise of Shareholders’ rights, performance of responsibilities and commitments, implementation of the Articles of Association and the agreement clauses, and compliance with laws, regulations and regulatory requirements of major Shareholder in 2023, and it is hereby reported as follows.

I. MAJOR SHAREHOLDERS

According to the relevant standards stipulated in Article 3 of the Measures for the Supervision of Major Shareholders, the MOF holds 22,137,239,084 shares, representing 58.00% of the total issued share capital of the Company, and is the major Shareholder of the Company.

II. RESULTS OF SHAREHOLDER EVALUATION

The qualification of the MOF as a Shareholder complies with laws and regulations and regulatory requirements. The MOF is a government agency legal person and is not applicable to evaluation of financial data information.

The MOF has long-term and stable investment in the Company, with clear and transparent shareholding relationship. The MOF invested in the Company with its own funds from legitimate sources, and earnestly performed its capital contribution obligations. There was no situation where it entrusted others or being entrusted to hold the shares of the Company, and there was no hidden actual controller, concealed related relations, shareholding entrustment, voting rights entrustment, acting-in-concert agreement, etc. The MOF did not transfer any equity held within five years from the date of acquiring the equity of the Company, nor did it pledge any equity of the Company, nor did it have any related party transactions with the Company. The MOF holds more than one controlling financial asset management companies or more than two participating financial asset management companies, but as the MOF is an investment entity holding equity in financial asset management companies under the authorization of the State Council, there is no infringement of relevant regulations.

The MOF strictly abided by laws and regulations, regulatory provisions and the Articles of Association to exercise Shareholder’s rights and performs Shareholder’s obligations. To properly exercise Shareholder’s rights and safeguard the independent operation of the Company through corporate governance procedures, the MOF did not abuse Shareholder’s rights to interfere with the decision-making of the Board or the operation and management of

the Company, exercised the right to nominate Directors of the Company in a prudent manner, while the nominated candidates were in compliance with relevant regulatory requirements, and the MOF strengthened the supervision of the performance of duties of directors nominated by it. The MOF supported the Company to continuously improve its corporate governance practices, and laid a solid foundation for the Company to actively participate in preventing and resolving financial risks and serving the real economy.

Based on the above, after careful assessment of the relevant situation of major Shareholder, the Company is of the view that the major Shareholder of the Company is in compliance with the relevant regulations and requirements in all aspects, and no relevant problems and risks are found.

China Cinda Asset Management Co., Ltd.**Report on the Management of Related Party
Transactions for 2023**

In accordance with the regulatory requirements and the relevant provisions on the management of related party transactions of the Company, the management of related party transactions of the Company for 2023 is hereby reported as follows:

I. MAJOR WORK

In 2023, the Company conscientiously implemented the relevant regulatory requirements of the National Financial Regulatory Administration (the “NFRA”) and the Hong Kong Stock Exchange on related party transactions, effectively strengthened the management of related party transactions, and ensured that all related party transactions of the Company were carried out in a compliant, healthy and orderly manner.

(I) The Connected Transaction Control Committee of the Board actively performed the management duties of related party transactions

The primary duties of the Connected Transaction Control Committee of the Board include identifying related parties of the Company, reviewing the basic management system of related party transactions of the Company, conducting preliminary review of related party transactions to be approved by the Board or the general meeting, and accepting the filing of related party transactions.

The Connected Transaction Control Committee of the Board consists of four members, including three independent non-executive Directors and one non-executive Director. The chairman of the committee is an independent non-executive Director. In 2023, the Connected Transaction Control Committee of the Board held nine meetings to consider 12 resolutions, mainly including major related party transactions, confirmation of related parties of the Company and the 2022 management report on related party transactions; and listened to five reports, mainly including quarterly reports on related party transactions.

(II) Steadily reducing the balance of the Group’s external related party transactions

As at the end of 2023, the parent company and non-financial holding subsidiaries had granted a total balance of RMB23.788 billion of credit facilities and similar credit facilities business to external related parties, representing a decrease of RMB5.484 billion as compared with the same period, of which RMB9.326 billion was granted by the parent company and RMB14.462 billion by non-financial holding subsidiaries, neither of which exceeded 50% of their respective net capital as at the end of the previous quarter, which was in compliance with regulatory requirements.

(III) Making progress in the rectification and improvement of various issues relating to related party transactions

The Company has earnestly implemented the regulatory requirements and pushed forward the rectification including the issues identified in the Company's comprehensive risk investigation for 2023, the special audit on related party transactions for 2021 and the special audit on related party transactions for 2022, and as at the end of the Reporting Period, the rectification was completed at a rate of 95%.

