
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about any aspect of this supplemental 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 adviser.

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

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中国中信金融资产
China CITIC Financial AMC

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

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

**WITHDRAWAL OF DAQIN RAILWAY'S SHARES;
TRANSFER OF INTERESTS IN THE FOUR SINGLE ASSET
MANAGEMENT PLANS
AND
SUPPLEMENTAL NOTICE OF EGM**

This supplemental circular (the “**Supplemental Circular**”) shall be read in conjunction with the circulars of the EGM dated 5 June 2024 and 11 June 2024 (collectively, the “**EGM Circulars**”).

On 5 June 2024 and 11 June 2024, the Company published the notice and supplemental notice in relation to the EGM to be held at 4:00 p.m. on Wednesday, 26 June 2024 at Conference Room 1221, No. 8 Financial Street, Xicheng District, Beijing, the PRC (collectively, the “**EGM Notices**”). Due to the coordination need for work arrangements of the meeting, the Company published the Notice of the Postponement of the Extraordinary General Meeting of Shareholders (the “**Postponement Announcement**”) on 13 June 2024. The postponed EGM will be held at 10:00 a.m. on Friday, 28 June 2024 at the same address. The supplemental notice of the EGM dated 13 June 2024 is set out in this Supplemental Circular. The resolutions as set out in this Supplemental Circular will be submitted to the EGM for consideration. The Revised Proxy Form for use at the EGM is enclosed in this Supplemental Circular and is published on the websites of the Company (www.chamc.com.cn) and the Hong Kong Stock Exchange (www.hkexnews.hk).

If you wish to appoint a proxy to attend the EGM on your behalf, you are required to complete and return the accompanying Revised Proxy Form in accordance with the instructions printed thereon no later than 24 hours before the time scheduled for holding the EGM (i.e. before 10:00 a.m. on Thursday, 27 June 2024) or any adjournment thereof (as the case may be). Completion and return of the Revised Proxy Form will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish.

Unless otherwise indicated, capitalised terms used herein shall have the same meanings as those defined in the EGM Circulars.

13 June 2024

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DEFINITIONS

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

“Articles of Association”	the Articles of Association of the Company, as amended from time to time
“Asset Management Contract A”	the asset management contract entered into by the Company on 26 January 2024 for the establishment of the Asset Management Plan A
“Asset Management Plan A”	a single asset management plan established under the Asset Management Contract A entered into by the Company on 26 January 2024, which is one of the Four Single Asset Management Plans. The Company is the sole trustor and sole beneficiary of the Asset Management Plan A
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors of the Company
“China CITIC Bank” or “Custodian”	China CITIC Bank Corporation Limited, a joint stock limited liability company duly incorporated in the PRC, the H shares (stock code: 998) and the A shares (stock code: 601998) of which are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively. As at the Latest Practicable Date, CITIC Group was the actual controller of China CITIC Bank
“International Company”	China CITIC Financial AMC International Holdings Limited (中國中信金融資產國際控股有限公司), a company duly incorporated in Hong Kong. As at the Latest Practicable Date, International Company was a wholly-owned subsidiary of the Company
“CITIC Group”	CITIC Group Corporation, a substantial shareholder of the Company, whose ultimate beneficial owner is the MOF
“CITIC Securities”	CITIC Securities Company Limited, a joint stock limited liability company incorporated in the PRC, the H shares (stock code: 6030) and the A shares (stock code: 600030) of which are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively. The operating performance and financial condition of CITIC Securities are consolidated into the financial statements of CITIC Corporation Limited
“CITIC Securities AM”	CITIC Securities Asset Management Co., Ltd., a wholly-owned subsidiary of CITIC Securities as at the Latest Practicable Date
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules

