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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

PROPOSED ISSUE OF

U.S.\$400,000,000 FLOATING RATE GUARANTEED NOTES DUE 2021

U.S.\$550,000,000 FLOATING RATE GUARANTEED NOTES DUE 2023

U.S.\$150,000,000 4.75 PER CENT. GUARANTEED NOTES DUE 2027

(TO BE CONSOLIDATED AND

FORM A SINGLE SERIES WITH THE EXISTING U.S.\$700,000,000

4.75 PER CENT.

GUARANTEED NOTES DUE 2027 ISSUED ON 27 APRIL 2017)

UNDER THE

US\$11,000,000,000 MEDIUM TERM NOTE PROGRAMME

The Company is pleased to announce that on 26 June 2018, the Issuer, the Guarantor and the Company entered into a Subscription Agreement with the Joint Lead Managers with respect to the issue of the Notes under the Programme.

The Issuer proposes to conduct an international offering of the Notes to professional investors only. The Notes and the Guarantee have not been, and will not be, registered under the U.S. Securities Act. The Notes will only be offered outside the United States in compliance with Regulation S under the U.S. Securities Act. None of the Notes will be offered to the public in Hong Kong nor will the Notes be initially placed to any connected person of the Company.

The Notes are to be guaranteed by the Guarantor and will have the benefit of the Keepwell Deed and the Deed of Undertaking executed by the Company. The completion of the issue of the Notes is subject to several factors, including but not limited to, market conditions and investors' interest.

The aggregate net proceeds from the issuance of the Notes, after deduction of subscription commissions and other estimated expenses payable in connection with the issue of the Notes, are estimated to be approximately US\$1,091.67 million. The proceeds are intended to be used for the Group's working capital and general corporate purposes.

Application will be made by the Issuer to the Stock Exchange for listing of, and permission to deal in, the Notes by way of debt issue to professional investors only. Listing of the Notes to the Stock Exchange is not to be taken as an indication of the merits of the Notes, the Company, the Guarantor or the Issuer.

The issue of the Notes is subject to completion. Shareholders of the Company and the potential investors are reminded to exercise caution when dealing in the securities of the Company.

INTRODUCTION

The Company is pleased to announce that on 26 June 2018, the Issuer, the Guarantor and the Company entered into a Subscription Agreement with the Joint Lead Managers with respect to the issue of the Notes under the Programme.

THE SUBSCRIPTION AGREEMENT

Date: 26 June 2018

Parties to the Subscription Agreement

- (1) the Company;
- (2) the Issuer;
- (3) the Guarantor; and
- (4) each of the Joint Lead Managers.

Bank of China Limited, Goldman Sachs (Asia) L.L.C., Huarong International Securities Limited, Industrial and Commercial Bank of China (Asia) Limited, The Hongkong and Shanghai Banking Corporation Limited, Standard Chartered Bank, China Minsheng Banking Corp., Ltd., Hong Kong Branch, Bank of Communications Co., Ltd. Hong Kong Branch, Australia and New Zealand Banking Group Limited, CCB International Capital Limited, China CITIC Bank International Limited, CLSA Limited, Crédit Agricole Corporate and Investment Bank, China International Capital Corporation Hong Kong Securities Limited, First Abu Dhabi Bank PJSC, Oversea-Chinese Banking Corporation Limited, MIRAE ASSET SECURITIES (HK) Limited, Mizuho Securities Asia Limited, United Overseas Bank Limited and Cathay United Bank Co., Ltd. are the Joint Lead Managers in respect of the issue of the Notes.

Completion of the Subscription Agreement is subject to the satisfaction, or waiver, of certain conditions precedent. As the Subscription Agreement may or may not be completed and the issue of the Notes may or may not proceed, investors are reminded to exercise caution when dealing in the securities of the Company.

The Issuer proposes to conduct an international offering of the Notes to professional investors only. The Notes and the Guarantee have not been, and will not be, registered under the U.S. Securities Act. The Notes will only be offered outside the United States in compliance with Regulation S under the U.S. Securities Act. None of the Notes will be offered to the public in Hong Kong nor will the Notes be initially placed to any connected person of the Company.

The Notes are to be guaranteed by the Guarantor and will have the benefit of the Keepwell Deed and the Deed of Undertaking executed by the Company. The completion of the issue of the Notes is subject to several factors, including but not limited to, market conditions and investors' interest.

