

X Financial Announces Dividend of US \$0.10 per ADS for Fiscal Year of 2018

SHENZHEN, China, March 18, 2019 /PRNewswire/ -- X Financial (NYSE: XYF) (the "Company" or "we"), a leading technology-driven personal finance company in China, today announced the Company's Board of Directors (the "Board") has approved an annual cash dividend policy for fiscal year 2018.

The amount of cash dividends to be distributed for the fiscal year ended December 31, 2018 is US\$0.10 per American Depositary Share ("ADS") (or US\$0.05 per ordinary share), equivalent to approximately US\$15.0 million in total. The dividends are expected to be paid on April 26, 2019 to the holders of the Company's ordinary shares of record as of the close of business on April 5, 2019.

The determination to declare and pay the annual dividend and the amount of dividend in any year will be made at the discretion of the Board and will be based upon the Company's operations and earnings, cash flow, financial condition and other relevant factors that the Board may deem appropriate.

As of December 31, 2018, the Company had approximately RMB860.0million (US\$125.1 million) in cash and cash equivalents.

Mr. Justin Tang, Chairman and CEO of X Financial, said: "We are glad to announce our first dividend distribution as a listed company. We believe the dividend policy demonstrates our confidence in the strong growth potential of our business and future business prospects. We will continue to heavily invest in our R&D, risk control and new business sectors, to drive long term growth of our business and reward our shareholders."

About X Financial

X Financial (NYSE: XYF) (the "Company") is a leading technology-driven personal finance company in China focused on meeting the huge demand for credit from individuals and small-to-medium-sized enterprise owners. The Company's proprietary big data-driven risk control system, WinSAFE, builds risk profiles of prospective borrowers using a variety data-driven credit assessment methodology to accurately evaluate a borrower's value, payment capability, payment attitude and overall creditworthiness. X Financial has established a strategic partnership with ZhongAn Online P&C Insurance Co., Ltd. in multiple areas of its business operations to directly complement its cutting-edge risk management and credit assessment capabilities. ZhongAn Online P&C Insurance Co., Ltd. provides credit insurance on X Financial's investment products which significantly enhances investor confidence and allows the Company to attract a diversified and low-cost funding base from individuals, enterprises and financial institutions to support its growth. X Financial leverages financial technology to provide convenient, efficient, and secure investment services to a wide range of high-quality borrowers and mass affluent investors which complements traditional financial institutions and helps to promote the development of inclusive finance in China.

For more information, please visit: <http://ir.xiaoyinggroup.com>.

Safe Harbor Statement

This announcement contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These statements can be identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates," "potential," "continue," "ongoing," "targets," "guidance" and similar statements. The Company may also

make written or oral forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission (the "SEC"), in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Any statements that are not historical facts, including statements about the Company's beliefs and expectations, are forward-looking statements that involve factors, risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Such factors and risks include, but not limited to the following: the Company's goals and strategies; its future business development, financial condition and results of operations; the expected growth of the credit industry, and marketplace lending in particular, in China; the demand for and market acceptance of its marketplace's products and services; its ability to attract and retain borrowers and investors on its marketplace; its relationships with its strategic cooperation partners; competition in its industry; and relevant government policies and regulations relating to the corporate structure, business and industry. Further information regarding these and other risks, uncertainties or factors is included in the Company's filings with the SEC. All information provided in this announcement is current as of the date of this announcement, and the Company does not undertake any obligation to update such information, except as required under applicable law.

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