

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



**VCREDIT Holdings Limited**  
**維信金科控股有限公司**  
*(registered by way of continuation in the Cayman Islands with limited liability)*  
**(Stock Code: 2003)**

**US\$85,000,000 11.0% Senior Notes due 2022**  
**(Stock Code: 40498)**

**PROFIT WARNING**

This announcement is made pursuant to rule 13.09 of the Listing Rules and the Inside Information Provisions.

The Board wishes to inform Shareholders, holders of other securities and potential investors that, based on the latest available information and a preliminary assessment of the latest unaudited consolidated management accounts of the Group, the Company is expecting to record consolidated net profit of not less than RMB320.0 million, and consolidated adjusted net profit<sup>(1)</sup> of not less than RMB325.0 million, for the Period, as compared to consolidated net profit of RMB777.6 million, and consolidated adjusted net profit<sup>(1)</sup> of RMB805.0 million, for the Corresponding Period and consolidated net profit of RMB401.7 million, and consolidated adjusted net profit<sup>(1)</sup> of RMB407.6 million, for the six months ended 31 December 2021.

**Shareholders, holders of other securities of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.**

This announcement is made by VCREDIT Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to rule 13.09 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 of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”), holders of other securities of the Company and potential investors that, based on the latest available information and a preliminary assessment of the latest unaudited consolidated management accounts of the Group, the Company is expecting to record consolidated net profit of not less than RMB320.0 million, and consolidated adjusted net profit<sup>(1)</sup> of not less than RMB325.0 million, for the six months ended 30 June 2022 (the “**Period**”), as compared to consolidated net profit of RMB777.6 million, and consolidated adjusted net profit<sup>(1)</sup> of RMB805.0 million, for the six months ended 30 June 2021 (the “**Corresponding Period**”) and consolidated net profit of RMB401.7 million, and consolidated adjusted net profit<sup>(1)</sup> of RMB407.6 million, for the six months ended 31 December 2021.

The consolidated net profit and consolidated adjusted net profit for the Period is in line with the Board's expectations given the current prevailing regulatory limits on consumer loan interest rates affecting the consumer finance lending sector in China as a whole, which the Board anticipates are likely to continue at least for the remainder of the year.

In light of the sterner business conditions, the Board believes the Group has managed a solid performance from its operations for the Period in the circumstances, with the Group achieving a set of strong fundamental operating metrics including the following:

- (A) the number of loan transactions rose to 2.1 million for the Period, an increase of 23.5% as compared to 1.7 million for the Corresponding Period;
- (B) loan origination volume reached RMB24,642 million for the Period, an increase of 9.4% as compared to RMB22,526 million for the Corresponding Period, as the Group maintained its strategy of targeting and retaining higher quality prime and near-prime customers; and
- (C) to address risks from the overall Chinese macro-economy at the beginning of 2022 and intermittent COVID-19 outbreaks during the Period, the Group continued to refine its credit and risk management policy to proactively manage asset quality. This has enabled the Group to improve its loan portfolio asset quality and performance during the Period as illustrated by certain delinquency ratios used by the Group to measure its loan portfolio quality:
  - the projected First Payment Delinquency Ratio<sup>(2)</sup> in the second quarter of 2022, a leading indicator of the Group as to its asset quality among newly originated loans, was 0.25%, a decrease of 41.9% as compared to the First Payment Delinquency Ratio<sup>(2)</sup> of 0.43% for the fourth quarter of 2021
  - the M3+ Ratio<sup>(3)</sup> for the Period was 2.06%, a decrease of 13.8% as compared to the M3+ Ratio<sup>(3)</sup> of 2.39% for the fourth quarter of 2021

**Notes:**

- (1) **Adjusted net profit means net profit for the applicable period after excluding share-based compensation expenses.**
- (2) **First Payment Delinquency Ratio is defined as the total balance of outstanding principal amount of loans originated in the applicable period that were delinquent on their first payment due dates divided by the aggregate loan origination volume in that period.**
- (3) **M3+ ratio is calculated by dividing (i) the outstanding balance of online loans which have been delinquent for more than 3 months and have not been written off by (ii) the total outstanding balance of loans to customers excluding offline credit products, which had a negligible balance of RMB17.2 million as at 31 December 2021 and of RMB8.6 million as at 30 June 2022.**

The Board wishes Shareholders, holders of other securities of the Company and potential investors to note that the information contained in this announcement is based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the Period by the Board. The unaudited consolidated management accounts of the Group for the Period have not yet been reviewed or audited by the Company's audit committee or external auditor. The Company is still in the process of finalising the Group's unaudited consolidated interim results for the Period which may differ from the information contained in this announcement. The Group's unaudited consolidated interim results for the Period are expected to be published in August 2022.

**Shareholders, holders of other securities of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By order of the Board of  
**VCREDIT Holdings Limited**  
**Ma Ting Hung**  
Chairman

Hong Kong, 4 August 2022

*As at the date of this announcement, the board of directors of the Company comprises Mr. Ma Ting Hung as the chairman and an executive director; Mr. Liu Sai Wang Stephen and Mr. Liu Sai Keung Thomas as executive directors; Mr. Yip Ka Kay as a non-executive director; and Mr. Chen Derek, Mr. Chen Penghui and Mr. Fang Yuan as independent non-executive directors*