DEFINITIONS

“Company”	China CITIC Financial Asset Management Co., Ltd., a joint stock limited liability company incorporated in the PRC, the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“CSC”	CSC Financial Co., Ltd., a joint stock limited liability company incorporated in the PRC, the H shares (stock code: 6066) and the A shares (stock code: 601066) of which are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively. To the knowledge, information and belief of the Directors after making all reasonable inquiries, CSC is not the connected person of the Company under the Listing Rules
“Daqin Railway”	Daqin Railway Co., Ltd., a joint stock limited liability company incorporated in the PRC, the shares of which are listed on the Shanghai Stock Exchange (Stock Code: 601006)
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for or credited as fully paid in RMB
“Domestic Shareholder(s)”	the holder(s) of Domestic Shares
“EGM”	the third extraordinary general meeting for 2024 to be convened by the Company at 10:00 a.m. on Friday, 28 June 2024 at Conference Room 1221, No. 8 Financial Street, Xicheng District, Beijing, the PRC
“First Proxy Form”	the proxy form enclosed in the circular of the Company dated 5 June 2024
“Four Single Asset Management Plans”	the four single asset management plans established by the Company, two of which were managed by CITIC Securities AM and the other two were managed by CSC (please refer to the circulars of the Company dated 9 January 2024 and 7 February 2024 for details)
“Group”	the Company and its subsidiaries
“H Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in HKD and listed on the Main Board of the Hong Kong Stock Exchange
“H Shareholder(s)”	the holder(s) of H Shares
“HK\$” or “HKD”	the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Latest Practicable Date”	7 June 2024, being the latest practicable date prior to the printing of this Supplemental Circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended from time to time
“Manager(s)”	CITIC Securities AM and/or CSC, which are the managers of the Four Single Asset Management Plans, respectively
“MOF”	the Ministry of Finance of the PRC
“PRC” or “China”	the People’s Republic of China
“RMB”	the lawful currency of the PRC
“Revised Proxy Form”	the revised proxy form of the EGM
“Second Proxy Form”	the proxy form enclosed in the circular of the Company dated 11 June 2024
“Share(s)”	share(s) of the Company, including Domestic Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Share(s) of the Company
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“%”	per cent



中国中信金融资产
China CITIC Financial AMC

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

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

(Stock Code: 2799)

Executive Directors:

Mr. Liu Zhengjun (*Chairman*)

Mr. Li Zimin (*President*)

Non-executive Directors:

Ms. Zhao Jiangping

Mr. Xu Wei

Mr. Tang Hongtao

Independent Non-executive Directors:

Mr. Shao Jingchun

Mr. Zhu Ning

Ms. Chen Yuanling

Mr. Lo Mun Lam, Raymond

Registered Office:

No. 8 Financial Street, Xicheng District

Beijing

the PRC

Principal Place of Business

in Hong Kong:

40th Floor, Dah Sing Financial Centre

No. 248 Queen's Road East

Wanchai, Hong Kong

13 June 2024

Dear Sir or Madam,

**WITHDRAWAL OF DAQIN RAILWAY'S SHARES;
TRANSFER OF INTERESTS IN THE FOUR SINGLE ASSET
MANAGEMENT PLANS
AND
SUPPLEMENTAL NOTICE OF EGM**

1. INTRODUCTION

Pursuant to the EGM Circulars dated 5 June 2024 and 11 June 2024, the purpose of this Supplemental Circular is to provide you with the information regarding the supplemental resolutions to be proposed at the EGM to enable you to make an informed decision on whether to vote for or against the supplemental resolutions at the EGM.

LETTER FROM THE BOARD

2. MATTERS TO BE CONSIDERED AT THE EGM

The supplemental resolutions to be proposed at the EGM for consideration and approval by Shareholders are: (3) to consider and approve the withdrawal of Daqin Railway's shares; and (4) to consider and approve the transfer of interests in the Four Single Asset Management Plans. The above resolutions are special resolutions.

Details of the matters to be considered at the EGM are set out in the supplemental notice of EGM on pages 17 to 19 in this Supplemental Circular. In order to enable you to have a better understanding of the supplemental resolutions to be proposed at the EGM and to make well-informed decisions, this Supplemental Circular provides detailed information on matters to be supplementarily considered at the EGM.

3. WITHDRAWAL OF DAQIN RAILWAY'S SHARES

Reference is made to the circular of the Company's first extraordinary general meeting for 2024 dated 9 January 2024 and the announcement on poll results of the first extraordinary general meeting for 2024 dated 26 January 2024, the Company entered into the Asset Management Contract A on 26 January 2024, pursuant to which the Company entrusted the Manager and Custodian to establish the Asset Management Plan A for investment. The Company is the sole trustor and sole beneficiary of the Asset Management Plan A. The Manager chooses the right times to invest and conducts active management for the Asset Management Plan A.

Basic Information on the Project

This project aims to withdraw, from the Asset Management Plan A, part or all of the shares of Daqin Railway held by it. Daqin Railway's revenue mainly comes from cargo transportation, with a sound enterprise operation and stable profitability. In recent years, Daqin Railway has constantly maintained a dividend payout ratio of over 50%, and investors can receive dividend income on an ongoing basis.

