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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)

ANNOUNCEMENT

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

References are made to the announcement and the circular of China Huarong Asset Management Co., Ltd. (the “**Company**”) dated June 12, 2017 and June 23, 2017, respectively, in relation to, among other things, the proposed amendments to the articles of association of the Company (the “**Articles**”) for issuance of offshore preference shares and implementing party building requirements (the “**proposed amendments to the Articles**”). The resolution regarding the proposed amendments to the Articles has been considered and approved at the third extraordinary general meeting for 2017, the first class meeting of domestic shareholders for 2017 and the first class meeting of H shareholders for 2017 of the Company held on August 7, 2017.

The Company has recently received the “China Banking and Insurance Regulatory Commission’s Approval in relation to the Amendments to the Articles of Association of China Huarong Asset Management Co., Ltd.” (Yin Bao Jian Fu [2018] No. 309), approving the amendments to the Articles. The details of the relevant amendments to the Articles are as follows:

No.	Terms of Existing Articles of Association	Terms of Amended Articles of Association
1	<p>Paragraph 2 of Article 2</p> <p>Under the consent of the State Council of the PRC (hereinafter referred to as the “State Council”) and upon approval by China Banking Regulatory Commission, China Huarong Asset Management Corporation has been reorganized as a joint stock company named China Huarong Asset Management Co., Ltd. The joint promoters of the Company are the Ministry of Finance of the PRC (hereinafter referred to as the “MOF”) and China Life Insurance (Group) Company (hereinafter referred to as “China Life”). The Company inherited all the assets, institutions, business, personnel and relevant policies of China Huarong Asset Management Corporation, and has undertaken registration with the State Administration for Industry and Commerce and obtained a business license on October 12, 2012. The code of the business license of the Company is 100000000032506.</p>	<p>Paragraph 2 of Article 2</p> <p>Under the consent of the State Council of the PRC (hereinafter referred to as the “State Council”) and upon approval by <u>the China Banking and Insurance Regulatory Commission</u> China Banking Regulatory Commission, China Huarong Asset Management Corporation has been reorganized as a joint stock company named China Huarong Asset Management Co., Ltd. The joint promoters of the Company are the Ministry of Finance of the PRC (hereinafter referred to as the “MOF”) and China Life Insurance (Group) Company (hereinafter referred to as “China Life”). The Company inherited all the assets, institutions, business, personnel and relevant policies of China Huarong Asset Management Corporation, and has undertaken registration with the State Administration for Industry and Commerce and obtained a business license on October 12, 2012. <u>The code of the business license of the Company is 100000000032506. The Company currently holds the business license with unified social credit code of 911100007109255774.</u></p>
2		<p>Article 6</p> <p><u>In accordance with the relevant regulations of the Constitution of the Communist Party of China and the Company Law of China, organization of the Communist Party of China (hereinafter the “Party”) shall be established. The Party Committee shall play the core leadership role, providing direction, managing the overall situation and ensuring implementation. Meanwhile, the working organs of the Party shall be established, equipped with sufficient staff to deal with Party affairs and provided with sufficient funds to operate the Party organization.</u></p>

No.	Terms of Existing Articles of Association	Terms of Amended Articles of Association
3	<p>Article 7</p> <p>These Articles shall be passed at the shareholders' general meeting by resolution and approved by the banking regulatory authority of the State Council before becoming effective upon the initial public offering and listing date of the shares of the Company. The original articles of association shall automatically expire upon the effective date of these Articles. These Articles shall become a legally binding document that regulates the organization and acts of the Company as well as the rights and obligations between the Company and its shareholders and among the shareholders from the date on which it becomes effective.</p>	<p>Article 8</p> <p>These Articles shall be passed at the shareholders' general meeting by resolution and approved by the banking regulatory authority of the State Council before becoming effective upon the initial public offering and listing date of the shares of the Company approval by the <u>China Banking and Insurance Regulatory Commission</u>. The original articles of association shall automatically expire upon the effective date of these Articles. These Articles shall become a legally binding document that regulates the organization and acts of the Company as well as the rights and obligations between the Company and its shareholders and among the shareholders from the date on which it becomes effective.</p>
4	<p>Paragraph 3 of Article 36</p> <p>This Article does not apply to the circumstances mentioned in Article 38 of this chapter.</p>	<p>Paragraph 3 of Article 37</p> <p>This Article does not apply to the circumstances mentioned in Article 38<u>39</u> of this chapter.</p>
5	<p>Paragraph 1 of Article 38</p> <p>The following activities shall not be deemed to be prohibited for the purpose of Article 36 of this chapter:</p> <p>.....</p>	<p>Paragraph 1 of Article 39</p> <p>The following activities shall not be deemed to be prohibited for the purpose of Article 36<u>37</u> of this chapter:</p> <p>.....</p>
		<p><u>Chapter 6 Party Organization (Party Committee)</u></p>

