CHINA HUIRONG FINANCIAL HOLDINGS LIMITED
中國匯融金融控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1290)

ANNOUNCEMENT
PROFIT WARNING

This announcement is made by China Huirong Financial Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2) 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 (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that based on the preliminary assessment of the currently available unaudited consolidated management accounts of the Company for the six months ended 30 June 2016 (the "**Unaudited Management Accounts**"),

(i) the Board expects to record a significant decrease in revenue by approximately 38% for the six months ended 30 June 2016 as compared to the revenue for the six months ended 30 June 2015; and

(ii) the Board expects to record a substantial decrease in profit attributable to equity holders by approximately 94% for the six months ended 30 June 2016 as compared to the profit attributable to equity holders for the six months ended 30 June 2015.

The decrease in revenue and profit attributable to equity holders, respectively, for the six months ended 30 June 2016 as compared to those for the six months ended 30 June 2015 was primarily attributed to (i) the decrease in the amount of interest income generated from loans granted to customers as a result of a lower overall interest rates; and (ii) a significant increase in net charge of impairment allowance on loans to customers by approximately 55% for the six months ended 30 June 2016 as compared to the net charge of impairment allowance on loans to customers for the six months ended 30 June 2015.

As at the date of this announcement, the Company is still in the process of preparing the interim results of the Group for the six months ended 30 June 2016 and is not able at this time disclose any further details on the above factors and their impact on the Group's profit attributable to equity holders. The information set out above is only based on a preliminary assessment by the Board on the information currently available to it, including the Unaudited Management Accounts, which have been reviewed by the audit committee of the Company on 23 August 2016 and have been in the course of being reviewed by the auditors of the Company, and have not yet been finalized. Shareholders and potential investors should refer to the interim results of the Company for the six months ended 30 June 2016, which are expected to be published before the end of August 2016.

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

By order of the Board
CHINA HUIRONG FINANCIAL HOLDINGS LIMITED
CHEN Yannan
Chairman

Hong Kong, 23 August 2016

As at the date of this announcement, the executive directors of the Company are Mr. Chen Yannan, Mr. Wu Min and Mr. Zhang Changsong, the non-executive directors of the Company are Mr. Zhuo You, Mr. Zhang Cheng and Ms. Zhang Shu and the independent non-executive directors of the Company are Mr. Zhang Huaqiao, Mr. Feng Ke and Mr. Tse Yat Hong.