Daqin Railway is a comprehensive railway transportation enterprise focusing on coal transportation, and its business revenue comes mostly from the goods transportation business. Daqin Railway mainly transports thermal coal from regions including Shanxi Province, Inner Mongolia, Shaanxi Province, etc. Other transported goods include commodities such as coke, steel and ore, as well as containerized and bulk cargo. In addition, Daqin Railway is engaged in the passenger transportation business, and provision of entrusted transportation management services, stations and equipment maintenance to other railway transportation enterprises and other businesses.

LETTER FROM THE BOARD

The key financial information of Daqin Railway prepared in accordance with the China Accounting Standards for Business Enterprises is as follows:

Unit: RMB100 million

	As of 31 December 2023 (audited)	As of 31 December 2022 (audited)
Total assets	2,076.73	2,022.97
Net assets attributable to the shareholders of the listed company	1,377.63	1,282.84
	For the year ended 31 December 2023 (audited)	For the year ended 31 December 2022 (audited)
Operating revenue	810.20	757.58
Total profit (profit before taxation)	177.27	168.00
Net profit (profit after taxation)	135.59	128.53

Note: The above data are extracted from the periodical reports of Daqin Railway published on the Shanghai Stock Exchange.

In view of the mid- and long-term investment value of Daqin Railway's shares, the Company intends to withdraw Daqin Railway's shares from the Asset Management Plan A and hold such shares directly. According to the relevant terms of the Asset Management Contract A, if the assets under the Asset Management Plan A to be withdrawn by the Company are non-cash assets, the Manager is entitled to deliver the assets under the Asset Management Plan A to the Company in an as-is manner.

LETTER FROM THE BOARD

Withdrawal Plan

Pursuant to the current systems, the Company intends to transfer part or all of the shares of Daqin Railway held by the Asset Management Plan A (with the Manager acting on behalf of the Asset Management Plan A) to the Company at the market price by way of block trading, in order to achieve the withdrawal of Daqin Railway's shares by the Company. Upon completion of the transfer of Daqin Railway's shares, the Asset Management Plan A (with the Manager acting on behalf of the Asset Management Plan A) will return the transferred funds to the Company. The specific plan is as follows:

- (1) Withdrawal method: the Company intends to transfer part or all of the shares of Daqin Railway held by the Asset Management Plan A (with the Manager acting on behalf of the Asset Management Plan A) to the Company by way of block trading. Upon completion of the transfer, the Asset Management Plan A (with the Manager acting on behalf of the Asset Management Plan A) will return the transferred funds to the Company.
- (2) Target of withdrawal: part or all of the shares of Daqin Railway held by the Asset Management Plan A.
- (3) Number of shares to be withdrawn: the shares of Daqin Railway to be withdrawn are proposed to be no more than 424,671,935 shares, representing approximately 2.42% of the total issued share capital of Daqin Railway.
- (4) Transfer price: the transfer consideration is proposed to be the weighted average price of trading prices on the secondary market on the date of transfer.
- (5) Transfer amount: the capital contribution for this transfer is expected to be RMB3.12 billion calculated based on the current share price of Daqin Railway and the estimated cap of the withdrawal amount, and the final amount is determined based on the average price on the actual date of transfer and the number of shares transferred.

Reasons for and Benefits of the Project

The operation of Daqin Railway is stable with available profit. Daqin Railway's weighted return on shareholder's equity (ROE) was 9.09% at the end of 2023. In recent years, Daqin Railway has always maintained a dividend payout ratio of over 50%, which enables investors to receive dividend income on an ongoing basis, making its shares suitable for mid- and long-term holding.

The withdrawal of Daqin Railway's shares from the Asset Management Plan A is an asset withdrawal made by the Company in accordance with the terms of the Asset Management Contract A. Upon the completion of withdrawal, the Company will directly hold such portion of Daqin Railway's shares and will be able to obtain stable dividend income and reduce tax expenses in the future.

LETTER FROM THE BOARD

Listing Rules Implications

The withdrawal of Daqin Railway's shares is an asset withdrawal made by the Company in accordance with the terms of the Asset Management Contract A, which does not constitute a transaction under Chapter 14 of the Listing Rules or a connected transaction under Chapter 14A of the Listing Rules.