PRINCIPAL TERMS OF THE NOTES

The principal terms of the 2021 Floating Rate Notes are as follows:

Issuer	Huarong Finance 2017 Co., Ltd., a wholly-owned subsidiary of the Company incorporated in the British Virgin Islands
Guarantor	China Huarong International Holdings Limited, a wholly-owned subsidiary of the Company incorporated in Hong Kong
Aggregate principal amount	US\$400,000,000
Offering price	100.00% of the principal amount
Issue date	3 July 2018
Interest rate	3 months LIBOR +1.175% payable in arrears on 3 January, 3 April, 3 July and 3 October of each year, subject to adjustment in accordance with Modified Following Business Day Convention (as defined in the terms and conditions of the Notes)
Maturity date	Interest Payment Date falling in or nearest to July 2021, (unless earlier redeemed in accordance with the terms thereof)

The principal terms of the 2023 Floating Rate Notes are as follows:

Issuer	Huarong Finance 2017 Co., Ltd., a wholly-owned subsidiary of the Company incorporated in the British Virgin Islands
Guarantor	China Huarong International Holdings Limited, a wholly-owned subsidiary of the Company incorporated in Hong Kong
Aggregate principal amount	US\$550,000,000
Offering price	100.00% of the principal amount
Issue date	3 July 2018
Interest rate	3 months LIBOR +1.325% payable in arrears on 3 January, 3 April, 3 July and 3 October of each year, subject to adjustment in accordance with Modified Following Business Day Convention (as defined in the terms and conditions of the Notes)
Maturity date	Interest Payment Date falling in or nearest to July 2023, (unless earlier redeemed in accordance with the terms thereof)

The principal terms of the 2027 Fixed Rate Notes are as follows:

Issuer	Huarong Finance 2017 Co., Ltd., a wholly-owned subsidiary of the Company incorporated in the British Virgin Islands
Guarantor	China Huarong International Holdings Limited, a wholly-owned subsidiary of the Company incorporated in Hong Kong
Aggregate nominal amount	US\$150,000,000
Offering price	95.941% of the principal nominal amount plus accrued interest from and including 27 April 2018 to but excluding the Issue date
Issue date	3 July 2018
Interest rate	4.75% per annum payable semi-annually in arrears on 27 April and 27 October of each year, commencing on 27 October 2018
Maturity date	27 April 2027, (unless earlier redeemed in accordance with the terms thereof)

STATUS OF THE NOTES AND GUARANTEE

The Notes will constitute direct, general and unconditional obligations of the Issuer which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

The Guarantor will unconditionally and irrevocably guarantee the due and punctual payment of all sums from time to time payable by the Issuer in respect of the Notes. The Guarantee will constitute direct, general and unconditional obligations of the Guarantor which will at all times rank at least *pari passu* with all other present and future unsecured obligations of the Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

RATINGS

The Notes are expected to be rated “Baa1” by Moody’s and “A” by Fitch. In addition, the Programme has been assigned a rating of “Baa1” by Moody’s and a rating of “A” by Fitch. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant rating organisation.

KEEPWELL DEED

The Notes will have the benefit of the Keepwell Deed. Under the Keepwell Deed, the Company has undertaken, *inter alia*, that the Issuer and the Guarantor will have sufficient liquidity to ensure timely payment of any amounts payable under or in respect of the Notes, the coupons and the Guarantee of the Notes.

The Keepwell Deed does not constitute a guarantee by the Company of the obligations of the Issuer or the Guarantor under the Notes or the Guarantee.

DEED OF UNDERTAKING

The Notes will also have the benefit of the Deed of Undertaking executed by the Company. Pursuant to the Deed of Undertaking, upon receipt of a written notice from the Trustee following an event of default under the Notes, the Company will (i) grant a US dollar loan to the Guarantor or the Issuer, (ii) invest in the Issuer or the Guarantor and (iii) purchase certain equity interest, in each case as described in the Deed of Undertaking, to assist the Issuer and the Guarantor in meeting their obligations under the Notes or the Guarantee, as the case may be. The performance by the Company of such obligations may be subject to regulatory approvals.

