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China Success Finance Group Holdings Limited

中國金融發展(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3623)

PROFIT WARNING

This announcement is made by the Company pursuant to Inside Information Provisions under Part XIVA of the SFO and Rule 13.09(2) (a) of the Listing Rules.

The Board wishes to inform the Shareholders and potential investors that, based on the preliminary assessment of the Group's unaudited management accounts for the six months ended 30 June 2018 and information currently available to the Board, the Group is expected to record a decrease of net profit of not more than approximately 165% for the six months ending 30 June 2018, as compared to the same period last year, and is expected to record a net loss.

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

This announcement is made by China Success Finance Group Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Inside Information Provisions (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”) and Rule 13.09(2) (a) of the Listing Rules.

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment of the Group's unaudited management accounts for the six months ended 30 June 2018 (the “**Interim Period**”) and information currently available to the Board, the Group is expected to record a decrease of net profit of not more than approximately 165% for the Interim Period, as compared to the same period last year, thus to record a net loss. Such loss is mainly attributable to: (i) the Group's paying of

the interest expenses arising from the convertible bonds due in 2020 issued under the general mandate on 1 February 2018; (ii) the decrease in the Group's income from both interest penalty and financial consultancy service fees during the Interim Period as compared to the same period last year; and (iii) despite the Group had new commercial guarantee business, the relevant income should be allocated over the guarantee period under the accounting principle of income recognition, therefore, most of the income from the relevant guarantee fee currently remains to be recognized as deferred income, such that the income from the relevant guarantee fee could not significantly raise the profits of the Group for the Interim Period.

The information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the unaudited management accounts of the Group for the Interim Period and information currently available and such information has not been audited or reviewed by the Company's auditor. Actual financial results of the Group may be different from what is disclosed in this announcement. Shareholders and potential investors are advised to read carefully the interim results announcement of the Company for the Interim Period, which is expected to be issued on or about 29 August 2018.

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

By order of the Board
China Success Finance Group Holdings Limited
Zhang Tiewei
Chairman and Executive Director

Hong Kong, 10 August 2018

As at the date of this announcement, the Board comprises (i) six executive directors, namely, Mr. Zhang Tiewei, Mr. Li Bin, Ms. Dai Jing, Mr. Xu Kaiying, Mr. Pang Haoquan and Mr. Hung Hoi Ming Raymond, (ii) one non-executive director, namely, Mr. He Darong, and (iii) four independent non-executive directors, namely, Mr. Tsang Hung Kei, Mr. Au Tien Chee Arthur, Mr. Xu Yan and Mr. Zhou Xiaojiang.