Corporate Governance Procedures

According to Item 14 of Paragraph 1 of Article 66 of the Articles of Association and the Authorization Plan for the Board of Directors by the Shareholders' General Meeting, the amount involved in the withdrawal of Daqin Railway's shares exceeds the Board's authority. According to the Company's internal governance system, the withdrawal of Daqin Railway's shares shall be submitted to the shareholders' general meeting for consideration.

In the meantime, the Board proposes to submit to the shareholders' general meeting to grant authorities to the Board, and for the Board to grant authorities to the Chairman, and for the Chairman to grant to other persons to handle all specific matters in relation to the withdrawal of Daqin Railway's shares.

The above resolution has been considered and approved by the Board in accordance with the Articles of Association and other policies and is hereby submitted to the EGM for consideration.

4. TRANSFER OF INTERESTS IN THE FOUR SINGLE ASSET MANAGEMENT PLANS

Pursuant to the circular of the Company dated 9 January 2024 and the announcement of the Company dated 26 January 2024, the resolution in relation to the Company's entrustment of CITIC Securities AM to establish single asset management plan(s) for investment (the "**CITIC Securities Asset Management Plan**") was approved by the Shareholders at the Company's first extraordinary general meeting for 2024, and pursuant to the circular of the Company dated 7 February 2024 and the announcement of the Company dated 28 February 2024, the resolution in relation to the Company's entrustment of CSC to establish single asset management plan(s) for investment (the "**CSC Asset Management Plan**") was approved by the Shareholders at the Company's second extraordinary general meeting for 2024, with the size of entrusted funds not exceeds RMB60 billion in aggregate. Pursuant to the CITIC Securities Asset Management Plan and the CSC Asset Management Plan, the Company successfully established the Four Single Asset Management Plans, two of which were managed by CITIC Securities AM, and the other two were managed by CSC.

LETTER FROM THE BOARD

Basic Information on the Project

As at the Latest Practicable Date, the Company holds assets such as shares of certain domestic and overseas companies, including shares of the following Hong Kong listed companies (the “**Investment Target Companies**”) held through “Southbound Stock Connect”, through the Four Single Asset Management Plans. The number of shares held and its shareholding percentage are set out in the table below:

Name of the Investment Target Companies	Number of Shares	Shareholding Percentage
Kunlun Energy Company Limited (stock code: 0135) (“ Kunlun Energy ”)	214,440,000	2.48%
China Power International Development Limited (stock code: 2380) (“ China Power ”)	605,867,000	4.90%
China Telecom Corporation Limited (stock code: 0728) (“ China Telecom ”)	1,206,336,000	1.32%
Bank of China Limited (stock code: 3988) (“ Bank of China ”)	9,746,051,000	3.31%

Note: The Managers still have the right and obligation to conduct active management before the dissolution of the Four Single Asset Management Plans. In order to effectively protect the interests of the trustor, the Managers may purchase and sell the shares held under the Four Single Asset Management Plans according to the conditions of the market and the targets.

(i) *Kunlun Energy*

Kunlun Energy is an integrated energy company whose principal activities are the sales of natural gas, liquefied natural gas (“**LNG**”) processing, sales of liquefied petroleum gas and LNG processing and terminal business in the PRC, and the exploration and production of crude oil and natural gas in the PRC, the Republic of Kazakhstan, the Sultanate of Oman, the Republic of Peru and the Kingdom of Thailand.

The key financial information prepared by Kunlun Energy in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants is as follows:

Unit: RMB100 million

	As of 31 December 2023 (audited)	As of 31 December 2022 (audited)
Total assets	1,435.19	1,388.92
Interests of shareholders	857.83	807.02
Interests attributable to shareholders of the parent company	634.49	599.08

LETTER FROM THE BOARD

	For the year ended 31 December 2023 <i>(audited)</i>	For the year ended 31 December 2022 <i>(audited)</i>
Operating revenue	1,773.54	1,719.44
Profit before taxation	125.93	113.92
Profit after taxation	92.55	82.03

(ii) *China Power*

China Power is one of the large and independent power generation companies under State Power Investment Corporation (國家電力投資集團公司), and mainly engages in generation and sales of electricity in Chinese mainland, including investment, development, operation and management of thermal power, hydropower, wind power and photovoltaic power plants, and provision of energy storage, green energy transportation, and integrated intelligent energy solution services.