(IV) Actively launching on-site training and business guidance on related party transactions

The Company has steadily improved the quality and efficiency of related party transaction management by conducting on-site surveys and inspections on the management of related party transactions at nine branches and subsidiaries, including Shaanxi, Guangxi, Shanghai, Shanghai free trade zone branch, and NCB China, Cinda Capital, Cinda Investment, Cinda Real Estate, and Jingu Trust.

(V) Optimizing the related party transaction system and enhancing the level of digital empowerment

The Company has established a management information system for related party transactions as a management tool to realize online reporting of statistical information on related party transactions and enhance digital empowerment through the realization of functions such as related party querying at various channels, dynamic management of related party information, reporting of related party transaction data and information, statistical reporting and embedding of business processes through smooth connection with the Company's new core business system.

(VI) Stabilizing and standardizing day-to-day management of related party transactions

First, the Company completed the updating of related party information and disclosed related party transaction information on schedule in a timely and standardized manner, so as to ensure that all Shareholders and investors have a smooth channel to understand the relevant information of the Company. Second, the Company completed the research and formulation of management policies on related party transactions and relevant monitoring and assessment indicators for 2023, and conducted assessment of branches and subsidiaries based on the completion of the indicators by the end of the year. Third, the Company reviewed the project proposals according to the authority and issued audit opinions on related party transactions. Fourth, the Company strictly regulated the management requirements for the Group's endogenous distressed assets. Fifth, the Company organized special trainings on the management of related party transactions to ensure the effective implementation of regulatory policies and corporate systems within the Group and the enhancement of all staff's compliance awareness of and identification capabilities for related party transactions. Sixth, the Company completed the revision of the authorization for related party transactions for the parent company and non-financial holding subsidiaries. Seventh, the Company maintained good communication with regulatory authorities, compliance lawyers, peer companies and relevant intermediaries.

II. RELATED PARTIES

As of the end of 2023, there were a total of 7,485 related parties under the regulatory standards of the NFRA, including 441 internal related parties, 1,121 external related legal persons and unincorporated organizations, and 5,923 external related natural persons. The Company had 556 related parties under the regulatory standards of the Hong Kong Stock Exchange, including 93 related legal persons and 463 related natural persons.

III. RELATED PARTY TRANSACTIONS**(I) Related party transactions under the regulatory standards of the Hong Kong Stock Exchange**

In 2023, the Company had 47 related party transactions on the Hong Kong Stock Exchange, with a transaction amount of RMB3,857 million, representing a year-on-year increase of RMB3,806 million. Except the transfer of the Company's preferred Class A capital shares of Wuhu Xinhui Investment Partnership (Limited Partnership) to Huaihe Energy Holding Group Co., Ltd. (the transaction amount was RMB3.568 billion), which was approved by the Board on March 17, 2023, and the Company announced it on the Hong Kong Stock Exchange on March 22 as required, no other related party transactions required reporting, announcement, submission to the Board for consideration, or approval by the independent Shareholders.

(II) Related party transactions under the regulatory standards of the NFRA

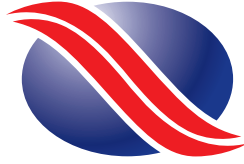
1. External Related Party Transactions. In 2023, the Company conducted 105 external related party transactions under the regulatory standards of the NFRA, with a transaction amount of RMB29.794 billion, representing a year-on-year decrease of 46.00%. Among them, the transaction amount of inter-bank lending, borrowing and assets disposal ranked among the top three, with a total amount of RMB18.464 billion, accounting for 61.97% of the total transaction amount.
2. Internal Related Party Transactions. In 2023, the Company conducted 275 internal related party transactions under the regulatory standards of the NFRA, with a transaction amount of RMB97.942 billion, representing a year-on-year increase of 52.59%. Among them, the transaction amount of inter-bank lending, borrowing and guarantee ranked among the top three, with a total amount of RMB81.813 billion, accounting for 83.53% of the total transaction amount.
3. Major Related Party Transactions. In 2023, the Company conducted 86 major related party transactions under the regulatory standards of the NFRA, with an amount of RMB62.003 billion. Among them, the parent company had 5 major related party transactions with an amount of RMB27.922 billion and the subsidiaries had 81 major related party transactions with an amount of RMB34.081 billion.