The Deed of Undertaking does not constitute a guarantee by the Company of the obligations of the Issuer or the Guarantor under the Notes or the Guarantee.

PROPOSED USE OF PROCEEDS

The aggregate net proceeds from the issuance of the Notes, after deducting subscription commissions and other estimated expenses payable in connection with the issue of the Notes, are estimated to be approximately US\$1,091.67 million. The proceeds are intended to be used for the Group's working capital and general corporate purposes.

LISTING

Application will be made by the Issuer to the Stock Exchange for listing of, and permission to deal in, the Notes by way of debt issue to professional investors only. Listing of the Notes on the Stock Exchange is not to be taken as an indication of the merits of the Notes, the Company, the Guarantor or the Issuer.

The issue of the Notes is subject to completion. Shareholders of the Company and the potential investors are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“Board”	the board of directors of the Company
“Company”	China Huarong Asset Management Co., Ltd., a joint stock company incorporated in the PRC with limited liability, whose shares are listed on the Stock Exchange
“Connected person”	has the meaning ascribed to it under the Rules Governing the Listing of Securities on the Stock Exchange
“Deed of Undertaking”	amended and restated deed of equity interest purchase, investment and liquidity support undertaking entered into by the Company, the Issuer, the Guarantor and the Trustee on 25 June 2018
“Director(s)”	the director(s) of the Company
“Fitch”	Fitch (Hong Kong) Limited
“Group”	the Company and its subsidiaries
“Guarantee”	the guarantee given by the Guarantor with respect to the obligations of the Issuer under the Notes
“Guarantor”	China Huarong International Holdings Limited, a wholly-owned subsidiary of the Company incorporated in Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	parties independent of the Company, its subsidiaries and their respective connected persons
“Issuer”	Huarong Finance 2017 Co., Ltd., a wholly-owned subsidiary of the Company incorporated in the British Virgin Islands

“Joint Lead Managers”	Bank of China Limited, Goldman Sachs (Asia) L.L.C., Huarong International Securities Limited, Industrial and Commercial Bank of China (Asia) Limited, The Hongkong and Shanghai Banking Corporation Limited, Standard Chartered Bank, China Minsheng Banking Corp., Ltd., Hong Kong Branch, Bank of Communications Co., Ltd. Hong Kong Branch, Australia and New Zealand Banking Group Limited, CCB International Capital Limited, China CITIC Bank International Limited, CLSA Limited, Crédit Agricole Corporate and Investment Bank, China International Capital Corporation Hong Kong Securities Limited, First Abu Dhabi Bank PJSC, Oversea-Chinese Banking Corporation Limited, MIRAE ASSET SECURITIES (HK) Limited, Mizuho Securities Asia Limited, United Overseas Bank Limited and Cathay United Bank Co., Ltd.
“Keepwell Deed”	amended and restated keepwell deed executed by the Company, the Issuer, the Guarantor and the Trustee on 25 June 2018
“Medium Term Note Programme” or “Programme”	the medium term note programme for the issuance of up to US\$11,000,000,000 in aggregate principal amount of notes by the Issuer and guaranteed by the Guarantor updated on 25 June 2018
“Moody’s”	Moody’s Investors Service, Inc.
“Notes”	the 2021 Floating Rate Notes, the 2023 Floating Rate Notes and the 2027 Fixed Rate Notes
“Noteholder”	a registered holder of any Note
“PRC”	the People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan area
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the subscription agreement dated 26 June 2018 among the Company, the Guarantor, the Issuer and the Joint Lead Managers
“Trustee”	The Bank of New York Mellon, London Branch
“U.S.” or “United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“U.S. Securities Act”	the United States Securities Act of 1933, as amended
“US\$” or “US dollar”	United States dollar, the lawful currency of the United States

“2021 Floating Rate Notes”	U.S.\$400,000,000 Floating Rate Guaranteed Notes due 2021
“2023 Floating Rate Notes”	U.S.\$550,000,000 Floating Rate Guaranteed Notes due 2023
“2027 Fixed Rate Notes”	U.S.\$150,000,000 4.75 per cent. Guaranteed Notes due 2027 (to be consolidated and form a single series with the existing U.S.\$700,000,000 4.75 per cent. Guaranteed Notes due 2027 issued on 27 April 2017)

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

Beijing, PRC
27 June 2018

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