The key financial information prepared by China Power in accordance with HKFRSs is as follows:

Unit: RMB100 million

	As of 31 December 2023 <i>(audited)</i>	As of 31 December 2022 <i>(audited)</i>
Total assets	3,058.07	2,114.05
Net assets	950.21	685.90

	For the year ended 31 December 2023 <i>(audited)</i>	For the year ended 31 December 2022 <i>(audited)</i>
Operating revenue	442.62	436.89
Operating profit	87.15	76.04
Profit before taxation	54.27	33.44
Profit for the year	45.34	26.85

LETTER FROM THE BOARD

(iii) *China Telecom*

China Telecom is an integrated full-service intelligent information services operator, mainly providing wireline and mobile telecommunications services, Internet access services, information services, and other value-added telecommunications services.

The key financial information prepared by China Telecom in accordance with the IFRS Accounting Standards (“IFRSs”) is as follows:

Unit: RMB100 million

	As of 31 December 2023 (audited)	As of 31 December 2022 (audited)
Total assets	8,358.14	8,076.98
Net assets	4,471.67	4,364.27
	For the year ended 31 December 2023 (audited)	For the year ended 31 December 2022 (audited)
Operating revenue	5,135.51	4,814.48
Profit before taxation	392.04	357.14
Net profit	304.28	276.76

LETTER FROM THE BOARD

(iv) *Bank of China*

Bank of China, as a large state-owned commercial bank, is principally engaged in banking and relevant financial services. It has institutions across the Chinese mainland as well as multiple countries and regions outside the PRC.

The key financial information prepared by Bank of China in accordance with the IFRSs is as follows:

Unit: RMB100 million

	As of 31 December 2023 (audited)	As of 31 December 2022 (audited)
Total assets	324,321.66	288,935.48
Net assets	27,568.15	25,633.01
	For the year ended 31 December 2023 (audited)	For the year ended 31 December 2022 (audited)
Operating revenue	6,241.38	5,864.61
Profit before taxation	2,956.08	2,836.41
Net profit	2,463.71	2,367.25

Transfer Scheme

Under the current institutional framework, in order to transfer the core rights of the target assets to International Company, the Company intends to transfer the income rights of the Four Single Asset Management Plans to International Company by entering into the Arrangement Agreement for the Transfer of Income Rights under the Asset Management Plan (the “**Transfer Agreement**”), and terminate the Four Single Asset Management Plans and initiate their dissolution. Upon the completion of the dissolution, the transferee shall be entitled, directly or indirectly, to voting rights, disposal rights, and other shareholders’ rights in respect of the underlying shares of the transfer targets, in accordance with the arrangements for the exercise of shareholders’ rights set out below.

- (1) Transferor: the Company
- (2) Transferee: International Company

LETTER FROM THE BOARD

- (3) Transfer targets: all income rights of the Four Single Asset Management Plans, including all net gains on investments to be received by the Company as agreed under the contracts of the Four Single Asset Management Plans, and the rights of the Managers and the Custodian of the Four Single Asset Management Plans to deliver to the Company cash assets and non-cash assets distributed in accordance with their current status, upon the dissolution of the Four Single Asset Management Plans, and other rights entitled to realize the benefits under the Four Single Asset Management Plans
- (4) Transfer price: the transfer price of the income rights is based on the net value of the Four Single Asset Management Plans on the day prior to the date of transfer (i.e., the date on which the transferor transfers the income rights of the Four Single Asset Management Plans to the transferee and the transferee pays the transfer price to the transferor). The net value is determined as agreed under the contracts of the Four Single Asset Management Plans, and the Managers value and calculate the net value of the Four Single Asset Management Plans on each trading day, which shall be reviewed by the Custodian of the Four Single Asset Management Plans, in which, the assets of the listed companies' shares are valued based on the closing prices of the listed companies' shares on the stock exchange, and if there is no transaction on the valuation date and no significant changes in the economic environment or significant events affecting the share prices have occurred after the latest trading day, the valuation is based on the closing prices on the latest trading day. Considering that the Managers have active management duties and obligations in respect of the Four Single Asset Management Plans and may trade in the underlying shares for the benefit of the trustor before the dissolution, and there are market fluctuations in the shares, thus the net value of the Four Single Asset Management Plans may vary with the number of shares held and market price fluctuations, the parties agree to prudently assess the fluctuations in the net value of the Four Single Asset Management Plans, and the increase in the transfer price shall not exceed RMB10 billion as compared to the aggregate size of entrusted funds under the Four Single Asset Management Plans, which shall be paid in cash or by such other methods as agreed upon by the parties
- (5) Dissolution and the relevant arrangements: both the transferor and the transferee agree to initiate the dissolution of the Four Single Asset Management Plans and recover all or part of shares of the Investment Target Companies held by the Four Single Asset Management Plans by way of distributing in accordance with their current status. The specific shares to be recovered and the number of shares are subject to the actual circumstance at the time of recovery. Before the completion of the distribution of the shares in accordance with the current status and the delivery to the transferee, the voting rights, disposal rights, and other shareholders' rights of the shares are actually exercised or decided by the transferee

