Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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 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**").

The board of directors of the Company (the "**Board**") hereby informs the shareholders of the Company (the "**Shareholders**") and potential investors that, based on a preliminary assessment of the consolidated management accounts of the Group and other information currently available to the Board, the Group is expected to record an increase of approximately 20% in the profit attributable to owners of the parent for the year ended 31 December 2020 as compared to the profit attributable to owners of the parent (being RMB120.0 million) for the year ended 31 December 2019.

The expected increase in the profit attributable to owners of the parent for the year ended 31 December 2020 was mainly due to the fact that (i) as the Chinese automobile market experienced a quick rebound after the fading of the pandemic, particularly for the luxury automobile market which maintained a robust growth momentum during the second half of the year, the Group captured the market opportunities by optimizing its network portfolio, which contributed to further enhancement in the scale of sales in the second half of 2020 with an anticipated value of over ten billion on an annual basis; (ii) the Group actively adjusted the marketing strategies, refined its management, put customers' needs at the center of the business and comprehensively improved the quality of operation; and (iii) the utilization rate of various operating expenses was further improved.

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 of the Group and other information currently available to the Company, which have not been audited or reviewed by the Company's auditors or reviewed by the audit committee under the Board.

Shareholders and potential investors should refer to the annual results announcement of the Company (which is expected to be published by the end of March 2021) for details of the financial information of the Group for the year ended 31 December 2020.

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

18 February 2021

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