4. Implementation of Uniform Trading Agreement (UTA). The Company and some of its subsidiaries have conducted their business within the framework of the UTA signed with NCB and NCB China in March 2023, and the maximum daily balance limit and the maximum annual cumulative incurred amount limit for each of the business items, including time deposits, credit facilities business, intermediate services business and derivatives business were all in compliance with the requirements.

IV. WORK ARRANGEMENTS FOR 2024

In 2024, the Company will continue to strictly implement the regulatory policies to step up the management of the compliance of the related party transaction. The Company will align itself with the latest requirements of the regulators by reviewing and amending systems promptly. The Company will strengthen business guidance and on-site supervision and inspection on the management of related party transactions of its subsidiaries, launch training on the transactions on a multi-level and multi-dimensional basis, and continue with the management of the information on related parties, statistics, reporting and disclosure of information on the transactions, review of the transaction and more to ensure that the business of the Company's related party transactions is compliant.

NOTICE OF AGM FOR 2023



China Cinda Asset Management Co., Ltd. **中國信達資產管理股份有限公司**

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

(Stock Code: 01359 and 04621 (Preference Shares))

NOTICE OF AGM FOR 2023

NOTICE IS HEREBY GIVEN that the annual general meeting of China Cinda Asset Management Co., Ltd. (the “**Company**”) for 2023 (the “**AGM**”) will be held at Conference Room 1111, 11th Floor, No. 1 Building, 9 Naoshikou Street, Xicheng District, Beijing, the People’s Republic of China (the “**PRC**”) at 10:00 a.m. on Wednesday, June 26, 2024 for considering and, if thought fit, passing the following resolutions:

Ordinary Resolutions

1. To consider and approve the work report of the Board for 2023
2. To consider and approve the report of the Board of Supervisors for 2023
3. To consider and approve the remuneration settlement scheme for Directors for 2022
4. To consider and approve the remuneration settlement scheme for Supervisors for 2022
5. To consider and approve the final financial account plan for 2023
6. To consider and approve the profit distribution plan for 2023
7. To consider and approve the budget of investment in capital expenditure for 2024
8. To consider and approve the appointment of accounting firms for 2024

Special Resolution

9. To consider and approve the external donation plan for 2024

NOTICE OF AGM FOR 2023

As Reporting Documents

1. To review the work report of the independent non-executive Directors for 2023
2. To review the 2023 annual evaluation report of major Shareholder
3. To review the report on the management of related party transactions for 2023

Notice of Closure of Register of Members

The register of holders of H Shares of the Company will be closed from Friday, June 21, 2024 to Wednesday, June 26, 2024 (both days inclusive), during which period no transfer of H Shares will be registered. Any holder of H Shares of the Company who wishes 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 no later than 4:30 p.m. on Thursday, June 20, 2024. Shareholders whose names appear on the register of holders of H Shares of the Company at the close of business on Thursday, June 20, 2024 will be entitled to attend and vote at the AGM.

The address of the H Share Registrar of the Company:

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 of the Company dated June 5, 2024. Unless otherwise stated, terms defined in the circular shall have the same meanings in this notice.

By order of the Board
China Cinda Asset Management Co., Ltd.
ZHANG Weidong
Chairman

Beijing, the PRC
June 5, 2024

As at the date of this notice, the Board consists of Mr. ZHANG Weidong, Mr. LIANG Qiang and Mr. ZHAO Limin as executive Directors, Mr. WANG Shaoshuang and Mr. CHEN Xiaowu as non-executive Directors, and Mr. LU Zhengfei, Mr. LAM Chi Kuen, Mr. WANG Changyun, Mr. SUN Maosong and Ms. SHI Cuijun as independent non-executive Directors.

NOTICE OF AGM FOR 2023

Notes:

1. The register of members of the Company will be closed from Friday, June 21, 2024 to Wednesday, June 26, 2024 (both days inclusive). Holders of H Shares and domestic shares whose names appear on the register of members of the Company at the close of business on Thursday, June 20, 2024 shall be entitled to attend and vote at the AGM. Holders of H Shares of the Company 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 no later than 4:30 p.m. on Thursday, June 20, 2024.
2. The register of members of the Company will be closed from Wednesday, July 3, 2024 to Monday, July 8, 2024, both days inclusive. Holders of H Shares and domestic shares whose names appear on the register of members of the Company on Monday, July 8, 2024, Hong Kong time shall be entitled to receive cash dividend of RMB0.4576 (tax inclusive) per 10 shares for 2023 subject to the approval of the Shareholders at the AGM. Dividends on H Shares will be paid in Hong Kong dollars, and the actual amount paid in Hong Kong dollars will be calculated based on the average benchmark exchange rate for RMB to Hong Kong dollars as announced by the People's Bank of China one week prior to and including the date of the AGM. Holders of H Shares of the Company who wish to receive the cash dividend for 2023 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, No. 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, July 2, 2024 (Hong Kong time). The last trading day for H Shares of the Company before ex-dividend will be Thursday, June 27, 2024, and the ex-dividend date will be Friday, June 28, 2024.