Reasons for and Benefits of the Transfer Scheme

The Investment Target Companies invested under the Four Single Asset Management Plans have good returns on shareholder's equity and dividends. Taking full account of the Company's operating arrangements, and under the current institutional framework, the Company intends to cause the transferee who is a wholly-owned subsidiary of the Company to hold shares of the Investment Target Companies by means of dissolution and transfer of income rights and shareholders' rights, thereby making the Company and the Shareholders maintain realized benefits and better benefit from the growth and income of the Investment Target Companies.

LETTER FROM THE BOARD

Listing Rules Implications

The conclusion of the Transfer Agreement between the Company and International Company and its articles do not constitute a transaction under Chapter 14 of the Listing Rules or a connected transaction under Chapter 14A of the Listing Rules.

As at the Latest Practicable Date, CITIC Group held 21,230,929,783 Domestic Shares of the Company, representing 26.46% of the total issued Shares of the Company, and it is a substantial shareholder of the Company and constitutes a connected person of the Company under Chapter 14A of the Listing Rules. As at the Latest Practicable Date, CITIC Securities AM and China CITIC Bank are indirect subsidiaries of CITIC Group under the Listing Rules, and are therefore associates of CITIC Group and constitute connected persons of the Company under Chapter 14A of the Listing Rules. CITIC Securities AM and China CITIC Bank are respectively one of the Managers and the Custodian of the Four Single Asset Management Plans. In connection with the Transfer Agreement and the dissolution of the Four Single Asset Management Plans, it is expected that service fees relating to the custody of the target companies' shares will be incurred and charged by CITIC Securities AM and China CITIC Bank.

The Company had entered into the Comprehensive Services Framework Agreement and Financing and Asset Transactions Framework Agreement (collectively, the “**Framework Agreements**”) with CITIC Group. For details, please refer to the announcements of the Company dated 1 August 2022 and 16 August 2022 and the circular of the Company dated 16 September 2022. For the avoidance of doubt, the service fees charged by CITIC Securities AM and China CITIC Bank for the custody of the shares of the Investment Target Companies involved in the income rights transfer, shareholders' rights arrangement and dissolution under the Four Single Asset Management Plans will be included in the annual cap of the service fees paid by the Company to CITIC Group and its associates under the Framework Agreements. The Company will perform the annual reporting and annual review procedures under Chapter 14A of the Listing Rules for these continuing connected transactions in due course.

Corporate Governance Procedures

According to Item 14 of Paragraph 1 of Article 66 of the Articles of Association and the Authorization Plan for the Board of Directors by the Shareholders' General Meeting, the expected amount involved in the transfer of interests in the Four Single Asset Management Plans exceeds the Board's authority. According to the Company's internal governance system, the transfer of interests in the Four Single Asset Management Plans shall be submitted to the shareholders' general meeting for consideration.

In the meantime, the Board proposes to submit to the shareholders' general meeting to grant authorities to the Board, and for the Board to grant authorities to the Chairman, and for the Chairman to grant to other persons to handle all specific matters in relation to the transfer of interests in the Four Single Asset Management Plans (including but not limited to equity transfer, dissolution and shareholders' rights arrangements, as well as proper adjustment to the project scheme according to regulatory requirements and others).

The above resolution has been considered and approved by the Board in accordance with the Articles of Association and other relevant systems, and is hereby submitted to the EGM for consideration.

