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Sunfonda Group Holdings

SUNFONDA GROUP HOLDINGS LIMITED

新豐泰集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01771)

POSITIVE PROFIT ALERT

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

Based on a preliminary assessment, the Board wishes to inform the Shareholders and potential investors that, it is expected that there would be a substantial increase in the Group's consolidated profit for the six months ended 30 June 2017, and that the profit attributable to owners of the parent for the six months ended 30 June 2017 would be not less than 400% of that for the same period last year. The above information is the preliminary assessment by the Company based on the consolidated management accounts and other information currently available, which have not been audited or reviewed by the Company's auditors. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

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

Based on a preliminary assessment, the board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, it is expected that there would be a substantial increase in the Group's consolidated profit for the six months ended 30 June 2017, and that the profit attributable to owners of the parent for the six months ended 30 June 2017 would be not less than 400% of that for the same period last year.

The Board believes that the increase in profit attributable to owners of the parent for the six months ended 30 June 2017 was mainly attributed to i) improvement of the Group's operational integrated management efficiency; ii) significant increase in gross profit margin of new automobiles as a result of the major brands' prominent performance with more clear advantage of the brand portfolio; and iii) stable growth in income from after-sales services with rapid development of other derivative businesses.

Shareholders and potential investors should note that the information set out in this announcement is based on a preliminary assessment by the Company based on the consolidated management accounts and other information currently available, which have not been audited or reviewed by the Company's auditors. The Company is still in the process of finalising the Group's consolidated financial statements for the six months ended 30 June 2017. Details on the financial information for the six months ended 30 June 2017 to be disclosed in the interim results announcement of the Company (which is expected to be announced by the end of August 2017) shall prevail.

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

By Order of the Board
Sunfonda Group Holdings Limited
Mr. Wu Tak Lam
Chairman

26 July 2017

As at the date of this announcement, the Board comprises four executive directors, namely, Mr. Wu Tak Lam, Ms. Chiu Man, Mr. Jia Ruobing and Mr. Gou Xinfeng; and three independent non-executive directors, namely, Mr. Liu Jie, Mr. Song Tao and Dr Liu Xiaofeng.