No.	Terms of Existing Articles of Association	Terms of Amended Articles of Association
6		<p data-bbox="858 170 1007 203">Article 52</p> <p data-bbox="858 255 1509 1099"><u>The Company shall establish the Party Committee, which shall consist of one secretary, one to two deputy secretaries and several committee members. The chairman of the board of directors shall concurrently serve as the secretary of the Party Committee. One deputy secretary shall assist the secretary in carrying out Party building works. Eligible members of the Party Committee may assume the position of directors, supervisors and the senior management of the Company through legal procedures, and eligible Party members who are directors, supervisors and senior management may join the Party Committee in accordance with relevant rules and procedures. Meanwhile, the Company shall establish the Discipline Inspection Commissions in accordance with relevant regulations.</u></p>

No.	Terms of Existing Articles of Association	Terms of Amended Articles of Association
7		<p data-bbox="858 170 1002 203">Article 53</p> <p data-bbox="858 255 1509 544"><u>The Party Committee of the Company shall perform the following duties in accordance with regulations of the Party including the Constitution of Communist Party of China and Working Regulations of the Group of Communist Party of China (for Trial Implementation):</u></p> <p data-bbox="858 595 1509 927"><u>(1) Ensure and supervise the Company’s implementation of the principles and guidelines of the Party and the State, and to implement major strategic decisions of the Central Committee of the Party and the State Council, as well as important work arrangements of higher-level Party organizations.</u></p> <p data-bbox="858 978 1509 1608"><u>(2) Strengthen the leadership and gatekeeping role in the management of the process of selection and appointment of personnel, focusing on standards, procedure, evaluation, recommendation and supervision, uphold the integration of the principle that the Party manages the officials with the function of the board of directors in the lawful selection of the senior management and with the lawful exercise of authority of appointment, promotion and demotion of personnel by the senior management.</u></p>

No.	Terms of Existing Articles of Association	Terms of Amended Articles of Association
		<p><u>(3) Research and discuss the reform, development and stability of the Company, major operational and management issues and major issues concerning employee interests, and to provide comments and suggestions in this regard. To support the shareholders' general meeting, the board of directors, the board of supervisors and the senior management in performing their duties in accordance with laws; to support the Congress of Employees in carrying out its work.</u></p> <p><u>(4) Assume the primary responsibility to run the Party comprehensively with strict discipline, lead the Company's ideological and political work, the United Front work, the cultural and ethical progress, corporate culture cultivation as well as the work of groups such as the Labor Union of the Company and the Communist Youth League, lead the construction of the Party's working style and its clean and honest administration, and support the Party discipline inspection commissions in earnestly performing its supervisory responsibilities.</u></p> <p><u>(5) Strengthen the building of the Company's grassroots Party organizations and of its contingent of Party members, give full play to the role of Party branches as strongholds and to the role of Party members as pioneers and fine examples, and unite and lead officials and employees bank-wide to devote themselves into the reform and development of the Company.</u></p> <p><u>(6) Other material matters that fall within the duty of the Party Committee.</u></p>

