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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)

VOLUNTARY ANNOUNCEMENT PROGRESS OF DISPOSAL OF THE EQUITY INTERESTS IN LICENSED SUBSIDIARIES

This announcement is made by China Huarong Asset Management Co., Ltd. (the “**Company**”) on a voluntary basis.

In response to the recent widespread concern and intensive inquiries from investors and rating agencies regarding the progress of the Company’s disposal of equity interests in licensed subsidiaries, the progress is hereby announced by the Company as follows:

Since 2021, in accordance with the regulatory requirements of “returning to the source and focusing on the core business”, the Company has implemented the equity transfer projects for 8 licensed subsidiaries respectively under the market-oriented and law-based principle. As of the date of this announcement, the Company has completed the disposal of the equity interests in 5 licensed subsidiaries, including Huarong Zhongguancun Distressed Asset Exchange Center Co., Ltd. (華融中關村不良資產交易中心股份有限公司), Huarong Consumer Finance Co., Ltd. (華融消費金融股份有限公司), Huarong Securities Co., Ltd. (華融證券股份有限公司), Huarong Xiangjiang Bank Corporation Limited (華融湘江銀行股份有限公司) and Huarong International Trust Co., Ltd. (華融國際信託有限責任公司), realizing a gain of approximately RMB3.5 billion in the consolidated statements (gain of approximately RMB9.2 billion at the parent company level), which effectively supplemented the capital and liquidity of the Company, supported the transformation and development of the core business of the Company and maintained the stability of the operation and value of the Company.

Since 2022, under the leadership of the Party Committee of CITIC Group Corporation (“**CITIC Group**”), the Company has been basing on functional positioning, centering on the development strategy of “wrenching itself back on the right track in one year, significantly improving quality and efficiency in three years and becoming an industry benchmark in five years”, deepening reforms, accelerating risk reduction and transformation, strengthening business synergies, improving quality and efficiency of operations, and comprehensively forming an overall positive development momentum. With the support of CITIC Group, the Company will accelerate the implementation in compliance with the requirements from regulatory authorities on financial asset management companies of gradual exit from the non-core businesses. In accordance with the resolutions of the board of directors of the Company and the established strategies of the Company, the Company will intensify efforts to promote the transfer of remaining licensed subsidiaries, accelerate business transformation and achieve high-quality development.

If there is any further definite progress in the equity transfer of the licensed subsidiaries, the Company will make announcement(s) in due course.

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

Beijing, the PRC
15 November 2023

As at the date of this announcement, the Board of Directors comprises Mr. LIU Zhengjun and Mr. LI Zimin as executive directors; Ms. ZHAO Jiangping, Mr. ZHENG Jiangping, Mr. XU Wei and Mr. TANG Hongtao as non-executive directors; Mr. TSE Hau Yin, Mr. SHAO Jingchun, Mr. ZHU Ning and Ms. CHEN Yuanling as independent non-executive directors.