LETTER FROM THE BOARD

5. THE EGM

On 5 June 2024 and 11 June 2024, the Company published the EGM Notices in relation to the EGM to be held at 4:00 p.m. on Wednesday, 26 June 2024 at Conference Room 1221, No. 8 Financial Street, Xicheng District, Beijing, the PRC. Due to the coordination need for work arrangements of the meeting, the Company published the Postponement Announcement on 13 June 2024. The postponed EGM will be held at 10:00 a.m. on Friday, 28 June 2024 at the same address. This Supplemental Circular is enclosed in a supplemental notice (the “**Supplemental Notice**”) and the Revised Proxy Form, and this Supplemental Circular, the Supplemental Notice and the Revised Proxy Form are also published on the websites of the Company (www.chamc.com.cn) and the Hong Kong Stock Exchange (www.hkexnews.hk).

If you wish to appoint a proxy to attend the EGM on your behalf, you are required to complete and return the Revised Proxy Form in accordance with the instructions printed thereon no later than 24 hours before the time scheduled for holding the EGM (i.e. before 10:00 a.m. on Thursday, 27 June 2024) (the “**Closing Time**”) or any adjournment thereof (as the case may be). Completion and return of the Revised Proxy Form will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish.

The Revised Proxy Form will completely replace and substitute the Second Proxy Form, and the Second Proxy Form will be deemed invalid. Shareholders who have signed and returned the Second Proxy Form shall sign and return the Revised Proxy Form in accordance with the instructions printed thereon.

If any Shareholder has not yet returned the First Proxy Form and wishes to appoint a proxy to attend the EGM, he/she is required to return the Revised Proxy Form only. Any Shareholder who has returned the First Proxy Form should note that:

- (a) If the Revised Proxy Form is not returned before the Closing Time, the First Proxy Form, if correctly completed, will be deemed as a valid proxy form lodged by the Shareholder. The proxy so appointed by the Shareholder shall be entitled to cast the vote or abstain from voting, at his/her absolute discretion, on any resolution officially proposed at the EGM, except for those resolutions to which the Shareholder has indicated his/her voting direction in the First Proxy Form;
- (b) If the Revised Proxy Form is returned before the Closing Time, the Revised Proxy Form, if correctly completed, will revoke and supersede the First Proxy Form previously lodged by the Shareholder. The Revised Proxy Form will be deemed as a valid proxy form lodged by the Shareholder; and
- (c) If the Revised Proxy Form is returned after the Closing Time, or if returned before the Closing Time but is incorrectly completed, the authorization under the Revised Proxy Form will be invalid. The proxy so appointed by the Shareholder under the First Proxy Form, if correctly completed, will be entitled to vote in the manner as mentioned in (a) above as if no Revised Proxy Form was returned.

Accordingly, Shareholders are advised to complete the Revised Proxy Form carefully and return the Revised Proxy Form before the Closing Time.

Please refer to the EGM Notices, the EGM Circulars and the Postponement Announcement for details of the other resolutions to be submitted to the EGM for consideration, eligibility for attending, proxy, registration procedures, closure of register of members and other matters.

LETTER FROM THE BOARD

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

Voting at the EGM shall be taken by way of registered poll.

6. RECOMMENDATION

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

You should pay attention to other sections of and the appendices to this Supplemental Circular.

7. RESPONSIBILITY STATEMENT

This Supplemental Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Supplemental Circular is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this Supplemental Circular misleading.

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



中国中信金融资产
China CITIC Financial AMC

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

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

SUPPLEMENTAL NOTICE OF EXTRAORDINARY GENERAL MEETING

The notices of the third extraordinary general meeting for 2024 (the “**EGM Notices**”) and the circulars of the third extraordinary general meeting for 2024 (the “**EGM Circulars**”) of China CITIC Financial Asset Management Co., Ltd. (the “**Company**”) dated 5 June 2024 and 11 June 2024, set out the time and venue of the third extraordinary general meeting (the “**EGM**”) of the Company for 2024 and the resolutions to be submitted at the EGM for Shareholders’ consideration. The Company originally scheduled to convene the EGM at 4:00 p.m. on Wednesday, 26 June 2024 at Conference Room 1221, No. 8 Financial Street, Xicheng District, Beijing, the People’s Republic of China (the “**PRC**”). Due to the coordination need for work arrangements of the meeting, the Company published the Postponement Announcement on 13 June 2024. The postponed EGM will be held at 10:00 a.m. on Friday, 28 June 2024 at the same address.