Withholding and Payment of Enterprise Income Tax for Foreign Nonresident Enterprise Shareholders

Pursuant to the Enterprise Income Tax Law of the People's Republic of China and its implementation regulations and other relevant rules and regulations, the Company is required to withhold enterprise income tax at the rate of 10% when distributing the annual dividend for 2023 to non-resident enterprise Shareholders whose names appear on the H Shares register of members of the Company. Any shares registered in the name of non-individual Shareholders, including HKSCC Nominees Limited, other nominees, trustees or other groups and organizations, will be treated as being held by non-resident enterprise Shareholders and therefore will be subject to the withholding of the enterprise income tax. A non-PRC resident enterprise Shareholder which is entitled to a preferential tax rate under a tax agreement or an arrangement may, directly or through its entrusted agent or withholding agent, apply to the competent tax authorities for a refund of the excess amount of tax withheld.

Withholding and Payment of Individual Income Tax for Individual Foreign Shareholders

Pursuant to the Individual Income Tax Law of the PRC, the Implementation Regulations of the Individual Income Tax Law of the PRC and other relevant laws and regulations and regulatory documents, the Company shall, as a withholding agent, withhold and pay individual income tax at the rate of 10% the individual holders of H Shares in respect of the final dividend for the year 2023 to be distributed to them. However, if there are the tax treaties or arrangements between the People's Republic of China ("PRC") and the countries (regions) in which the individual holders of H Shares are domiciled, the Company will withhold and pay individual income tax on behalf of the individual H Shareholders at the effective tax rate stipulated in the relevant tax treaty or arrangement. If the tax treaty or arrangement with the PRC stipulates a tax rate of less than 10%, the Company will temporarily withhold and pay individual income tax at the rate of 10% on behalf of the individual H Shareholders, and the individual holders of H shares may be entitled to certain tax preferential treatments.

Dividend Distribution for Investors of Southbound Trading

For investors of the Shanghai Stock Exchange or Shenzhen Stock Exchange (including enterprises and individuals) investing in the H Shares of the Company (the "Southbound Trading"), the Company will distribute the cash dividend for 2023 to China Securities Depository and Clearing Corporation Limited which, as the nominee of the investors of H Shares of Southbound Trading, will then distribute the cash dividends to the relevant investors of H Shares of Southbound Trading through its depository and clearing system. Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) and the Notice on Tax Policies for Shenzhen-Hong Kong Stock Connect Pilot Program (Cai Shui [2016] No. 127), for domestic individual investors, the Company shall withhold and pay individual

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income tax at the rate of 20% on behalf of the investors. For domestic securities investment funds, the tax payable shall be the same as that for individual investors. The Company will not withhold and pay the income tax of dividends for domestic enterprise investors which shall report and pay the relevant tax themselves.

The record date and the date of distribution of cash dividends and other arrangements for the investors of Southbound Trading will be the same as those for the H Shareholders of the Company. Should the H Shareholders of the Company have any doubts in relation to the aforesaid arrangements, they are recommended to consult their tax advisors for the relevant tax impacts in mainland China, Hong Kong (or Macau) and other countries (regions) on the possession and disposal of the H Shares of the Company.

3. 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 of the Company, but he/she must attend the AGM in person to represent the relevant Shareholder.
4. 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 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 document must be notarized.
5. In order to be valid, the proxy form for the AGM, the notarized power of attorney or other authorization document (if any) must be delivered to the Board of Directors' Office of the Company for holders of domestic shares and at 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 designated for convening the AGM or any adjournment thereof (as the case may be) (i.e. no later than 10:00 a.m. on Tuesday, June 25, 2024, Hong Kong time). 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.
6. 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. Voting at the AGM will be conducted by way of on-site voting.
7. 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.
8. In the case of joint Shareholders, the vote of the senior who tenders a vote, whether 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 Shareholders.