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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 China Success Finance Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) 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 (Cap. 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on the preliminary assessment of the Group's unaudited management accounts for the six months ended 30 June 2024 (the “**Reporting Period**”) and information currently available to the Board, the Group expects its net revenue for the Reporting Period to record a significant increase by 1763% as compared to the same period of last year, i.e. the six months ended 30 June 2023 (the “**Last Year Period**”) and the loss for the Reporting Period to decrease in the range of 32% to 42% as compared to the Last Year Period.

The significant increase of revenue for the Reporting Period was mainly attributable to: (i) the guarantee business recorded a net guarantee fee income of approximately RMB 14 million, representing a significant increase of 702% as compared to the Last Year Period, primarily due to the growth in the guarantee services business; (ii) the revenue from the sales of market hog for the Reporting Period amounted to approximately RMB 4 million, representing a significant increase of 279% as compared to the Last Year Period, which was mainly attributable to the increased number of market hogs sold during the Reporting Period as compared with the Last Year Period; and (iii) the newly launched sales of energy storage systems business which commenced in December 2023, contributed approximately RMB 35 million during the Reporting Period.

The financial performance of the Group has improved during the Reporting Period, with a decrease in net loss for the Reporting Period, which mainly due to the combined effects of the following factors: (i) increase in revenue as explained above; (ii) the significant decrease in operating expenses as compared to the Last Year Period, which was mainly due to the decrease in the number of culled hogs and decrease in staff costs during the Reporting Period; (iii) the decrease in interest expense as compared to the Last Year Period, which was mainly due to a lower principal amount of the convertible bonds during the Reporting Period; and (iv) increase in provision for impairment loss on the property, plant and equipment in hog selling segment due to the challenging environment in the industry.

Despite the foregoing, the Group maintains a healthy cash flow and financial position to meet its business needs. In the next stage, the Group will continue the development strategy of “focusing on the core business and driving diversification”, prudently develop the traditional guarantee business and the financial leasing business, speed up efforts to explore the hog breeding supply chain business and the international energy storage supply chain business, increase its operational resilience with diversified business and ensure its high-quality development.

The information contained in this announcement is based on the preliminary assessment by the Board of the unaudited management accounts of the Group for the Reporting Period and the information currently available to the Board. The Group is in the process of finalizing its interim results for the Reporting Period. Actual financial results of the Group may be different from what is disclosed in this announcement. Shareholders and potential investors of the Company are advised to read carefully the announcement of the Company in relation to its financial results for the Reporting Period.

**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, 23 August 2024

*As at the date of this announcement, the Board comprises (i) five executive directors, namely, Mr. Zhang Tiewei, Mr. Li Bin, Ms. Dai Jing, Mr. Xu Kaiying and Mr. Pang Haoquan and (ii) three independent non-executive directors, namely, Mr. Tsang Hung Kei, Mr. Au Tien Chee Arthur and Mr. Zhou Xiaojiang.*