

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.



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)

PROFIT ALERT

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

Based on preliminary calculation, the Group’s net profit attributable to equity holders of the Company in 2023 is expected to range from RMB1 billion to RMB2 billion (net loss attributable to equity holders of the Company in 2022 was RMB27.581 billion).

In 2023, the Group followed the general ideology of “consolidating foundation, seeking progress while maintaining stability, and improving quality and efficiency”, and accelerated risk resolution, transformation and development with a strong momentum of “starting the year with burst of vigor”. The Group achieved positive results across various businesses and continued to consolidate and expand the upward momentum, and the operating results in 2023 turned from losses to profits, mainly due to: (i) deepening of business synergy, proactive efforts in market expansion, and strengthening of asset management, coupled with a year-on-year increase in gains and losses from changes in fair value of equity assets due to improving trend in the capital market as compared to a year ago, contributed positively to the Company’s profit for the year; (ii) special opportunities in making successful major investments with improved asset structure and optimized asset allocation; (iii) the impact of economic environment and industry as a whole which resulted in the Group recognizing asset impairment losses and unrealized losses on change of fair value of approximately RMB40 billion in order to further consolidate assets, offsetting the Group’s profit for the current period but laying the foundation for sustainable and healthy development in the future.

In 2024, the Group will continue to focus on its strategic goals of “one-three-five”, adhere to the general ideology of “consolidating foundation, seeking progress while maintaining stability, and improving quality and efficiency”, maintain strategic focus, strengthen confidence in development, focus on its core businesses, firmly grasp development opportunities in the distressed assets industry, and leverage the CITIC Group’s advantages in industry-finance integration to proactively adjust and optimize assets allocation and business structure, so as to continue to enhance quality and efficiency of business operation and achieve high-quality development.

The Group’s 2023 financial data set out in this announcement are preliminary accounting data that have neither been audited by an accounting firm nor reviewed by the audit committee and board of directors of the Company. The aforementioned data may vary from the data to be disclosed in the Group’s 2023 annual report. Shareholders and potential investors are advised to read the annual results announcement of the Group for the reporting period, which is expected to be published before the end of March 2024.

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

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

Beijing, the PRC
22 January 2024

As at the date of this announcement, 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.