No.	Terms of Existing Articles of Association	Terms of Amended Articles of Association
8	<p>Article 57</p> <p>.....</p> <p>If a shareholder owns 5% or more of the total shares of the Company without prior approval of the banking regulatory authority of the State Council, the exercise of rights of the shareholder under Article 52 in respect of the shares in excess of 5% of the total shares of the Company (“Excess Shares”) shall be subject to restrictions until approval is obtained from the banking regulatory authority of the State Council. The restrictions include (without limitation):</p> <ol style="list-style-type: none"> (1) the Excess Shares shall have no voting rights at shareholders’ general meetings including class shareholders’ meetings; and (2) the Excess Shares shall have no rights in respect of the nomination of directors and supervisors as provided in these Articles. <p>Notwithstanding the foregoing, holders of Excess Shares shall not be subject to any restrictions in exercising other shareholders’ rights pursuant to Article 52. If a shareholder fails to obtain approval from the banking regulatory authority of the State Council for the holding of Excess Shares, the shareholder shall dispose of the Excess Shares within a period prescribed by the banking regulatory authority of the State Council.</p>	<p>Article 60</p> <p>.....</p> <p>If a shareholder owns 5% or more of the total shares of the Company without prior approval of the banking regulatory authority of the State Council, the exercise of rights of the shareholder under Article 5252 5255 in respect of the shares in excess of 5% of the total shares of the Company (“Excess Shares”) shall be subject to restrictions until approval is obtained from the banking regulatory authority of the State Council. The restrictions include (without limitation):</p> <ol style="list-style-type: none"> (1) the Excess Shares shall have no voting rights at shareholders’ general meetings including class shareholders’ meetings; and (2) the Excess Shares shall have no rights in respect of the nomination of directors and supervisors as provided in these Articles. <p>Notwithstanding the foregoing, holders of Excess Shares shall not be subject to any restrictions in exercising other shareholders’ rights pursuant to Article 5252 5255. If a shareholder fails to obtain approval from the banking regulatory authority of the State Council for the holding of Excess Shares, the shareholder shall dispose of the Excess Shares within a period prescribed by the banking regulatory authority of the State Council.</p>
9	<p>Article 78</p> <p>The shareholders’ general meeting shall not vote or resolve on proposals not contained in the notice or supplementary notice of the shareholders’ general meeting or not in compliance with Article 79.</p>	<p>Article 81</p> <p>The shareholders’ general meeting shall not vote or resolve on proposals not contained in the notice or supplementary notice of the shareholders’ general meeting or not in compliance with Article 7982 7982.</p>

No.	Terms of Existing Articles of Association	Terms of Amended Articles of Association
10	<p>Article 121</p> <p>If the Company proposes to modify or terminate the rights of a class of shareholders, it may do so only after such modification or abrogation has been adopted by a special resolution of the shareholders' general meeting and a separate shareholders' general meeting convened by the affected shareholders of that class under Articles 123 to 127.</p>	<p>Article 124</p> <p>If the Company proposes to modify or terminate the rights of a class of shareholders, it may do so only after such modification or abrogation has been adopted by a special resolution of the shareholders' general meeting and a separate shareholders' general meeting convened by the affected shareholders of that class under Articles 123<u>126</u> to 127<u>130</u>.</p>
11	<p>Article 123</p> <p>Class shareholders affected, whether or not otherwise having the right to vote at shareholders' general meetings, shall nevertheless have the right to vote at class meetings in respect of matters concerning items (2) to (8), (11) and (12) of Article 122, but interested shareholder(s) shall not be entitled to vote at class meetings.</p> <p>“Interested shareholder(s)” in prior provision shall have the following meaning:</p> <p>(1) if the Company has made a repurchase offer to all shareholders on pro rata basis or made a repurchase by means of public transaction at the stock exchange in accordance with Article 29 of these Articles, “interested shareholder(s)” shall refer to the controlling shareholders as defined in Article 348 of these Articles;</p> <p>(2) if the Company has made a repurchase by means of agreement outside the stock exchange in accordance with Article 29 of these Articles, “interested shareholder(s)” shall refer to the shareholders who are parties to such agreements; or</p>	<p>Article 126</p> <p>Class shareholders affected, whether or not otherwise having the right to vote at shareholders' general meetings, shall nevertheless have the right to vote at class meetings in respect of matters concerning items (2) to (8), (11) and (12) of Article 122<u>125</u>, but interested shareholder(s) shall not be entitled to vote at class meetings.</p> <p>“Interested shareholder(s)” in prior provision shall have the following meaning:</p> <p>(1) if the Company has made a repurchase offer to all shareholders on pro rata basis or made a repurchase by means of public transaction at the stock exchange in accordance with Article 29<u>30</u> of these Articles, “interested shareholder(s)” shall refer to the controlling shareholders as defined in Article 338<u>342</u> of these Articles;</p> <p>(2) if the Company has made a repurchase by means of agreement outside the stock exchange in accordance with Article 29<u>30</u> of these Articles, “interested shareholder(s)” shall refer to the shareholders who are parties to such agreements; or</p>

