中國華融
CHINA HUARONG

中國華融資產管理股份有限公司

China Huarong Asset Management Co., Ltd.

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

(Stock Code: 2799)

POSITIVE PROFIT ALERT

This announcement is made by China Huarong Asset Management Co., Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the "**Board**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the information currently available to the Group and a preliminary review on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2019, the Group is expected to record a net profit attributable to equity holders of the Company for the six months ended 30 June 2019 of not less than RMB2 billion, while the net profit attributable to equity holders of the Company for the six months ended 30 June 2018 was RMB685 million.

The increase in interim results for the year of 2019 of the Group was mainly due to: (1) the increase of the valuation of certain equity-based investment of the Group affected by the rise of domestic stock markets in the first half of 2019; (2) the Group continues to deleverage and optimize debt structure, which make both of the financing scale and interest rates decline and the interest expenses decrease; (3) the Group actively returns to the core business of distressed assets, improve the efficiency of assets disposal, with increased income from the core business.

The information contained in this announcement is only based on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2019, which has not been reviewed or audited by the auditors of the Company or approved by the audit committee of the Company. The Company's actual financial results for the six months ended 30 June 2019, which may be different from what is disclosed in this announcement, will be reviewed by the auditors of the Company and will be disclosed in the interim results announcement of the Company for the six months ended 30 June 2019, which is expected to be published before the end of August 2019.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
China Huarong Asset Management Co., Ltd.
WANG Zhanfeng
Chairman

Beijing, the PRC
6 August 2019

As at the date of this announcement, the Board comprises Mr. WANG Zhanfeng and Ms. LI Xin as executive directors of the Company; Mr. LI Yi, Ms. WANG Cong, Ms. DAI Lijia and Mr. ZHOU Langlang as non-executive directors of the Company; Mr. TSE Hau Yin, Mr. LIU Junmin, Mr. SHAO Jingchun and Mr. ZHU Ning as independent non-executive directors of the Company.