Fortune Sun (China) Holdings Limited
富陽（中國）控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 00352)

PROFIT WARNING

This announcement is made by Fortune Sun (China) 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 (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Company for the year ended 31 December 2019 (the "**Year**") and currently available information, the Company expects to record a significant increase in its loss attributable to owners of the Company for the Year by over 70% as compared with the corresponding period in 2018 of RMB7,553,000.

The increase in loss attributable to the owners of the Company is mainly due to the significant decrease in revenue as compared with the year ended 31 December 2018, mainly resulting from the sharp decline in demand from the primary property markets in some of the second and third tier cities in the People's Republic of China (the "**PRC**"). Such sharp decline in demand was mainly caused by (i) the impact of the trade war between the PRC and the United States; and (ii) the heavier restrictions implemented by the PRC government by imposing more criteria on both property developers and purchasers of properties since early 2019, which reduced the transaction volume in the real estate markets and caused delay in the launching of some of the real estate projects.

In view of the recent outbreak of the novel coronavirus disease 2019 (COVID-19), with the precise extent of the impact to the properties agency markets and the sales operation of the Group in the PRC still unknown, all of the executive Directors and some of the senior management of the Group have voluntarily agreed to a 20% reduction to their salary package for a period of 5 months will effect from 1 February 2020 to reduce cost. In the meantime, the Group will continue to strengthen cost control measures, including but not limited to, by negotiating with landlords for rental reduction, seeking for most favourable terms with the suppliers and strengthening our services. The management of the Company will continue to closely monitor the market condition and adjust its corresponding strategies in a timely manner.

The Company is still in the process of finalising the consolidated annual results of the Group for the Year. The information contained in this announcement is only an assessment by the management of the Company based on currently available information and such information has not yet been audited or confirmed by the Company's auditors. The consolidated annual results of the Group for the Year are expected to be announced before the end of March 2020. Shareholders and potential investors of the Company are advised to read the Company's annual results announcement with care when it is published.

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

By order of the Board
Fortune Sun (China) Holdings Limited
Chiang Chen Feng
Chairman

Hong Kong, 28 February 2020

As at the date of this announcement, the executive Directors are Mr. Chiang Chen Feng, Ms. Chang Hsiu Hua and Mr. Han Lin; the non-executive Director is Ms. Lin Chien Ju; and the independent non-executive Directors are Mr. Cui Shi Wai, Mr. Lam Chun Choi and Mr. Chow Yiu Ming.