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Fu Shou Yuan International Group Limited

福壽園國際集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1448)

VOLUNTARY ANNOUNCEMENT

ACQUISITION OF ANHUI LONGMEN CULTURAL CEMETERY CO., LTD.*

This announcement is made by Fu Shou Yuan International Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis for the purpose of keeping its shareholders and potential investors informed of the latest business development of the Group.

The board of directors (the “**Board**”) of the Company is pleased to announce that, on May 8, 2021, Shanghai FSY Industry Group Co., Ltd.* (上海福壽園實業集團有限公司) (“**Shanghai Fu Shou Yuan**”), a wholly-owned subsidiary of the Company, has entered into an investment agreement (the “**Investment Agreement**”) with the existing sole shareholder (the “**Seller**”) of Anhui Longmen Cultural Cemetery Co., Ltd.* (安徽龍門文化陵園有限公司) (the “**Target Company**”) and the Target Company, pursuant to which Shanghai Fu Shou Yuan will acquire from the Seller the entire equity interest in the Target Company by way of assumed debt acquisition (the “**Acquisition**”), at a total investment amount of RMB145,000,000. Upon completion of the Acquisition, the Target Company will become an indirect wholly-owned subsidiary of the Company.

The Target Company is located in Suzhou City (宿州市), Anhui Province, with its constructed, well-facilitated and qualified memorial park with beautiful landscaping, substantial landbank and convenient transportation. The Group believes that the Suzhou City has promising market prospects and great potential for its long term development. The Board believes that the Group's operational experience and expertise in the death care service industry, together with the continuous prominent presence in Anhui Province will enable the Group to expand the business geographically, enlarge the brand awareness, enhance the overall operation capability as well as improve the core competitiveness nationwide through the Acquisition. As such, the Board is of the view that the Acquisition is consistent with the Group's investment strategy and is also in line with the interest of the Company and its shareholders as a whole.

To the best of the Directors' knowledge and belief after making reasonable enquiries, the Seller is a third party independent of the Company and its connected persons. Therefore, the Acquisition does not constitute a connected transaction of the Company under Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). As none of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) of the Acquisition reaches or exceeds 5%, the Acquisition does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules. Further announcement(s) will be made by the Company in accordance with the requirements under the Listing Rules as and when appropriate.

By order of the Board
Fu Shou Yuan International Group Limited
Bai Xiaojiang
Chairman and Executive Director

Hong Kong, May 9, 2021

As at the date of this announcement, the executive Directors are Mr. Bai Xiaojiang, Mr. Tan Leon Li-an and Mr. Wang Jisheng; the non-executive Directors are Mr. Lu Hesheng, Mr. Huang James Chih-cheng and Ms. Zhou Lijie; and the independent non-executive Directors are Mr. Chen Qunlin, Mr. Luo Zhuping, Mr. Ho Man, Ms. Liang Yanjun and Mr. Chen Xin.

* *Denotes English translation of the name of a Chinese company and is provided for identification purpose only.*