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YIXIN GROUP LIMITED

易鑫集团有限公司

(incorporated in the Cayman Islands with limited liability and carrying on business in Hong Kong as “Yixin Automotive Technology Group Limited”)

(Stock Code: 2858)

INSIDE INFORMATION PROFIT WARNING

This announcement is issued 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of Yixin Group Limited 易鑫集团有限公司 (the “**Company**”, and together with its subsidiaries and consolidated affiliated entities, the “**Group**”) announces that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the three months ended March 31, 2020, it is expected that the Group will record a loss for the period (the “**Net Loss**”) ranging from RMB900 million to RMB1.1 billion for the six months ending June 30, 2020 as compared to a profit for the period (the “**Net Profit**”) of approximately RMB123 million in the corresponding period in 2019, and an adjusted Net Loss* ranging from RMB800 million to RMB1.0 billion for the six months ending June 30, 2020 as compared to an adjusted Net Profit* of approximately RMB343 million in the corresponding period in 2019.

The expected Net Loss and adjusted Net Loss* are mainly due to the decrease in revenue and the increase in provision for finance receivables. The outbreak of COVID-19 in early 2020 and subsequent nationwide lockdown has caused a significant year-over-year decline in both new and used passenger vehicle sales and has substantively lowered consumer’s consumption demand and repayment capabilities, which have negatively impacted the Group’s trading volume, revenues and delinquency ratio for the period.

The information contained in this announcement represents preliminary statistics and a preliminary assessment based on the unaudited consolidated management accounts of the Group, which have not been audited or reviewed by the Company’s auditor. The condensed consolidated financial information of the Group for the six months ending June 30, 2020 will be disclosed in the interim results announcement of the Company in August 2020.

Reference is made to the announcement of the Company dated September 13, 2019 (“**Rule 3.7 Announcement**”) in relation to, among other things, the Proposed Transaction and the Possible Offer (both as defined in the Rule 3.7 Announcement).

The profit warning included in this announcement (“**Profit Warning**”) constitutes a profit forecast under Rule 10 of The Code on Takeovers and Mergers of Hong Kong (“**Takeovers Code**”) issued by the Securities and Futures Commission of Hong Kong and should be reported on by the Company’s financial advisers and auditors or accountants in accordance with Rule 10.4 of the Takeovers Code. In view of the requirements of timely disclosures of the inside information under Rule 13.09 of the Listing Rules and the Inside Information Provisions, the Company is required to issue this announcement as soon as practicable and given the time constraints, the Company has encountered genuine practical difficulties (time-wise or otherwise) in meeting the reporting requirements set out in Rule 10.4 of the Takeovers Code.

Under Rule 10.4 of the Takeovers Code, if the Profit Warning is published first in an announcement, it must be repeated in full, together with the reports from the Company’s financial advisers and auditors or accountants on the said profit forecast, in the next document to be sent to the shareholders of the Company (“**Shareholders’ Document**”). However, if the interim results announcement of the Company for the six months ended June 30, 2020, which falls within the ambit of Rule 10.9 of the Takeovers Code, has been published by the time of release of the next Shareholders’ Document and the relevant results together with the notes to the financial statements are included in the next Shareholders’ Document, the requirements to report on the Profit Warning under Rule 10.4 of the Takeovers Code will no longer apply.

Shareholders of the Company and potential investors should note that the Profit Warning has not been reported on in accordance with the requirements under Rule 10 of the Takeovers Code and does not meet the standard required by Rule 10 of the Takeovers Code. Shareholders of the Company and potential investors should therefore exercise caution in placing reliance on the Profit Warning in assessing the merits and demerits of the Possible Offer.

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
Yixin Group Limited
易鑫集团有限公司
Andy Xuan Zhang
Chairman

Hong Kong, June 12, 2020

As at the date of this announcement, the Directors are:

Executive Directors	Mr. Andy Xuan Zhang and Mr. Dong Jiang
Non-executive Directors	Mr. James Gordon Mitchell, Mr. Jimmy Chi Ming Lai, Mr. Chenkai Ling and Mr. Huan Zhou
Independent non-executive Directors	Mr. Tin Fan Yuen, Mr. Chester Tun Ho Kwok and Ms. Lily Li Dong

* *Adjusted Net Profit/Adjusted Net Loss is defined as the Company's Net Profit/Net Loss as adjusted by the effect of certain non-cash items and one-time events, namely fair value gain/(loss) on financial assets, amortization of intangible assets resulting from asset and business acquisitions, share-based compensation expenses and any related tax impact.*

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.