SUPPLEMENTAL NOTICE IS HEREBY GIVEN that the EGM will be adjourned at 10:00 a.m. on Friday, 28 June 2024 at Conference Room 1221, No. 8 Financial Street, Xicheng District, Beijing, the PRC for the purpose of considering and, if thought fit, passing, in addition to the resolutions contained in the EGM Notices, the following resolutions:

SPECIAL RESOLUTIONS

3. To consider and approve the withdrawal of Daqin Railway’s shares
4. To consider and approve the transfer of interests in the Four Single Asset Management Plans

Details of the above resolutions are set out in the supplemental circular of EGM published by the Company on 13 June 2024 (the “**Supplemental Circular**”), and should be read in conjunction with the EGM Circulars. Unless otherwise stated, terms used in this notice shall have the same meanings as defined in the EGM Circulars and the Supplemental Circular.

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

Beijing, the PRC
13 June 2024

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

SUPPLEMENTAL NOTICE OF EGM

Notes:

1. The register of members of the Company will be closed from Tuesday, 25 June 2024 to Friday, 28 June 2024 (both days inclusive). H Shareholders and Domestic Shareholders of the Company whose names appear on the register of members of the Company at the close of business on Monday, 24 June 2024 will be entitled to attend and vote at the EGM. H Shareholders who wish to attend and vote at the EGM shall deposit all the transfer documents together with the 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 Monday, 24 June 2024.
2. **The Revised Proxy Form will completely replace and substitute the Second Proxy Form, and the Second Proxy Form will be deemed invalid. Shareholders who have signed and returned the Second Proxy Form shall sign and return the Revised Proxy Form in accordance with the instructions printed thereon.** If any Shareholder has not yet returned the First Proxy Form and wishes to appoint a proxy to attend the EGM, he/she is required to return the Revised Proxy Form only. Any Shareholder who has returned the First Proxy Form should note that:
 - (a) If the Revised Proxy Form is not returned before the Closing Time, the First Proxy Form, if correctly completed, will be deemed as a valid proxy form lodged by the Shareholder. The proxy so appointed by the Shareholder shall be entitled to cast the vote or abstain from voting, at his/her absolute discretion, on any resolution officially proposed at the EGM, except for those resolutions to which the Shareholder has indicated his/her voting direction in the First Proxy Form;
 - (b) If the Revised Proxy Form is returned before the Closing Time, the Revised Proxy Form, if correctly completed, will revoke and supersede the First Proxy Form previously lodged by the Shareholder. The Revised Proxy Form will be deemed as a valid proxy form lodged by the Shareholder; and
 - (c) If the Revised Proxy Form is returned after the Closing Time, or if returned before the Closing Time but is incorrectly completed, the authorization under the Revised Proxy Form will be invalid. The proxy so appointed by the Shareholder under the First Proxy Form, if correctly completed, will be entitled to vote in the manner as mentioned in (a) above as if no Revised Proxy Form was returned.
3. A Shareholder entitled to attend and vote at the EGM may appoint one or more proxy(ies) to attend and vote on his/her behalf. A proxy need not be a Shareholder, but he/she must attend the EGM 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 legal representative, director(s) or duly authorized attorney. If that instrument is signed by an attorney of the Shareholder, the power of attorney authorizing that attorney to sign or other authorization document must be notarised.
5. In order to be valid, the Revised Proxy Form, the notarised power of attorney or other authorization document (if any) must be delivered to the Board office of the Company at No. 8 Financial Street, Xicheng District, Beijing, the PRC for Domestic Shareholders and to the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for H Shareholders no later than 24 hours before the time scheduled for holding the EGM (i.e. before 10:00 a.m. on Thursday, 27 June 2024) or any adjournment thereof (as the case may be). Completion and return of the Revised Proxy Form will not preclude a Shareholder from attending and voting in person at the EGM or any adjournment thereof if he/she so wishes.

SUPPLEMENTAL NOTICE OF EGM

6. Pursuant to the Articles of Association, any vote of Shareholders at a general meeting of Shareholders must be taken by poll. As such, the resolutions set out in this supplemental notice of EGM will be voted on by poll. The EGM will adopt on-site voting method.
7. The EGM is expected to last for half a day. Shareholders (in person or by proxy) attending the EGM are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the EGM 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 holding.
9. According to the Articles of Association, where the number of equity interests of the Company pledged by a Shareholder reaches or exceeds 50% of the equity interests held by such Shareholder in the Company, no voting right in respect of the pledged equity interests shall be exercised at the general meeting of Shareholders. Upon the registration of pledge of equity interests, such Shareholder shall provide the Company with the relevant information of the pledged equity interests in a timely manner.