KONG SUN HOLDINGS LIMITED
江山控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 295)

PROFIT WARNING

This announcement is made by Kong Sun Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the "**Director(s)**") of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors of the Company that, based on the preliminary review of the Group's unaudited consolidated management accounts for the year ended 31 December 2021, the Group is expected to record a net loss in the range of approximately RMB850,000,000 to RMB940,000,000 for the year ended 31 December 2021 as compared to a net loss of approximately RMB625,734,000 for the year ended 31 December 2020. Such expected change in net loss for the year ended 31 December 2021 was mainly attributable to (i) the decrease in gross profit of approximately RMB340,000,000 for the year ended 31 December 2021 compared to the year ended 31 December 2020; (ii) the decrease in finance costs in the range of approximately RMB220,000,000 to RMB 250,000,000 for the year ended 31 December 2021 compared to the year ended 31 December 2020; (iii) the increase in net losses on disposal subsidiaries in the range of approximately RMB290,000,000 to RMB340,000,000; (iv) the decrease in impairment losses on disposal group classified as held for sale of approximately RMB80,000,000; and (v) the decrease in impairment losses on solar power plant under construction of approximately RMB80,000,000.

The Company is still in the process of finalising the annual results of the Group for the year ended 31 December 2021. The information contained in this announcement is only a preliminary assessment by the Board based on the Group's unaudited consolidated management accounts for the year ended 31 December 2021 and the information currently available to the Company, which has not been audited or reviewed by the independent auditors of the Company nor approved by the audit committee of the Company.

Shareholders and potential investors of the Company are advised to read carefully the annual results announcement of the Company for the year ended 31 December 2021, which is expected to be published before the end of March 2022. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Kong Sun Holdings Limited
Mr. Jin Yanbing
Executive Director

Hong Kong, 22 March 2022

As of the date of this announcement, the Board comprises two executive Directors, Mr. Jin Yanbing and Mr. Qin Hongfu, one non-executive Director, Mr. Jiang Hengwen, and three independent non-executive Directors, Mr. Lang Wangkai, Ms. Wu Wennan and Mr. Xu Xiang.