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 currently available preliminary assessment of the unaudited consolidated management accounts of the Company for the six months ended 30 June 2020 (the "**Unaudited Management Accounts**"), the Board expects to record:

(i) a significant decrease in revenue of approximately 21% to 24% for the six months ended 30 June 2020 as compared to the revenue for the six months ended 30 June 2019; and

(ii) a significant decrease in profit attributable to equity holders by approximately 95% to 98% for the six months ended 30 June 2020 as compared to the profit attributable to equity holders for the six months ended 30 June 2019.

The decrease in revenue for the six months ended 30 June 2020 was primarily due to (i) the slowdown in the Group's business operations as a result of the recent outbreak of the coronavirus globally (the "**Virus Outbreak**"); and (ii) the increased competition from commercial banks brought by the PRC government's policy to promote inclusive financing as a part of the relieving measures for the Virus Outbreak's negative impact on local economy.

The decrease in profit attributable to equity holders for the six months ended 30 June 2020 was primarily due to (i) the decrease in revenue for the reasons as aforementioned; and (ii) the increase in provision for estimated credit losses of the Group, as a matter of prudence, in light of potentially increased credit risks to which the Group is exposed as a result of the Virus Outbreak.

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 2020 and is not able at this time to disclose any further details on the above factors and their impact on the Group's profit attributable to the Shareholders. 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 not been finalized and not been independently reviewed by the Company's auditors or the Company's audit committee. Shareholders and potential investors should refer to the interim results of the Company for the six months ended 30 June 2020, which are expected to be published before the end of August 2020.

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
Wu Min
Chairman

Hong Kong, 17 August 2020

As at the date of this announcement, the executive directors of the Company are Mr. Wu Min and Mr. Zhang Changsong, the non-executive directors of the Company are Mr. Zhuo You, Mr. Zhang Cheng, Mr. Ling Xiaoming 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.