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Futong Technology Development Holdings Limited

富通科技發展控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 465)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that after a preliminary assessment by the Board of the unaudited consolidated management accounts of the Group, it is expected that the profit attributable to Shareholders for the six-month period ended 30 June 2020 may record a decline of more than 60% as compared to that of the corresponding period in 2019.

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

This announcement is made by Futong Technology Development 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 Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (the “**SFO**”).

After a preliminary assessment on the unaudited consolidated management accounts of the Group, 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 the profit attributable to Shareholders for the six-month period ended 30 June 2020 may record a decline of more than 60% as compared to that of the corresponding period in 2019. For the six-month period ended 30 June 2020, despite (i) a reversal of provision for doubtful debts of approximately RMB3,600,000 as a result of the strengthened control over the trade receivables and (ii) a

decrease in selling, administrative and financial expenses of approximately 20-25% due to the implementation of tight cost control measures, there is an expected decline in profit of the Group due to the outbreak of Novel Coronavirus as well as the macroeconomic uncertainty which led to some of the Group's customers delaying their purchase plan and having remained cautious with their spending, resulting in a decrease in revenue of approximately 25-30% as compared to the corresponding period in 2019.

As the Company is still in the process of finalizing the consolidated results of the Group for the six-month period ended 30 June 2020, the information contained in this announcement (a) is only a preliminary assessment by the Board based on the unaudited consolidated management accounts of the Group which have not been reviewed by the Company's auditor and the audit committee; and (b) may be subject to adjustments upon further review.

Details of the financial information of the Group for the six-month period ended 30 June 2020 are expected to be published in the interim results announcement before the end of August 2020 in compliance with the requirements of the Listing Rules.

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

For and on behalf of the Board
Futong Technology Development Holdings Limited
Chen Jian
Executive Director

Hong Kong, 15 July 2020

As at the date of this announcement, the executive Director is Mr. CHEN Jian, the non-executive Director is Ms. CHEN Jing; and the independent non-executive Directors are Mr. CHOW Siu Lui, Mr. LO Kwok Kwei David and Mr. YAO Yun.