No.	Terms of Existing Articles of Association	Terms of Amended Articles of Association
	(3) in a restructuring plan of the Company, “interested shareholder(s)” refers to those shareholders who assume less responsibilities than other shareholders of the same class or those shareholders who enjoy interests different from other shareholders of the same class.	(3) in a restructuring plan of the Company, “interested shareholder(s)” refers to those shareholders who assume less responsibilities than other shareholders of the same class or those shareholders who enjoy interests different from other shareholders of the same class.
12	<p>Article 124</p> <p>Resolutions of a class meeting shall be passed by votes representing two-thirds or more of the voting rights held by the shareholders of that class present at the relevant meeting who are entitled to vote pursuant to Article 123.</p>	<p>Article 127</p> <p>Resolutions of a class meeting shall be passed by votes representing two-thirds or more of the voting rights held by the shareholders of that class present at the relevant meeting who are entitled to vote pursuant to Article 123<u>126</u>.</p>
13		<p>Article 192</p> <p><u>The opinions of the Party Committee shall be heard before the board of directors decides on material matters of the Company.</u></p>
14	<p>Article 224</p> <p>A supervisor may resign prior to the expiration of his/her term of office. To resign from office, a supervisor shall submit a written resignation to the board of supervisors. The resignation of supervisors shall follow the provisions on the resignation of directors under Section 1 of Chapter 8 herein.</p>	<p>Article 228</p> <p>A supervisor may resign prior to the expiration of his/her term of office. To resign from office, a supervisor shall submit a written resignation to the board of supervisors. The resignation of supervisors shall follow the provisions on the resignation of directors under Section 1 of Chapter 8<u>9</u> herein.</p>
15	<p>Article 270</p> <p>A director, supervisor or senior management of the Company may be relieved from liability for specific breaches of his duties by the informed consent of the shareholders’ general meeting, unless otherwise provided for in Article 60 herein.</p>	<p>Article 274</p> <p>A director, supervisor or senior management of the Company may be relieved from liability for specific breaches of his duties by the informed consent of the shareholders’ general meeting, unless otherwise provided for in Article 60<u>63</u> herein.</p>

No.	Terms of Existing Articles of Association	Terms of Amended Articles of Association
16	<p>The first paragraph of Article 281</p> <p>In the contract for emoluments entered into by the Company with a director or supervisor, it shall be provided that such director or supervisor has the right to receive, in connection with the takeover of the Company and subject to the prior approval of the shareholders' general meeting, compensation or other payments for loss of office or retirement from office. A takeover of the Company means any of the following circumstances:</p> <p>(1) an offer is made to all shareholders of the Company; or</p> <p>(2) an offer is made such that the offeror will become the controlling shareholder of the Company. The definition of the controlling shareholder has the same meaning as defined in Article 338 herein.</p>	<p>The first paragraph of Article 285</p> <p>In the contract for emoluments entered into by the Company with a director or supervisor, it shall be provided that such director or supervisor has the right to receive, in connection with the takeover of the Company and subject to the prior approval of the shareholders' general meeting, compensation or other payments for loss of office or retirement from office. A takeover of the Company means any of the following circumstances:</p> <p>(1) an offer is made to all shareholders of the Company; or</p> <p>(2) an offer is made such that the offeror will become the controlling shareholder of the Company. The definition of the controlling shareholder has the same meaning as defined in Article 338<u>342</u> herein.</p>

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

Beijing, the PRC
10 December 2018

As at the date of this announcement, the board of the Company 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. SONG Fengming, Mr. TSE Hau Yin, Mr. LIU Junmin and Mr. SHAO Jingchun as independent non-executive directors of the Company.