China Vered Financial Holding Corporation Limited
中薇金融控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 245)

POSITIVE PROFIT ALERT

This announcement is made by China Vered Financial Holding Corporation Limited (the "**Company**"), and 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 and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the "**Board**") of the Company wishes to inform the shareholders and potential investors of the Company that, based on the management's preliminary assessment of the unaudited consolidated management accounts of the Group and the information currently available, the Group is expected to record a net profit of not less than HK$280 million for the year ended 31 December 2020 as compared with a loss of approximately HK$570.6 million for the corresponding period in 2019 (the "**Corresponding Period**").

The turnaround to profit was mainly attributable to (i) an increase in interest income generated from the Group's overall business expansion in particular investment holding segment, compared to the interest income of approximately HK$176.6 million for the Corresponding Period; (ii) a significant net gain on investments as compared to a net loss of approximately HK$323.8 million in the Corresponding Period; and (iii) a significant decrease in provision for or even a reversal of impairment of financial assets for the year ended 31 December 2020 compared to the provision for impairment of approximately HK$240.1 million for the Corresponding period.

The Company is still in the process of finalising the consolidated annual financial results of the Group for the year ended 31 December 2020. The information contained in this announcement is only based on preliminary review of the unaudited management accounts of the Group and such management accounts have not been confirmed, reviewed or audited by the Company's auditors and may be subject to adjustments and finalisation. Details of the Group's financial information will be disclosed in the forthcoming final results announcement which is expected to be published by the end of March 2021.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

By order of the Board
China Vered Financial Holding Corporation Limited
Tomohiko Watanabe
Chairman

Hong Kong, 21 January 2021

As at the date of this announcement, the Board comprises (1) Mr. Tomohiko Watanabe, Mr. Ni Xinguang and Ms. Li Wei as executive Directors; (2) Mr. Zhang Yang as non-executive Director; and (3) Mr. Wang Yongli, Ms. Zhou Hui and Mr. Dong Hao as independent non-executive Directors.